

## VIRGINIA ACTS OF ASSEMBLY — CHAPTER

*An Act to amend and reenact §§ 2.2-1514, 10.1-1188, 15.2-2317 through 15.2-2327, 15.2-2403, 15.2-4839, 15.2-4840, 33.1-3, 33.1-13, 33.1-19.1, 33.1-23.03, 33.1-23.03:8, 33.1-223.2:12, 33.1-268, 33.1-269, 33.1-277, 46.2-694, 46.2-694.1, 46.2-697, 46.2-1135, 58.1-605, 58.1-606, 58.1-811, 58.1-2217, 58.1-2249, 58.1-2289, 58.1-2403, 58.1-2425, 58.1-2701, and 58.1-2706 of the Code of Virginia; to amend the Code of Virginia by adding a section numbered 15.2-2223.1, by adding in Chapter 22 of Title 15.2 an article numbered 9, consisting of sections numbered 15.2-2328 and 15.2-2329, by adding in Article 1 of Chapter 24 of Title 15.2 a section numbered 15.2-2403.1, by adding a section numbered 15.2-4838.1, by adding in Title 30 a chapter numbered 42, consisting of sections numbered 30-278 through 30-282, by adding a section numbered 33.1-23.4:01, by adding in Title 33.1 a chapter numbered 10.2, consisting of sections numbered 33.1-391.6 through 33.1-391.15, by adding sections numbered 46.2-206.1, 46.2-702.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-625.1, 58.1-802.1, and 58.1-815.4, by adding in Chapter 17 of Title 58.1 an article numbered 4.1, consisting of sections numbered 58.1-1724.2 through 58.1-1724.7, by adding a section numbered 58.1-2402.1, by adding in Article 2 of Chapter 25 of Title 58.1 a section numbered 58.1-2531, and by adding sections numbered 58.1-3221.2 and 58.1-3825.1; and to repeal the tenth enactment clauses of Chapter 1019 and Chapter 1044 of the Acts of Assembly of 2000, and to authorize the Commonwealth Transportation Board to issue certain bonds, relating to transportation.*

[H 3202]

Approved

**Be it enacted by the General Assembly of Virginia:**  
**1. That §§ 2.2-1514, 10.1-1188, 15.2-2317 through 15.2-2327, 15.2-2403, 15.2-4839, 15.2-4840, 33.1-3, 33.1-13, 33.1-19.1, 33.1-23.03, 33.1-23.03:8, 33.1-223.2:12, 33.1-268, 33.1-269, 33.1-277, 46.2-694, 46.2-694.1, 46.2-697, 46.2-1135, 58.1-605, 58.1-606, 58.1-811, 58.1-2217, 58.1-2249, 58.1-2289, 58.1-2403, 58.1-2425, 58.1-2701, and 58.1-2706 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 15.2-2223.1, by adding in Chapter 22 of Title 15.2 an article numbered 9, consisting of sections numbered 15.2-2328 and 15.2-2329, by adding in Article 1 of Chapter 24 of Title 15.2 a section numbered 15.2-2403.1, by adding a section numbered 15.2-4838.1, by adding in Title 30 a chapter numbered 42, consisting of sections numbered 30-278 through 30-282, by adding a section numbered 33.1-23.4:01, by adding in Title 33.1 a chapter numbered 10.2, consisting of sections numbered 33.1-391.6 through 33.1-391.15, by adding sections numbered 46.2-206.1, 46.2-702.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-625.1, 58.1-802.1, and 58.1-815.4, by adding in Chapter 17 of Title 58.1 an article numbered 4.1, consisting of sections numbered 58.1-1724.2 through 58.1-1724.7, by adding a section numbered 58.1-2402.1, by adding in Article 2 of Chapter 25 of Title 58.1 a section numbered 58.1-2531, and by adding sections numbered 58.1-3221.2 and 58.1-3825.1, as follows:**

**§ 2.2-1514. Designation of general fund for nonrecurring expenditures.**

**A. As used in this section:**

**"The Budget Bill"** means the "The Budget Bill" submitted pursuant to § 2.2-1509, including any amendments to a general appropriation act pursuant to such section.

**"Nonrecurring expenditures"** means the acquisition or construction of capital outlay projects as defined in § 2.2-1503.2, the acquisition or construction of capital improvements, the acquisition of land, the acquisition of equipment, or other expenditures of a one-time nature as specified in the general appropriation act. *Such term shall not include any expenditures relating to transportation, including but not limited to transportation maintenance.*

**B. At the end of each fiscal year, the Comptroller shall designate within his annual report pursuant to § 2.2-813 an amount for nonrecurring expenditures, which shall equal the remaining amount of the general fund balance that is not otherwise reserved or designated, as follows: one-third of the remaining amount of the general fund balance that is not otherwise reserved or designated shall be designated by the Comptroller for nonrecurring expenditures, and two-thirds shall be designated for deposit into the Transportation Trust Fund. No such designation shall be made unless the full amounts required for other reserves or designations including, but not limited to, (i) the Revenue Stabilization Fund deposit pursuant to § 2.2-1829, (ii) the Virginia Water Quality Improvement Fund deposit pursuant to § 10.1-2128, (iii) capital outlay reappropriations pursuant to the general appropriation act, (iv) (a) operating expense reappropriations pursuant to the general appropriation act, and (b) reappropriations of unexpended appropriations to certain public institutions of higher education pursuant to § 2.2-5005, (v)**

REENROLLED

HB3202ER2

57 pro rata rebate payments to certain public institutions of higher education pursuant to § 2.2-5005, (vi)  
 58 the unappropriated balance anticipated in the general appropriation act for the end of such fiscal year,  
 59 and (vii) interest payments on deposits of certain public institutions of higher education pursuant to  
 60 § 2.2-5005 are set aside. The Comptroller shall set aside amounts required for clauses (iv) (b), (v), and  
 61 (vii) beginning with the initial fiscal year as determined under § 2.2-5005 and for all fiscal years  
 62 thereafter.

63 C. The Governor shall include in "The Budget Bill" pursuant to § 2.2-1509 recommended  
 64 appropriations from the general fund or recommended amendments to general fund appropriations in the  
 65 general appropriation act in effect at that time an amount for nonrecurring expenditures *and an amount*  
 66 *for deposit into the Transportation Trust Fund* equal to the ~~amount~~ amounts designated by the  
 67 Comptroller for such ~~purpose~~ purposes pursuant to the provisions of subsection B of ~~this section~~. *Such*  
 68 *deposit to the Transportation Trust Fund shall not preclude the appropriation of additional amounts*  
 69 *from the general fund for transportation purposes.*

70 § 10.1-1188. State agencies to submit environmental impact reports on major projects.

71 A. All state agencies, boards, authorities and commissions or any branch of the state government  
 72 shall prepare and submit an environmental impact report to the Department on each major state project.

73 "Major state project" means the acquisition of an interest in land for any state facility construction,  
 74 or the construction of any facility or expansion of an existing facility which is hereafter undertaken by  
 75 any state agency, board, commission, authority or any branch of state government, including  
 76 state-supported institutions of higher learning, which costs \$100,000 or more. For the purposes of this  
 77 chapter, authority shall not include any industrial development authority created pursuant to the  
 78 provisions of Chapter 49 (§ 15.2-4900 et seq.) of Title 15.2 or Chapter 643, as amended, of the 1964  
 79 Acts of Assembly. Nor shall authority include any housing development or redevelopment authority  
 80 established pursuant to state law. For the purposes of this chapter, branch of state government shall ~~not~~  
 81 ~~include~~ *apply to any county, city or town of the Commonwealth only in connection with highway*  
 82 *construction, reconstruction, or improvement projects affecting highways or roads undertaken by the*  
 83 *county, city, or town.*

84 Such environmental impact report shall include, but not be limited to, the following:

- 85 1. The environmental impact of the major state project, including the impact on wildlife habitat;
- 86 2. Any adverse environmental effects which cannot be avoided if the major state project is  
 87 undertaken;
- 88 3. Measures proposed to minimize the impact of the major state project;
- 89 4. Any alternatives to the proposed construction; and
- 90 5. Any irreversible environmental changes which would be involved in the major state project.

91 For the purposes of subdivision 4 of this subsection, the report shall contain all alternatives  
 92 considered and the reasons why the alternatives were rejected. If a report does not set forth alternatives,  
 93 it shall state why alternatives were not considered.

94 B. For purposes of this chapter, this subsection shall ~~not only~~ apply to the review of highway and  
 95 road construction projects or any part thereof. The Secretaries of Transportation and Natural Resources  
 96 shall jointly establish procedures for review and comment by state natural and historic resource agencies  
 97 of highway and road construction projects. Such procedures shall provide for review and comment on  
 98 appropriate projects and categories of projects to address the environmental impact of the project, any  
 99 adverse environmental effects which cannot be avoided if the project is undertaken, the measures  
 100 proposed to minimize the impact of the project, any alternatives to the proposed construction, and any  
 101 irreversible environmental changes which would be involved in the project.

102 § 15.2-2223.1. *Comprehensive plan to include urban development areas; new urbanism.*

103 A. *Every county, city, or town that has adopted zoning pursuant to Article 7 (§ 15.2-2280 et seq.) of*  
 104 *Chapter 22 of Title 15.2 and that (i) has a population of at least 20,000 and population growth of at*  
 105 *least 5% or (ii) has population growth of 15% or more, shall, and any county, city or town may, amend*  
 106 *its comprehensive plan to incorporate one or more urban development areas. For purposes of this*  
 107 *section, population growth shall be the difference in population from the next-to-latest to the latest*  
 108 *decennial census year, based on population reported by the United States Bureau of the Census. For*  
 109 *purposes of this section, an urban development area is an area designated by a locality that is*  
 110 *appropriate for higher density development due to proximity to transportation facilities, the availability*  
 111 *of a public or community water and sewer system, or proximity to a city, town, or other developed area.*  
 112 *The comprehensive plan shall provide for commercial and residential densities within urban*  
 113 *development areas that are appropriate for reasonably compact development at a density of at least four*  
 114 *residential units per gross acre and a minimum floor area ratio of 0.4 per gross acre for commercial*  
 115 *development. The comprehensive plan shall designate one or more urban development areas sufficient*  
 116 *to meet projected residential and commercial growth in the locality for an ensuing period of at least 10*  
 117 *but not more than 20 years, which may include phasing of development within the urban development*

areas. Future growth shall be based on official estimates and projections of the Weldon Cooper Center for Public Service of the University of Virginia or other official government sources. The boundaries and size of each urban development area shall be reexamined and, if necessary, revised every five years in conjunction with the update of the comprehensive plan and in accordance with the most recent available population growth estimates and projections. Such districts may be areas designated for redevelopment or infill development.

B. The comprehensive plan shall further incorporate principles of new urbanism and traditional neighborhood development, which may include but need not be limited to (i) pedestrian-friendly road design, (ii) interconnection of new local streets with existing local streets and roads, (iii) connectivity of road and pedestrian networks, (iv) preservation of natural areas, (v) satisfaction of requirements for stormwater management, (vi) mixed-use neighborhoods, including mixed housing types, (vii) reduction of front and side yard building setbacks, and (viii) reduction of subdivision street widths and turning radii at subdivision street intersections.

C. The comprehensive plan shall describe any financial and other incentives for development in the urban development areas.

D. No county, city, or town that has amended its comprehensive plan in accordance with this section shall limit or prohibit development pursuant to existing zoning or shall refuse to consider any application for rezoning based solely on the fact that the property is located outside the urban development area.

E. Any county, city, or town that would be required to amend its plan pursuant to this section that determines that its plan accommodates growth in a manner consistent with this section, upon adoption of a resolution certifying such compliance, shall not be required to further amend its plan.

F. Any county that amends its comprehensive plan pursuant to this section may designate one or more urban development areas in any incorporated town within such county, if the governing body of the town has also amended its comprehensive plan to designate the same areas as urban development areas with at least the same density designated by the county.

G. To the extent possible, state and local transportation, housing, and economic development funding shall be directed to the urban development area.

§ 15.2-2317. Applicability of article.

This article shall apply to (i) any county having a population of 500,000 or more as determined by the most recent U.S. Census, (ii) any county or city adjacent thereto, (iii) any city contiguous to such adjacent county or city, (iv) any town within such county or an adjacent county, (v) any county having a population between 58,000 and 62,000 as determined by the 1990 U.S. Census, (vi) Fauquier County, (vii) Spotsylvania County and (viii) Frederick County any locality that has adopted zoning pursuant to Article 7 (§ 15.2-2280 et seq.) of Chapter 22 of Title 15.2 and that (i) has a population of at least 20,000 and has a population growth rate of at least 5% or (ii) has population growth of 15% or more. For the purposes of this section, population growth shall be the difference in population from the next-to-latest to the latest decennial census year, based on population reported by the United States Bureau of the Census.

§ 15.2-2318. Definitions.

As used in this article, unless the context requires a different meaning:

"Cost" includes, in addition to all labor, materials, machinery and equipment for construction, (i) acquisition of land, rights-of-way, property rights, easements and interests, including the costs of moving or relocating utilities, (ii) demolition or removal of any structure on land so acquired, including acquisition of land to which such structure may be moved, (iii) survey, engineering, and architectural expenses, (iv) legal, administrative, and other related expenses, and (v) interest charges and other financing costs if impact fees are used for the payment of principal and interest on bonds, notes or other obligations issued by the locality to finance the road improvement.

"Impact fee" means a charge or assessment imposed against new development in order to generate revenue to fund or recover the costs of reasonable road improvements necessitated by and attributable to benefiting the new development. Impact fees may not be assessed and imposed for road repair, operation and maintenance, nor to expand existing roads to meet demand which existed prior to the new development.

"Impact fee service area" means land designated by ordinance within a locality, an area designated within the comprehensive plan of a locality having clearly defined boundaries and clearly related traffic needs and within which development is to be subject to the assessment of impact fees.

"Road improvement" includes construction of new roads or improvement or expansion of existing roads and related appurtenances as required by applicable construction standards of the Virginia Department of Transportation, or the applicable standards of a locality with road maintenance responsibilities, to meet increased demand attributable to new development. Road improvements do not include on-site construction of roads which a developer may be required to provide pursuant to

§§ 15.2-2241 through 15.2-2245.

§ 15.2-2319. Authority to assess and impose impact fees.

Any applicable locality may, by ordinance pursuant to the procedures and requirements of this article, assess and impose impact fees on new development to pay all or a part of the cost of reasonable road improvements ~~attributable in substantial part to that benefit~~ the new development.

Prior to the adoption of the ordinance, a locality shall establish an impact fee advisory committee. The committee shall be composed of not less than five nor more than ten members appointed by the governing body of the locality and at least forty percent of the membership shall be representatives from the development, building or real estate industries. The planning commission or other existing committee that meets the membership requirements may serve as the impact fee advisory committee. The committee shall serve in an advisory capacity to assist and advise the governing body of the locality with regard to the ordinance. No action of the committee shall be considered a necessary prerequisite for any action taken by the locality in regard to the adoption of an ordinance.

§ 15.2-2320. Impact fee service areas to be established.

The locality shall delineate one or more impact fee service areas within its ~~jurisdiction~~ *comprehensive plan*. Impact fees collected from new development within an impact fee service area shall be expended for road improvements ~~within~~ *benefiting* that impact fee service area. An impact fee service area may encompass more than one road improvement project. *A locality may exclude urban development areas designated pursuant to § 15.2-2223.1 from impact fee service areas.*

§ 15.2-2321. Adoption of road improvements program.

Prior to adopting a system of impact fees, the locality shall conduct an assessment of road improvement needs ~~within~~ *benefiting* an impact fee service area ~~and in the locality~~ and shall adopt a road improvements plan for the area showing the new roads proposed to be constructed and the existing roads to be improved or expanded and the schedule for undertaking such construction, improvement or expansion. The road improvements plan shall be adopted as an amendment to the required comprehensive plan and shall be incorporated into the capital improvements program or, in the case of the counties where applicable, the six-year plan for secondary road construction pursuant to § 33.1-70.01.

The locality shall adopt the road improvements plan after holding a duly advertised public hearing. The public hearing notice shall identify the impact fee service area or areas to be designated, and shall include a summary of the needs assessment and the assumptions upon which the assessment is based, the proposed amount of the impact fee, and information as to how a copy of the complete study may be examined. A copy of the complete study shall be available for public inspection and copying at reasonable times prior to the public hearing.

The locality at a minimum shall include the following items in assessing road improvement needs and preparing a road improvements plan:

1. An analysis of the existing capacity, current usage and existing commitments to future usage of existing roads, as indicated by (i) *current and projected service levels*, (ii) current valid building permits outstanding, (iii) ~~approved conditional rezonings, special exceptions, and special use permits~~, and (iii) approved *and pending* site plans and subdivision plats. If the current usage and commitments exceed the existing capacity of the roads, the locality also shall determine the costs of improving the roads to meet the demand. The analysis shall *include any off-site road improvements or cash payments for road improvements accepted by the locality and* shall include a plan to fund the current usages and commitments that exceed the existing capacity of the roads.

2. The projected need for and costs of construction of new roads or improvement or expansion of existing roads attributable in whole or in part to projected new development. Road improvement needs shall be projected for the impact fee service area when fully developed in accord with the comprehensive plan and, if full development is projected to occur more than ~~ten~~ 20 years in the future, at the end of a ~~ten-year~~ 20-year period. The assumptions with regard to land uses, densities, intensities, and population upon which road improvement projections are based shall be presented.

3. The total number of new service units projected for the impact fee service area when fully developed and, if full development is projected to occur more than ~~ten~~ 20 years in the future, at the end of a ~~ten-year~~ 20-year period. A "service unit" is a standardized measure of traffic use or generation. The locality shall develop a table or method for attributing service units to various types of development and land use, including but not limited to residential, commercial and industrial uses. The table shall be based upon the ITE manual (published by the Institute of Transportation Engineers) or locally conducted trip generation studies, *and consistent with the traffic analysis standards adopted pursuant to § 15.2-2222.1.*

§ 15.2-2322. Adoption of impact fee and schedule.

After adoption of a road improvement program, the locality may adopt an ordinance establishing a system of impact fees to fund or recapture all or any part of the cost of providing reasonable road

improvements ~~required by~~ *benefiting* new development. The ordinance shall set forth the schedule of impact fees.

§ 15.2-2323. When impact fees assessed and imposed.

The amount of impact fees to be imposed on a specific development or subdivision shall be determined before or at the time the site plan or subdivision is approved. The ordinance shall specify that the fee is to be collected at the time of the issuance of a ~~certificate of occupancy~~ *building permit*. The ordinance shall provide that fees (i) may be paid in lump sum or (ii) be paid on installment at a reasonable rate of interest for a fixed number of years. The locality by ordinance may provide for negotiated agreements with the owner of the property as to the time and method of paying the impact fees.

The maximum impact fee to be imposed shall be determined (i) by dividing projected road improvement costs in the *impact fee* service area when fully developed by the number of projected service units when fully developed, or (ii) for a reasonable period of time, but not less than ten years, by dividing the projected costs necessitated by development in the next ten years by the service units projected to be created in the next ten years.

The ordinance shall provide for appeals from administrative determinations, regarding the impact fees to be imposed, to the governing body or such other body as designated in the ordinance. The ordinance may provide for the resolution of disputes over an impact fee by arbitration or otherwise.

~~No impact fees shall be assessed or imposed upon a development or subdivision if the subdivider or developer has proffered conditions pursuant to §§ 15.2-2298 or 15.2-2303 for off-site road improvements and the proffered conditions have been accepted by the local government.~~

§ 15.2-2324. Credits against impact fee.

The value of any dedication, contribution or construction from the developer for off-site road *or other transportation* improvements ~~within~~ *benefiting* the impact fee service area shall be treated as a credit against the impact fees imposed on the developer's project. *The locality shall treat as a credit any off-site transportation dedication, contribution, or construction, whether it is a condition of a rezoning or otherwise committed to the locality.* The locality may by ordinance provide for credits for approved on-site *transportation* improvements in excess of those required by the development.

The locality also shall calculate and credit against impact fees the extent to which (i) *other* developments have already contributed to the cost of existing roads which will ~~serve~~ *benefit* the development, (ii) new development will contribute to the cost of existing roads, and (iii) new development will contribute to the cost of road improvements in the future other than through impact fees, *including any special taxing districts, special assessments, or community development authorities.*

§ 15.2-2325. Updating plan and amending impact fee.

The locality shall update the needs assessment and the assumptions and projections at least once every two years. The road improvement plan shall be updated at least every two years to reflect current assumptions and projections. The impact fee schedule may be amended to reflect any substantial changes in such assumptions and projections. *Any impact fees not yet paid shall be assessed at the updated rate.*

§ 15.2-2326. Use of proceeds.

A separate road improvement account shall be established for the impact fee service area and all funds collected through impact fees shall be deposited in the interest-bearing account. Interest earned on deposits shall become funds of the account. The expenditure of funds from the account shall be only for road improvements ~~within~~ *benefiting* the impact fee service area as set out in the road improvement plan for the impact fee service area.

§ 15.2-2327. Refund of impact fees.

The locality shall refund any impact fee or portion thereof for which construction of a project is not completed within a reasonable period of time, not to exceed fifteen years. *In the event that impact fees are not committed to road improvements benefiting the impact fee service area within seven years from the date of collection, the locality may commit any such impact fees to the secondary or urban system construction program of that locality for road improvements that benefit the impact fee service area.*

Upon completion of a project, the locality shall recalculate the impact fee based on the actual cost of the improvement. It shall refund the difference if the impact fee paid exceeds actual cost by more than fifteen percent. Refunds shall be made to the record owner of the property at the time the refund is made.

#### Article 9. Impact Fees.

§ 15.2-2328. Applicability of article.

*The provisions of this article shall apply in their entirety to any locality that has established an urban transportation service district in accordance with § 15.2-2403.1. However, the authority granted by this article may be exercised only in areas outside of urban transportation service districts and on parcels that are currently zoned agricultural and are being subdivided for by-right residential*

development. The authority granted by this article shall expire on December 31, 2008, for any locality that has not established an urban transportation service district and adopted an impact fee ordinance pursuant to this article by such date.

§ 15.2-2329. Imposition of impact fees.

A. Any locality that includes within its comprehensive plan a calculation of the capital costs of public facilities necessary to serve residential uses may impose and collect impact fees in amounts consistent with the methodologies used in its comprehensive plan to defray the capital costs of public facilities related to the residential development.

B. Impact fees imposed and collected pursuant to this section shall only be used for public facilities that are impacted by residential development.

C. A locality imposing impact fees as provided in this section shall allow credit against the impact fees for cash proffers collected for the purpose of defraying the capital costs of public facilities related to the residential development. A locality imposing impact fees as provided in this section shall also include within its comprehensive plan a methodology for calculating credit for the value of proffered land donations to accommodate public facilities, and for the construction cost of any public facilities or public improvements the construction of which is required by proffer.

D. A locality imposing impact fees under this section may require that such impact fees be paid prior to and as a condition of the issuance of any necessary building permits for residential uses.

E. For the purposes of this section, "public facilities" shall be deemed to include: (i) roads, streets, and bridges, including rights-of-way, traffic signals, landscaping, and any local components of federal or state highways; (ii) stormwater collection, retention, detention, treatment, and disposal facilities, flood control facilities, and bank and shore protection and enhancement improvements; (iii) parks, open space, and recreation areas and related facilities; (iv) public safety facilities, including police, fire, emergency medical, and rescue facilities; (v) primary and secondary schools and related facilities; and (vi) libraries and related facilities; however, the definition "public facilities" for counties within the Richmond MSA shall be deemed to include: roads, streets, and bridges, including rights-of-way, traffic signals, landscaping, and any local components of federal or state highways.

§ 15.2-2403. Powers of service districts.

After adoption of an ordinance or ordinances or the entry of an order creating a service district, the governing body or bodies shall have the following powers with respect to the service districts:

1. To construct, maintain, and operate such facilities and equipment as may be necessary or desirable to provide additional, more complete, or more timely governmental services within a service district, including but not limited to water supply, sewerage, garbage removal and disposal, heat, light, fire-fighting equipment and power and gas systems and sidewalks; economic development services; promotion of business and retail development services; beautification and landscaping; beach and shoreline management and restoration; control of infestations of insects that may carry a disease that is dangerous to humans, gypsy moths, cankerworms or other pests identified by the Commissioner of the Department of Agriculture and Consumer Services in accordance with the Virginia Pest Law (§ 3.1-188.20 et seq.); public parking; extra security, street cleaning, snow removal and refuse collection services; sponsorship and promotion of recreational and cultural activities; upon petition of over 50 percent of the property owners who own not less than 50 percent of the property to be served, construction, maintenance, and general upkeep of streets and roads ~~that are not under the operation and jurisdiction of the Virginia Department of Transportation~~; construction, maintenance, and general upkeep of streets and roads through creation of urban transportation service districts pursuant to § 15.2-2403.1; and other services, events, or activities that will enhance the public use and enjoyment of and the public safety, public convenience, and public well-being within a service district. Such services, events, or activities shall not be undertaken for the sole or dominant benefit of any particular individual, business or other private entity.

2. To provide, in addition to services authorized by subdivision 1, transportation and transportation services within a service district, including, but not limited to: public transportation systems serving the district; transportation management services; road construction; rehabilitation and replacement of existing transportation facilities or systems; and sound walls or sound barriers. However, any transportation service, system, facility, roadway, or roadway appurtenance established under this subdivision that will be operated or maintained by the Virginia Department of Transportation shall be established with the involvement of the governing body of the locality and meet the appropriate requirements of the Department. The proceeds from any annual tax or portion thereof collected for road construction pursuant to subdivision 6 may be accumulated and set aside for such reasonable period of time as is necessary to finance such construction; however, the governing body or bodies shall make available an annual disclosure statement, which shall contain the amount of any such proceeds accumulated and set aside to finance such road construction.

3. To acquire in accordance with § 15.2-1800, any such facilities and equipment and rights, title,

interest or easements therefor in and to real estate in such district and maintain and operate the same as may be necessary and desirable to provide the governmental services authorized by subdivisions 1 and 2.

4. To contract with any person, municipality or state agency to provide the governmental services authorized by subdivisions 1 and 2 and to construct, establish, maintain, and operate any such facilities and equipment as may be necessary and desirable in connection therewith.

5. To require owners or tenants of any property in the district to connect with any such system or systems, and to contract with the owners or tenants for such connections. The owners or tenants shall have the right of appeal to the circuit court within 10 days from action by the governing body.

6. To levy and collect an annual tax upon any property in such service district subject to local taxation to pay, either in whole or in part, the expenses and charges for providing the governmental services authorized by subdivisions 1, 2 and 11 and for constructing, maintaining, and operating such facilities and equipment as may be necessary and desirable in connection therewith; however, such annual tax shall not be levied for or used to pay for schools, police, or general government services not authorized by this section, and the proceeds from such annual tax shall be so segregated as to enable the same to be expended in the district in which raised. In addition to the tax on property authorized herein, in any city having a population of 350,000 or more and adjacent to the Atlantic Ocean, the city council shall have the power to impose a tax on the base transient room rentals, excluding hotels, motels, and travel campgrounds, within such service district at a rate or percentage not higher than five percent which is in addition to any other transient room rental tax imposed by the city. The proceeds from such additional transient room rental tax shall be deposited in a special fund to be used only for the purpose of beach and shoreline management and restoration. Any locality imposing a tax pursuant to this subdivision may base the tax on the full assessed value of the taxable property within the service district, notwithstanding any special use value assessment of property within the service district for land preservation pursuant to Article 4 (§ 58.1-3229 et seq.) of Chapter 32 of Title 58.1, provided the owner of such property has given written consent. In addition to the taxes and assessments described herein, a locality creating a service district may contribute from its general fund any amount of funds it deems appropriate to pay for the governmental services authorized by subdivisions 1, 2, and 11 of this section.

7. To accept the allocation, contribution or funds of, or to reimburse from, any available source, including, but not limited to, any person, authority, transportation district, locality, or state or federal agency for either the whole or any part of the costs, expenses and charges incident to the acquisition, construction, reconstruction, maintenance, alteration, improvement, expansion, and the operation or maintenance of any facilities and services in the district.

8. To employ and fix the compensation of any technical, clerical, or other force and help which from time to time, in their judgment may be necessary or desirable to provide the governmental services authorized by subdivisions 1, 2 and 11 or for the construction, operation, or maintenance of any such facilities and equipment as may be necessary or desirable in connection therewith.

9. To create and terminate a development board or other body to which shall be granted and assigned such powers and responsibilities with respect to a special service district as are delegated to it by ordinance adopted by the governing body of such locality or localities. Any such board or alternative body created shall be responsible for control and management of funds appropriated for its use by the governing body or bodies, and such funds may be used to employ or contract with, on such terms and conditions as the board or other body shall determine, persons, municipal or other governmental entities or such other entities as the development board or alternative body deems necessary to accomplish the purposes for which the development board or alternative body has been created. If the district was created by court order, the ordinance creating the development board or alternative body may provide that the members appointed to the board or alternative body shall consist of a majority of the landowners who petitioned for the creation of the district, or their designees or nominees.

10. To negotiate and contract with any person or municipality with regard to the connections of any such system or systems with any other system or systems now in operation or hereafter established, and with regard to any other matter necessary and proper for the construction or operation and maintenance of any such system within the district.

11. To acquire by purchase, gift, devise, bequest, grant, or otherwise title to or any interests or rights of not less than five years' duration in real property that will provide a means for the preservation or provision of open-space land as provided for in the Open-Space Land Act (§ 10.1-1700 et seq.). Notwithstanding the provisions of subdivision 3, the governing body shall not use the power of condemnation to acquire any interest in land for the purposes of this subdivision.

12. To contract with any state agency or state or local authority for services within the power of the agency or authority related to the financing, construction, or operation of the facilities and services to be provided within the district; however, nothing in this subdivision shall authorize a locality to obligate its general tax revenues, or to pledge its full faith and credit.

13. In the Town of Front Royal, to construct, maintain, and operate facilities, equipment, and programs as may be necessary or desirable to control, eradicate, and prevent the infestation of rats and removal of skunks and the conditions that harbor them.

*§ 15.2-2403.1. Creation of urban transportation service districts.*

A. The boundaries of any urban transportation service district created pursuant to this article shall be agreed upon by both the local governing body of an urban county and by the Commonwealth Transportation Board. The overall density of an urban transportation service district shall be one residential unit per gross acre or greater. In the event of a disagreement between the Board and the governing body of an urban county in regard to the boundaries of an urban transportation service district, the parties may request that the Commission on Local Government serve as a mediator. For purposes of this section, an "urban county" means any county with a population of greater than 90,000, according to the United States Census of 2000, that did not maintain its roads as of January 1, 2007.

B. Any urban county that has established an urban transportation service district in accordance with this section shall maintain the roads within such district. Any such county shall receive an amount equal to the per lane mile maintenance payments made to cities and certain towns pursuant to § 33.1-41.1 for the area within the district for purposes of road maintenance.

*§ 15.2-4838.1. Use of certain revenues by the Authority.*

A. All moneys received by the Authority and the proceeds of bonds issued pursuant to § 15.2-4839 shall be used by the Authority solely for transportation purposes benefiting those counties and cities that are embraced by the Authority.

B. Forty percent of the revenues shall be distributed on a pro rata basis, with each locality's share being the total of such fees and taxes assessed or imposed by the Authority and received by the Authority that are generated or attributable to the locality divided by the total of such fees and taxes assessed or imposed by the Authority and received by the Authority. Of the revenues distributed pursuant to this subsection (i) in the Cities of Falls Church and Alexandria and the County of Arlington the first 50% shall be used solely for urban or secondary road construction and improvements and for public transportation purposes, and (ii) in the remaining localities, the first 50% shall be used solely for urban or secondary road construction and improvements. The remainder, as determined solely by the applicable locality, shall be used either for additional urban or secondary road construction; for other transportation capital improvements which have been approved by the most recent long range transportation plan adopted by the Authority; or for public transportation purposes. Solely for purposes of calculating the 40% of revenues to be distributed pursuant to this subsection, the revenue generated pursuant to § 58.1-3221.2 and Article 8 (§ 15.2-2317 et seq.) of Chapter 22 of this title by the counties and cities embraced by the Authority shall be considered revenue of the Authority. None of the revenue distributed by this subsection may be used to repay debt issued before July 1, 2007. Each locality shall provide annually to the Northern Virginia Transportation Authority sufficient documentation as required by the Authority showing that the funds distributed under this subsection were used as required by this subsection.

C. The remaining 60% of the revenues from such sources shall be used by the Authority solely for transportation projects and purposes that benefit the counties and cities embraced by the Authority.

1. The revenues under this subsection shall be used first to pay any debt service owing on any bonds issued pursuant to § 15.2-4839, and then as follows:

a. The next \$50 million each fiscal year shall be distributed to the Washington Metropolitan Area Transit Authority (WMATA) and shall be used for capital improvements benefiting the area embraced by the Authority for WMATA's transit service (Metro). The Authority shall first make use of that portion of such annual distribution as may be necessary under the requirements of federal law for the payment of federal funds to WMATA, but only if the matching federal funds are exclusive of and in addition to the amount of other federal funds appropriated for such purposes and are in an amount not less than the amount of such funds appropriated in the federal fiscal year ending September 30, 2007;

For each year after 2018 any portion of the amount distributed pursuant to this subsection may be used for mass transit improvements in Prince William County;

b. The next \$25 million each fiscal year shall be distributed to the Virginia Railway Express for operating and capital improvements, including but not limited to track lease payments, construction of parking, dedicated rail on the Fredericksburg line, rolling stock, expanded service in Prince William County, and service as may be needed as a result of the Base Realignment and Closure Commission's action regarding Fort Belvoir.

2. All transportation projects undertaken by the Northern Virginia Transportation Authority shall be completed by private contractors accompanied by performance measurement standards, and all contracts shall contain a provision granting the Authority the option to terminate the contract if contractors do not meet such standards. Notwithstanding the foregoing, any locality may provide engineering services or right-of-way acquisition for any project with its own forces. The Authority shall avail itself of the

strategies permitted under the Public-Private Transportation Act (§ 56-556 et seq.) whenever feasible and advantageous. The Authority is independent of any state or local entity, including the Virginia Department of Transportation (VDOT) and the Commonwealth Transportation Board (CTB), but the Authority, VDOT and CTB shall consult with one another to avoid duplication of efforts and, at the option of the Authority, may combine efforts to complete specific projects. Notwithstanding the foregoing, at the request of the Authority, VDOT may provide the Authority with engineering services or right-of-way acquisition for the project with its own forces. When determining what projects to construct under this subsection, the Authority shall base its decisions on the combination that (i) equitably distributes the funds throughout the localities, and (ii) constructs projects that move the most people or commercial traffic in the most cost-effective manner, and on such other factors as approved by the Authority.

3. All revenues deposited to the credit of the Authority shall be used for projects benefiting the localities embraced by the Authority, with each locality's total long-term benefits being approximately equal to the total of the fees and taxes received by the Authority that are generated by or attributable to the locality divided by the total of such fees and taxes received by the Authority.

D. For road construction and improvements pursuant to subsection B, the Department of Transportation may, on a reimbursement basis, provide the locality with planning, engineering, right-of-way, and construction services for projects funded in whole by the revenues provided to the locality by the Authority.

§ 15.2-4839. Authority to issue bonds.

The Authority may issue bonds and other evidences of debt as may be authorized by this section or other law. The provisions of Article 5 (§ 15.2-4519 et seq.) of Chapter 45 of this title shall apply, mutatis mutandis, to the issuance of such bonds or other debt. The Authority may issue bonds or other debt in such amounts as it deems appropriate. The bonds may be supported by any funds available except that funds from tolls collected pursuant to subdivision 7 of § 15.2-4840 shall be used only as provided in that subdivision.

§ 15.2-4840. Other duties and responsibilities of Authority.

In addition to other powers herein granted, the Authority shall have the following duties and responsibilities:

1. General oversight of regional programs involving mass transit or congestion mitigation, including, but not necessarily limited to, carpooling, vanpooling, and ridesharing;

2. Long-range regional planning, both financially constrained and unconstrained;

3. Recommending to state, regional, and federal agencies regional transportation priorities, including public-private transportation projects, and funding allocations;

4. Developing, in coordination with affected counties and cities, regional priorities and policies to improve air quality;

5. Allocating to priority regional transportation projects any funds made available to the Authority and, at the discretion of the Authority, directly overseeing such projects;

6. Recommending to the Commonwealth Transportation Board priority regional transportation projects for receipt of federal and state funds;

7. Recommending to the Commonwealth Transportation Board use and/or changes in use of Imposing, collecting, and setting the amount of tolls for use of facilities in the area embraced by the Authority, when the facility is either newly constructed or reconstructed solely with revenues of the Authority or solely with revenues under the control of the Authority in such a way as to increase the facility's traffic capacity, with the amount of any tolls variable by time of day, day of the week, vehicle size or type, number of axles, or other factors as the Authority may deem proper, and with all such tolls to be used for programs and projects that are reasonably related to or benefit the users of the applicable facility, including, but not limited to, for the debt service and other costs of bonds whose proceeds are used for such construction or reconstruction;

8. General oversight of regional transportation issues of a multijurisdictional nature, including but not limited to intelligent transportation systems, signalization, and preparation for and response to emergencies;

9. Serving as an advocate for the transportation needs of Northern Virginia before the state and federal governments;

10. Applying to and negotiating with the government of the United States, the Commonwealth of Virginia, or any agency or instrumentality, or political subdivision thereof, for grants and any other funds available to carry out the purposes of this chapter and receiving, holding, accepting, and administering from any source gifts, bequests, grants, aid, or contributions of money, property, labor, or other things of value to be held, used and applied to carry out the purposes of this chapter subject, however, to any conditions upon which gifts, bequests, grants, aid, or contributions are made. Unless otherwise restricted by the terms of the gift, bequest, or grant, the Authority may sell, exchange, or

otherwise dispose of such money, securities, or other property given or bequeathed to it in furtherance of its purposes; and

11. Acting as a "responsible public entity" for the purpose of the acquisition, construction, improvement, maintenance and/or operation of a "qualifying transportation facility" under the Public-Private Transportation Act of 1995 (§ 56-556 et seq.); and

12. To decide and vote to impose certain fees and taxes authorized under law for imposition or assessment by the Authority, provided that any such fee or tax assessed or imposed is assessed or imposed in all counties and cities embraced by the Authority. The revenues from such certain fees and taxes shall be kept in a separate account and shall be used only for the purposes provided in this chapter.

#### CHAPTER 42.

##### JOINT COMMISSION ON TRANSPORTATION ACCOUNTABILITY.

§ 30-278. Joint Commission on Transportation Accountability established; composition; terms; compensation and expenses; office space; quorum; voting on recommendations.

There is hereby established in the legislative branch of state government the Joint Commission on Transportation Accountability. The Commission shall consist of six members of the House of Delegates appointed by the Speaker of the House of Delegates, of whom at least three shall be members of the House Committee on Transportation; four members of the Senate appointed by the Senate Committee on Rules of whom at least two shall be members of the Senate Committee on Transportation; and the Auditor of Public Accounts, who shall serve as a nonvoting ex officio member. Members shall serve terms coincident with their terms of office as members of the House of Delegates and the Senate. Members may be reappointed for successive terms.

Members of the Commission shall receive such compensation as provided in § 30-19.12 and shall be reimbursed for all their reasonable and necessary expenses incurred in the performance of their duties as members of the Commission. Funding for the costs of compensation and expenses of the members shall be provided from existing appropriations to the Commission. Adequate office space shall be provided by the Commonwealth.

The Commission shall annually elect a chairman and a vice-chairman from among its membership. Meetings of the Commission shall be held upon the call of the chairman or whenever the majority of the members so request. A majority of the members appointed to the Commission shall constitute a quorum.

§ 30-279. Director, executive staff, and personnel.

The Commission shall appoint, subject to confirmation by a majority of the members of the General Assembly, a Director and fix his duties and compensation. The Director may, with prior approval of the Commission, employ and fix the duties and compensation of an adequate staff as may be requisite to make the studies and conduct the research and budget analyses required by this chapter. The Commission may request that the staff of the Joint Legislative Audit and Review Commission serve such purpose. Otherwise, the Director and the executive staff shall be appointed for a term of six years and shall consist of professional persons having experience and training in legislative budgetary procedures, management analyses, and cost accounting. The Director and any executive staff member may be removed from office for cause by a majority vote of the Commission. Such other professional personnel, consultants, advisers, and secretarial and clerical employees may be engaged upon such terms and conditions as set forth by the Commission.

§ 30-280. Powers and duties of Commission.

The Commission shall have the following powers and duties:

1. To make performance reviews of operations of state agencies with transportation responsibilities to ascertain that sums appropriated have been or are being expended for the purposes for which they were made and to evaluate the effectiveness of programs in accomplishing legislative intent;

2. To study, on a continuing basis, the operations, practices, and duties of state agencies with transportation responsibilities as they relate to efficiency in the use of space, personnel, equipment, and facilities;

3. To retain such consultants and advisers as the Commission deems necessary to evaluate financial and project management of state agencies with transportation responsibilities; and

4. To make such special studies of and reports on the operations and functions of state agencies with transportation responsibilities as it deems appropriate and as may be requested by the General Assembly.

§ 30-281. State agencies to furnish information and assistance.

All agencies of the Commonwealth, their staff, and employees shall provide the Commission with necessary information for the performance of its duties and afford the Commission's staff ample opportunity to observe agency operations.

§ 30-282. Payment of expenses of Commission.

The salaries, per diems, and other expenses necessary to the function of the Commission shall be

payable from funds appropriated to the Commission.

§ 33.1-3. Secretary to be Chairman; Commonwealth Transportation Commissioner.

The Chairman, whose official title of the Commonwealth Transportation Board shall be the Secretary of Transportation, and who.

The Commonwealth Transportation Commissioner, hereinafter in this title sometimes called "the Commissioner," shall be the chief executive officer of the Department of Transportation. The Commissioner may, at the time of his appointment, be a nonresident of Virginia, shall be an experienced administrator, able to direct and guide the Department in the establishment and achievement of the Commonwealth's long-range highway and other transportation objectives and shall be appointed at large.

The Commonwealth Transportation Commissioner, hereinafter in this title sometimes called "the Commissioner," shall devote his entire time and attention to his duties as chief executive officer of the Department and shall receive such compensation as shall be fixed by the Governor Commonwealth Transportation Board, subject to the approval of the Board, unless such salary be fixed by the General Assembly in the appropriation act Governor. He shall also be reimbursed for his actual travel expenses while engaged in the discharge of his duties.

In the event of a vacancy due to the death, temporary disability, retirement, resignation or removal of the Commissioner, the Governor may appoint and thereafter remove at his pleasure an "Acting Commonwealth Transportation Commissioner" until such time as the vacancy may be filled as provided in § 33.1-1. Such "Acting Commonwealth Transportation Commissioner" shall have all powers and perform all duties of the Commissioner as provided by law, and shall receive such compensation as may be fixed by the Governor. In the event of the temporary disability, for any reason, of the Commissioner, full effect shall be given to the provisions of § 2.2-605.

§ 33.1-13. General powers of Commissioner.

Except such powers as are conferred by law upon the Commonwealth Transportation Board, the Commonwealth Transportation Commissioner shall have the power to do all acts necessary or convenient for constructing, improving and maintaining the roads embraced in the systems of state highways and to further the interests of the Commonwealth in the areas of public transportation, railways, seaports, and airports. And as executive head of the Transportation Department, the Commissioner is specifically charged with the duty of executing all orders and decisions of the Board and he may, subject to the provisions of this chapter, require that all appointees and employees perform their duties under this chapter.

In addition, the Commissioner, in order to maximize efficiency, shall take such steps as may be appropriate to outsource or privatize any of the Department's functions that might reasonably be provided by the private sector.

§ 33.1-19.1. Environmental permits for highway projects; timely review.

Notwithstanding any other provision of state law or regulation, any state agency, board, or commission that issues a permit required for a highway construction project pursuant to Title 10.1, 28.2, 29.1, or 62.1 of the Code of Virginia shall, within 15 days of receipt of an individual or general permit application, review the application for completeness and either accept the application or request additional specific information from the Department of Transportation. Unless a shorter period is provided by law, regulation, or agreement, the state agency, board, or commission shall within 120 days of receipt of a complete application issue the permit, issue the permit with conditions, deny the permit, or decide whether a public meeting or hearing is required by law. If a public meeting or hearing is held, it shall be held within 45 days of the decision to conduct such a proceeding and a final decision as to the permit shall be made within 90 days of completion of the public meeting or hearing. For coverage under general permits issued pursuant to Title 10.1, 28.2, 29.1, or 62.1, the state agency, board, or commission that issues such permits shall, within 10 business days of receipt of an application from the Department of Transportation for a road or highway construction project, review the application for completeness and either accept the application or request additional specific information from the Department of Transportation. Coverage under the general permit shall be approved, approved with conditions, or denied within 30 business days of receipt of a complete application.

§ 33.1-23.03. Board to develop and update Statewide Transportation Plan.

The Commonwealth Transportation Board shall conduct a comprehensive review of statewide transportation needs in a Statewide Transportation Plan setting forth an inventory of all construction needs for all systems, and based upon this inventory, establishing goals, objectives, and priorities covering a twenty-year planning horizon, in accordance with federal transportation planning requirements. This plan shall embrace all modes of transportation and include technological initiatives. This Statewide Transportation Plan shall be updated as needed, but no less than once every five years. The plan will provide consideration of projects and policies affecting shall promote economic development and all transportation modes and promote economic development, intermodal connectivity, environmental quality, accessibility for people and freight, and transportation safety. The plan shall

include quantifiable measures and achievable goals relating to, but not limited to, congestion reduction and safety, transit and high-occupancy vehicle facility use, job-to-housing ratios, job and housing access to transit and pedestrian facilities, air quality, and per capita vehicle miles traveled. The Board shall consider such goals in evaluating and selecting transportation improvement projects. The plan shall incorporate the approved long-range plans' measures and goals developed by the Northern Virginia Transportation Authority and the Hampton Roads Transportation Authority. Each such plan shall be summarized in a public document and made available to the general public upon presentation to the Governor and General Assembly.

It is the intent of the General Assembly that this plan assess transportation needs and assign priorities to projects on a statewide basis, avoiding the production of a plan which is an aggregation of local, district, regional, or modal plans.

§ 33.1-23.03:8. Priority Transportation Fund established.

A. There is hereby created in the state treasury a special nonreverting fund to be known as the Priority Transportation Fund, hereafter referred to as "the Fund." The Fund shall be established on the books of the Comptroller. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. All funds as may be designated in the appropriation act for deposit to the Fund shall be paid into the state treasury and credited to the Fund. Such funds shall include:

1. A portion of the moneys actually collected, including penalty and interest, attributable to any increase in revenues from the taxes imposed under Chapter 22 (§ 58.1-2200 et seq.) of Title 58.1, with such increase being calculated as the difference between such tax revenues collected in the manner prescribed under Chapter 22 less such tax revenues that would have been collected using the prescribed manner in effect immediately before the effective date of Chapter 22, computed without regard to increases in the rates of taxes under Chapter 22 pursuant to enactments of the 2007 Session of the General Assembly. The portion to be deposited to the Fund shall be the moneys actually collected from such increase in revenues and allocated for highway and mass transit improvement projects as set forth in § 33.1-23.03:2, but not including any amounts that are allocated to the Commonwealth Port Fund and the Commonwealth Airport Fund under such section. There shall also be deposited into the Fund all additional federal revenues attributable to Chapter 22 (§ 58.1-2200 et seq.) of Title 58.1; and

2. Beginning with the fiscal year ending June 30, 2000, and for fiscal years thereafter, all revenues that exceed the official forecast, pursuant to § 2.2-1503, for (i) the Highway Maintenance and Operating Fund and (ii) the allocation to highway and mass transit improvement projects as set forth in § 33.1-23.03:2, but not including any amounts that are allocated to the Commonwealth Port Fund and the Commonwealth Airport Fund under such section; and

3. All revenues deposited into the Fund pursuant to § 58.1-2531; and

4. Any other such funds as may be transferred, allocated, or appropriated.

All moneys in the Fund shall first be used for debt service payments on bonds or obligations for which the Fund is expressly required for making debt service payments, to the extent needed. The Fund shall be considered a part of the Transportation Trust Fund. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes enumerated in subsection B of this section. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller.

B. The Commonwealth Transportation Board shall use the Fund to facilitate the financing of priority transportation projects throughout the Commonwealth. The Board may use the Fund either (i) by expending amounts therein on such projects directly, (ii) by payment to any authority, locality, commission or other entity for the purpose of paying the costs thereof, or (iii) by using such amounts to support, secure, or leverage financing for such projects. No expenditures from or other use of amounts in the Fund shall be considered in allocating highway maintenance and construction funds under § 33.1-23.1 or apportioning Transportation Trust Fund funds under § 58.1-638, but shall be in addition thereto. The Board shall use the Fund to facilitate the financing of priority transportation projects as designated by the General Assembly; provided, however, that, at the discretion of the Commonwealth Transportation Board, funds allocated to projects within a transportation district may be allocated among projects within the same transportation district as needed to meet construction cash-flow needs.

C. Notwithstanding any other provision of this section, beginning July 1, 2007, no bonds, obligations, or other evidences of debt (the bonds) that expressly require as a source for debt service payments or for the repayment of such bonds the revenues of the Fund, shall be issued or entered into unless at the time of the issuance the revenues then in the Fund or reasonably anticipated to be deposited into the Fund pursuant to the law then in effect are by themselves sufficient to make 100% of the contractually required debt service payments on all such bonds, including any interest related thereto and the retirement of such bonds.

§ 33.1-23.4:01. Allocation of Proceeds of Commonwealth of Virginia Transportation Capital Projects

728 *Revenue Bonds.*

729 *The Commonwealth Transportation Board shall allocate, use, and distribute the proceeds of any*  
 730 *bonds it is authorized to issue on or after July 1, 2007, pursuant to subdivision 4f of § 33.1-269, as*  
 731 *follows:*

732 *1. A minimum of 20% of the bond proceeds shall be used for transit capital consistent with*  
 733 *subdivision A 4 g of § 58.1-638.*

734 *2. A minimum of 4.3% of the bond proceeds shall be used for rail capital consistent with the*  
 735 *provisions of §§ 33.1-221.1:1.1 and 33.1-221.1:1.2.*

736 *3. The remaining amount of bond proceeds shall be used for paying the costs incurred or to be*  
 737 *incurred for construction of transportation projects with such bond proceeds used or allocated as*  
 738 *follows: (a) first, to match federal highway funds projected to be made available and allocated to*  
 739 *highway and public transportation capital projects by the Commonwealth Transportation Board, for*  
 740 *purposes of allowing additional state construction funds to be allocated to the primary, urban, and*  
 741 *secondary systems of highways pursuant to subdivisions B 1, B 2, and B 3 of § 33.1-23.1; (b) next, to*  
 742 *provide any required funding to fulfill the Commonwealth's allocation of equivalent revenue sharing*  
 743 *matching funds pursuant to § 33.1-23.05; and (c) third, to pay or fund the costs of statewide or regional*  
 744 *projects throughout the Commonwealth. Costs incurred or to be incurred for construction or funding of*  
 745 *these transportation projects shall include, but are not limited to, environmental and engineering studies,*  
 746 *rights-of-way acquisition, improvements to all modes of transportation, acquisition, construction and*  
 747 *related improvements, and any financing costs or other financing expenses relating to such bonds. Such*  
 748 *costs may include the payment of interest on such bonds for a period during construction and not*  
 749 *exceeding one year after completion of construction of the relevant project.*

750 *4. The total amount of bonds authorized shall be used for purposes of applying the percentages in*  
 751 *subdivisions 1 through 3.*

752 *§ 33.1-223.2:12. Tolls may vary to encourage travel during off-peak hours.*

753 *A. In order to provide an incentive for motorists to travel at off-peak hours, and in accordance with*  
 754 *federal requirements, wherever a toll is imposed and collected by the Department or such other entity as*  
 755 *may be responsible for imposing or collecting such toll, the amount of such toll may vary according to*  
 756 *the time of day, day of the week, traffic volume, vehicle speed, vehicle type, or any or all of these*  
 757 *similar variables, or combinations thereof. The amount of such toll and the time of day when such toll*  
 758 *shall change shall be as fixed and revised by the Commonwealth Transportation Board or such other*  
 759 *entity as may be responsible for fixing or revising the amount of such toll; provided, however, that any*  
 760 *such variation shall be reasonably calculated to minimize the reduction in toll revenue generated by such*  
 761 *toll.*

762 *B. 1. Beginning July 1, 2008, every agency of the Commonwealth or any political subdivision or*  
 763 *instrumentality thereof having control of or day-to-day responsibility for the operation of any toll facility*  
 764 *in the Commonwealth shall take all necessary actions to ensure that every newly constructed toll facility*  
 765 *under its control is capable of fully automated electronic operation, employing technologies and*  
 766 *procedures that permit the collection of tolls from users of the facility, to the extent possible, without*  
 767 *impeding the traffic flow of the facility. An entity operating a toll facility that substantially upgrades its*  
 768 *equipment or substantially renovates its facility after July 1, 2008, shall comply with the provisions of*  
 769 *this subsection. The provisions of this section shall also apply to any nongovernmental or*  
 770 *quasigovernmental entity operating a toll facility under a comprehensive agreement entered into,*  
 771 *pursuant to the Public-Private Transportation Act of 1995 (§ 56-556 et seq.), on or after January 1,*  
 772 *2008. Nothing in this subsection shall be construed to prohibit a toll facility from retaining means of*  
 773 *nonautomated toll collection in some lanes of the facility.*

774 *2. For toll facilities within the territory embraced by the Northern Virginia Transportation Authority,*  
 775 *the provisions of subdivision 1 apply to all toll facilities, regardless of whether or not they are newly*  
 776 *constructed or substantially upgraded.*

777 *§ 33.1-268. Definitions.*

778 *As used in this article, the following words and terms shall have the following meanings:*

779 *(1) The word "Board" means the Commonwealth Transportation Board, or if the Commonwealth*  
 780 *Transportation Board is abolished, any board, commission or officer succeeding to the principal*  
 781 *functions thereof or upon whom the powers given by this article to the Board shall be given by law.*

782 *(2) The word "project" or "projects" means any one or more of the following:*

783 *(a) York River Bridges, extending from a point within the Town of Yorktown in York County, or*  
 784 *within York County across the York River to Gloucester Point or some point in Gloucester County.*

785 *(b) Rappahannock River Bridge, extending from Greys Point, or its vicinity, in Middlesex County,*  
 786 *across the Rappahannock River to a point in the vicinity of White Stone, in Lancaster County, or at*  
 787 *some other feasible point in the general vicinity of the two respective points.*

788 *(c), (d) [Reserved.]*

(e) James River Bridge, from a point at or near Jamestown, in James City County, across the James River to a point in Surry County.

(f), (g) [Reserved.]

(h) James River, Chuckatuck and Nansemond River Bridges, together with necessary connecting roads, in the Cities of Newport News and Suffolk and the County of Isle of Wight.

(i) [Reserved.]

(j) Hampton Roads Bridge, Tunnel, or Bridge and Tunnel System, extending from a point or points in the Cities of Newport News and Hampton on the northwest shore of Hampton Roads across Hampton Roads to a point or points in the City of Norfolk or Suffolk on the southeast shore of Hampton Roads.

(k) The Norfolk-Virginia Beach Highway, extending from a point in the vicinity of the intersection of Interstate Route 64 and Primary Route 58 at Norfolk to some feasible point between London Bridge and Primary Route 60.

(l) The Henrico-James River Bridge, extending from a point on the eastern shore of the James River in Henrico County to a point on the western shore, between Falling Creek and Bells Road interchanges of the Richmond-Petersburg Turnpike; however, the project shall be deemed to include all property, rights, easements and franchises relating to any of the foregoing projects and deemed necessary or convenient for the operation thereof and to include approaches thereto.

(m) The limited access highway between the Patrick Henry Airport area and the Newport News downtown area which generally runs parallel to tracks of the Chesapeake and Ohio Railroad.

(n) Transportation improvements in the Dulles Corridor, with an eastern terminus of the East Falls Church Metrorail station at Interstate Route 66 and a western terminus of Virginia Route 772 in Loudoun County, including without limitation the Dulles Toll Road, the Dulles Access Road, outer roadways adjacent or parallel thereto, mass transit, including rail, bus rapid transit, and capacity enhancing treatments such as High-Occupancy Vehicle lanes, High-Occupancy Toll (HOT) lanes, interchange improvements, commuter parking lots, and other transportation management strategies.

(o), (p) [Repealed.]

(q) Subject to the limitations and approvals of § 33.1-279.1, any other highway for a primary highway transportation improvement district or transportation service district which the Board has agreed to finance under a contract with any such district or any other alternative mechanism for generation of local revenues for specific funding of a project satisfactory to the Commonwealth Transportation Board, the financing for which is to be secured by Transportation Trust Fund revenues under any appropriation made by the General Assembly for that purpose and payable first from revenues received under such contract or other local funding source, second, to the extent required, from funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project is located or to the county or counties in which the project is located and third, to the extent required from other legally available revenues of the Trust Fund and from any other available source of funds.

(r) U.S. 58 Corridor Development Program projects as defined in §§ 33.1-221.1:2 and 58.1-815.

(s) The Northern Virginia Transportation District Program as defined in § 33.1-221.1:3.

(t) Any program for highways or mass transit or transportation facilities, endorsed by the local jurisdiction or jurisdictions affected, which agree that certain distributions of state recordation taxes will be dedicated and used for the payment of any bonds or other obligations, including interest thereon, the proceeds of which were used to pay the cost of the program. Any such program shall be referred to as a "Transportation Improvement Program."

(u) Any project designated from time to time by the General Assembly financed in whole or part through the issuance of Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes.

(v) *Any project authorized by the General Assembly financed in whole or in part by funds from the Priority Transportation Fund established pursuant to § 33.1-23.03:8 or from the proceeds of bonds whose debt service is paid in whole or in part by funds from such Fund.*

(3) The word "undertaking" means all of the projects authorized to be acquired or constructed under this article.

(4) The word "improvements" means such repairs, replacements, additions and betterments of and to a project acquired by purchase or by condemnation as are deemed necessary to place it in a safe and efficient condition for the use of the public, if such repairs, replacements, additions and betterments are ordered prior to the sale of any bonds for the acquisition of such project.

(5) The term "cost of project" as applied to a project to be acquired by purchase or by condemnation, includes the purchase price or the amount of the award, cost of improvements, financing charges, interest during any period of disuse before completion of improvements, cost of traffic estimates and of engineering and legal expenses, plans, specifications and surveys, estimates of cost and of revenues, other expenses necessary or incident to determining the feasibility or practicability of the enterprises, administrative expenses and such other expenses as may be necessary or incident to the

financing herein authorized and the acquisition of the project and the placing of the project in operation.

(6) The term "cost of project" as applied to a project to be constructed, embraces the cost of construction, the cost of all lands, properties, rights, easements and franchises acquired which are deemed necessary for such construction, the cost of acquiring by purchase or condemnation any ferry which is deemed by the Board to be competitive with any bridge to be constructed, the cost of all machinery and equipment, financing charges, interest prior to and during construction and for one year after completion of construction, cost of traffic estimates and of engineering data, engineering and legal expenses, cost of plans, specifications and surveys, estimates of cost and of revenues, other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense and such other expenses as may be necessary or incident to the financing herein authorized, the construction of the project, the placing of the project in operation and the condemnation of property necessary for such construction and operation.

(7) The word "owner" includes all individuals, incorporated companies, copartnerships, societies or associations having any title or interest in any property rights, easements or franchises authorized to be acquired by this article.

(8) [Repealed.]

(9) The words "revenue" and "revenues" include tolls and any other moneys received or pledged by the Board pursuant to this article, including, without limitation, legally available Transportation Trust Fund revenues and any federal highway reimbursements and any other federal highway assistance received from time to time by the Commonwealth.

(10) The terms "toll project" and "toll projects" mean projects financed in whole or in part through the issuance of revenue bonds which are secured by toll revenues generated by such project or projects.

§ 33.1-269. General powers of Board.

The Commonwealth Transportation Board may, subject to the provisions of this article:

1. Acquire by purchase or by condemnation, construct, improve, operate and maintain any one or more of the projects mentioned and included in the undertaking defined in this article;

2. Issue revenue bonds of the Commonwealth, to be known and designated as "Commonwealth of Virginia Toll Revenue Bonds," payable from earnings and from any other available sources of funds, to pay the cost of such projects;

3. Subject to the limitations and approvals of § 33.1-279.1, issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Contract Revenue Bonds," secured by Transportation Trust Fund revenues under a payment agreement between the Board and the Treasury Board, subject to their appropriation by the General Assembly and payable first from revenues received pursuant to contracts with a primary highway transportation improvement district or transportation service district or other local revenue sources for which specific funding of any such bonds may be authorized by law; second, to the extent required, from funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project or projects to be financed are located or to the county or counties in which the project or projects to be financed are located; and third, to the extent required, from other legally available revenues of the Trust Fund and from any other available source of funds;

4. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Revenue Bonds," secured (i) by revenues received from the U.S. Route 58 Corridor Development Fund, subject to their appropriation by the General Assembly, (ii) to the extent required, from revenues legally available from the Transportation Trust Fund and (iii) to the extent required, from any other legally available funds which have been appropriated by the General Assembly;

4a. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Revenue Bonds," secured, subject to their appropriation by the General Assembly, first from (i) revenues received from the Northern Virginia Transportation District Fund, (ii) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project or projects to be financed are located or to the city or county in which the project or projects to be financed are located, (iii) to the extent required, legally available revenues of the Transportation Trust Fund, and (iv) such other funds which may be appropriated by the General Assembly;

4b. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Program Revenue Bonds" secured, subject to their appropriation by the General Assembly, first from (i) any revenues received from any Set-aside Fund established by the General Assembly pursuant to § 58.1-816.1, (ii) to the extent required, revenues received pursuant to any contract with a local jurisdiction or any alternative mechanism for generation of local revenues for specific funding of a project satisfactory to the Commonwealth Transportation Board, (iii) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project or projects to be financed are located or to

the city or county in which the project or projects to be financed are located, (iv) to the extent required, legally available revenues of the Transportation Trust Fund, and (v) such other funds which may be appropriated by the General Assembly. No bonds for any project or projects shall be issued under the authority of this subsection unless such project or projects are specifically included in a bill or resolution passed by the General Assembly;

4c. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Program Revenue Bonds" secured, subject to their appropriation by the General Assembly, first from (i) any revenues received from the Commonwealth Transit Capital Fund established by the General Assembly pursuant to subdivision A 4 g of § 58.1-638, (ii) to the extent required, legally available revenues of the Transportation Trust Fund, and (iii) such other funds which may be appropriated by the General Assembly. No bonds for any project or projects shall be issued under the authority of this subsection unless such project or projects are specifically included in a bill or resolution passed by the General Assembly;

4d. Issue revenue bonds of the Commonwealth from time to time to be known and designated as "Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes" secured, subject to their appropriation by the General Assembly, (i) first from any federal highway reimbursements and any other federal highway assistance received from time to time by the Commonwealth, (ii) then, at the discretion of the Board, to the extent required, from legally available revenues of the Transportation Trust Fund, and (iii) then from such other funds, if any, which are designated by the General Assembly for such purpose;

4e. Issue revenue bonds of the Commonwealth from time to time to be known and designated as "Commonwealth of Virginia Credit Assistance Revenue Bonds," secured, subject to their appropriation by the General Assembly, solely from revenues with respect to or generated by the project or projects being financed thereby and any tolls or other revenues pledged by the Board as security therefor and in accordance with the applicable federal credit assistance authorized with respect to such project or projects by the United States Department of Transportation;

4f. *Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Capital Projects Revenue Bonds," secured, subject to their appropriation by the General Assembly, (i) from the revenues deposited into the Priority Transportation Fund established pursuant to § 33.1-23.03:8; (ii) to the extent required, from revenues legally available from the Transportation Trust Fund; and (iii) to the extent required, from any other legally available funds;*

5. Fix and collect tolls and other charges for the use of such projects or to refinance the cost of such projects;

6. Construct grade separations at intersections of any projects with public highways, streets or other public ways or places and change and adjust the lines and grades thereof so as to accommodate the same to the design of such grade separations, the cost of such grade separations and any damage incurred in changing and adjusting the lines and grades of such highways, streets, ways and places to be ascertained and paid by the Board as a part of the cost of the project;

7. Vacate or change the location of any portion of any public highway, street or other public way or place and reconstruct the same at such new location as the Board deems most favorable for the project and of substantially the same type and in as good condition as the original highway, streets, way or place, the cost of such reconstruction and any damage incurred in vacating or changing the location thereof to be ascertained and paid by the Board as a part of the cost of the project. Any public highway, street or other public way or place vacated or relocated by the Board shall be vacated or relocated in the manner provided by law for the vacation or relocation of public roads and any damages awarded on account thereof may be paid by the Board as a part of the cost of the project;

8. Make reasonable regulations for the installation, construction, maintenance, repair, renewal and relocation of pipes, mains, sewers, conduits, cables, wires, towers, poles and other equipment and appliances herein called "public utility facilities," of the Commonwealth and of any municipality, county, or other political subdivision, public utility or public service corporation owning or operating the same in, on, along, over or under the project. Whenever the Board determines that it is necessary that any such public utility facilities should be relocated or removed, the Commonwealth or such municipality, county, political subdivision, public utility or public service corporation shall relocate or remove the same in accordance with the order of the Board. The cost and expense of such relocation or removal, including the cost of installing such public utility facilities in a new location or locations, and the cost of any lands or any rights or interests in lands, and any other rights acquired to accomplish such relocation or removal shall be ascertained by the Board.

On any toll project, the Board shall pay the cost and expense of relocation or removal as a part of the cost of the project for those public utility facilities owned or operated by the Commonwealth or such municipality, county, political subdivision, public utility or public service corporation. On all other projects, under this article, the Board shall pay the cost and expense of relocation or removal as a part

of the cost of the project for those public utility facilities owned or operated by the Commonwealth or such municipality, county, or political subdivision. The Commonwealth or such municipality, county, political subdivision, public utility or public service corporation may maintain and operate such public utility facilities with the necessary appurtenances, in the new location or locations, for as long a period and upon the same terms and conditions as it had the right to maintain and operate such public utility facilities in their former location or locations;

9. Acquire by the exercise of the power of eminent domain any lands, property, rights, rights-of-way, franchises, easements and other property, including public lands, parks, playgrounds, reservations, highways or parkways, or parts thereof or rights therein, of any municipality, county or other political subdivision, deemed necessary or convenient for the construction or the efficient operation of the project or necessary in the restoration, replacement or relocation of public or private property damaged or destroyed.

The cost of such projects shall be paid solely from the proceeds of Commonwealth of Virginia Toll or Transportation Contract Revenue Bonds or a combination thereof or from such proceeds and from any grant or contribution which may be made thereto pursuant to the provisions of this article;

10. Notwithstanding any provision of this article to the contrary, the Board shall be authorized to exercise the powers conferred herein, in addition to its general powers to acquire rights-of-way and to construct, operate and maintain state highways, with respect to any project which the General Assembly has authorized or may hereafter authorize to be financed in whole or in part through the issuance of bonds of the Commonwealth pursuant to the provisions of Section 9 (c) of Article X of the Constitution of Virginia; and

11. Enter into any agreements or take such other actions as the Board shall determine in connection with applying for or obtaining any federal credit assistance, including without limitation loan guarantees and lines of credit, pursuant to authorization from the United States Department of Transportation with respect to any project included in the Commonwealth's long-range transportation plan and the approved State Transportation Improvement Program.

§ 33.1-277. Credit of Commonwealth not pledged.

A. Commonwealth of Virginia Toll Revenue Bonds issued under the provisions of this article shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the faith and credit of the Commonwealth, but such bonds shall be payable solely from the funds herein provided therefor from tolls and revenues, from bond proceeds or earnings thereon and from any other available sources of funds. All such bonds shall state on their face that the Commonwealth of Virginia is not obligated to pay the same or the interest thereon except from the special fund provided therefor from tolls and revenues under this article, from bond proceeds or earnings thereon and from any other available sources of funds and that the faith and credit of the Commonwealth are not pledged to the payment of the principal or interest of such bonds. The issuance of such revenue bonds under the provisions of this article shall not directly or indirectly or contingently obligate the Commonwealth to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment, other than appropriate available funds derived as revenues from tolls and charges under this article or derived from bond proceeds or earnings thereon and from any other available sources of funds.

B. Commonwealth of Virginia Transportation Contract Revenue Bonds issued under the provisions of this article shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the faith and credit of the Commonwealth, but such bonds shall be payable solely from the funds herein provided therefor (i) from revenues received pursuant to contracts with a primary highway transportation district or transportation service district or any other alternative mechanism for generation of local revenues for specific funding of a project satisfactory to the Commonwealth Transportation Board, (ii) to the extent required, from funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project or projects to be financed are located or to the county or counties in which such project or projects are located, (iii) from bond proceeds or earnings thereon, (iv) to the extent required, from other legally available revenues of the Trust Fund, and (v) from any other available source of funds. All such bonds shall state on their face that the Commonwealth of Virginia is not obligated to pay the same or the interest thereon except from revenues in clauses (i) and (iii) hereof and that the faith and credit of the Commonwealth are not pledged to the payment of the principal and interest of such bonds. The issuance of such revenue bonds under the provisions of this article shall not directly or indirectly or contingently obligate the Commonwealth to levy or to pledge any form of taxation whatever or to make any appropriation for their payment, other than to appropriate available funds derived as revenues under this article from the sources set forth in clauses (i) and (iii) hereof. Nothing in this article shall be construed to obligate the General Assembly to make any appropriation of the funds set forth in clause (ii) or (iv) hereof for payment of such bonds.

C. Commonwealth of Virginia Transportation Revenue Bonds issued under the provisions of this

article shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the full faith and credit of the Commonwealth, but such bonds shall be payable solely from the funds herein provided therefor (i) from revenues received from the U.S. Route 58 Corridor Development Fund, subject to their appropriation by the General Assembly, (ii) to the extent required, from revenues legally available from the Transportation Trust Fund and (iii) to the extent required, from any other legally available funds which shall have been appropriated by the General Assembly.

D. Commonwealth of Virginia Transportation Revenue Bonds issued under this article for Category 1 projects as provided in subdivision (2) (s) of § 33.1-268 shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the faith and credit of the Commonwealth. Such bonds shall be payable solely, subject to their appropriation by the General Assembly, first from (i) revenues received from the Northern Virginia Transportation District Fund, (ii) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project or projects to be financed are located or to the city or county in which the project or projects to be financed are located, (iii) to the extent required, legally available revenues of the Transportation Trust Fund, and (iv) such other funds which may be appropriated by the General Assembly.

E. Commonwealth of Virginia Transportation Program Revenue Bonds issued under this article for projects defined in subdivision (2) (t) of § 33.1-268 shall not be deemed to constitute a debt of the Commonwealth or a pledge of the faith and credit of the Commonwealth. Such bonds shall be payable solely, subject to their appropriation by the General Assembly, first from (i) any revenues received from any Set-aside Fund established by the General Assembly pursuant to § 58.1-816.1, (ii) to the extent required, revenues received pursuant to any contract with a local jurisdiction or any alternative mechanism for generation of local revenues for specific funding of a project satisfactory to the Commonwealth Transportation Board, (iii) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project or projects to be financed are located or to the city or county in which the project or projects to be financed are located, (iv) to the extent required, legally available revenues from the Transportation Trust Fund, and (v) such other funds which may be appropriated by the General Assembly.

F. Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes issued under this article shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the full faith and credit of the Commonwealth, but such obligations shall be payable solely, subject to appropriation by the General Assembly, (i) first from any federal highway reimbursements and any other federal highway assistance received from time to time by the Commonwealth, (ii) then, at the discretion of the Board, to the extent required, from legally available revenues of the Transportation Trust Fund, and (iii) then, from such other funds, if any, which are designated by the General Assembly for such purpose.

G. Commonwealth of Virginia Transportation Credit Assistance Revenue Bonds issued under the provisions of this article shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the full faith and credit of the Commonwealth, but such obligations shall be payable solely, subject to appropriation by the General Assembly, from revenues with respect to or generated by the project or projects being financed thereby and any tolls or other revenues pledged by the Board as security therefor and in accordance with the applicable federal credit assistance authorized with respect to such project or projects by the United States Department of Transportation.

H. *Commonwealth of Virginia Transportation Capital Projects Revenue Bonds issued under the provisions of this article for projects as provided in subdivision 2 v of § 33.1-268 shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the full faith and credit of the Commonwealth, but such bonds shall be payable solely, subject to their appropriation by the General Assembly, (i) from the revenues deposited into the Priority Transportation Fund established pursuant to § 33.1-23.03:8; (ii) to the extent required, from revenues legally available from the Transportation Trust Fund; and (iii) to the extent required, from any other legally available funds.*

#### CHAPTER 10.2.

#### HAMPTON ROADS TRANSPORTATION AUTHORITY.

§ 33.1-391.6. Short Title.

*This chapter shall be known and may be cited as the Hampton Roads Transportation Authority Act.*

§ 33.1-391.7. Authority created.

*The Hampton Roads Transportation Authority, hereinafter in this chapter known as "the Authority" is hereby created as a body politic and as a political subdivision of the Commonwealth. The Authority shall embrace the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg. The membership of the Authority shall be as provided in §§ 33.1-391.9 and 33.1-391.12. In addition, the*

Counties of Accomack and Northampton shall also be embraced by the Authority at such time that the Chesapeake Bay Bridge-Tunnel facilities become subject to the control of the Authority as provided under § 33.1-391.12.

§ 33.1-391.8. Powers of the Authority.

Notwithstanding any contrary provision of this title and in accordance with all applicable federal statutes and requirements, the Authority shall control and operate and may impose and collect tolls in amounts established by the Authority for the use of any new or improved highway, bridge, tunnel, or transportation facility to increase capacity on such facility (including new construction relating to, or improvements to, the bridges, tunnels, roadways, and related facilities known collectively as the Chesapeake Bay Bridge-Tunnel as described in § 33.1-391.12, pursuant to the conditions set forth in such section) constructed by the Authority or solely with revenues of the Authority or revenues under the control of the Authority. The amount of any such toll may be varied from facility to facility, by lane, by congestion levels, by day of the week, time of day, type of vehicle, number of axles, or any similar combination thereof, and a reduced rate may be established for commuters as defined by the Authority. For purposes of this section, the Midtown and Downtown tunnels located within the Cities of Norfolk and Portsmouth shall be considered a single transportation facility and both facilities may be tolled if improvements are made to either tunnel. Any tolls imposed by the Authority shall be collected by an electronic toll system that, to the extent possible, shall not impede the traffic flow of the facility or prohibit a toll facility from retaining means of nonautomated toll collection in some lanes of the facility. For all facilities tolled by the Authority, there shall be signs erected prior to the point of toll collection that clearly state how the majority of the toll revenue is being spent by the Authority to benefit the users of the facility.

§ 33.1-391.9. Composition of Authority; chairman and vice-chairman; quorum.

The Authority shall consist of the following members: (i) the chief elected officer of the governing body (or in the discretion of the chief elected officer, his designee, who shall be a current elected officer of such governing body) of each of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg, who shall serve with voting privileges; (ii) a member of the Commonwealth Transportation Board who resides in a county or city embraced by the Authority appointed by the Governor who shall serve ex officio without a vote; (iii) the Director of the Virginia Department of Rail and Public Transportation, or his designee, who shall serve ex officio without a vote; (iv) the Commonwealth Transportation Commissioner, or his designee, who shall serve ex officio without a vote; (v) two members of the Virginia House of Delegates each of whom shall reside in a city or county whose governing body has a voting member on the Authority, neither of whom shall reside in the same city or county, appointed by the Speaker of the House of Delegates, who shall serve ex officio without a vote; and (vi) one member of the Senate of Virginia who shall reside in a city or county whose governing body has a voting member on the Authority, appointed by the Senate Committee on Rules who shall serve ex officio without a vote. Legislative members shall serve terms coincident with their terms of office. Vacancies shall be filled by appointment for the unexpired term by the same process as used to make the original appointment.

The Authority shall appoint a chairman and vice-chairman from among its voting membership.

A majority of the voting members of the Authority shall constitute a quorum for the transaction of business.

Decisions of the Authority shall require a quorum and shall be in accordance with voting procedures established by the Authority. Decisions of the Authority shall require the affirmative vote of a majority of the voting members of the Authority present and voting and such members present and voting in the affirmative shall be representatives of counties and cities that collectively include at least 51% of the population embraced by the Authority at the time of the vote. The population of counties and cities embraced by the Authority shall be the population as determined by the most recently preceding decennial census, except that after July 1 of the fifth year following such census, the population of each county and city shall be adjusted, based on final population estimates made by the Weldon Cooper Center for Public Service of the University of Virginia.

Members of the Authority shall be reimbursed for their actual and necessary expenses incurred in the performance of their duties and, in addition, shall be paid a per diem equal to the amount paid members of the Commonwealth Transportation Board for each day or portion thereof during which they are engaged in the official business of the Authority.

The Auditor of Public Accounts, or his legally authorized representatives, shall annually audit the financial accounts of the Authority, and the cost of such audit shall be borne by the Authority.

§ 33.1-391.10. Additional powers of the Authority.

The Authority shall have the following powers together with all powers incidental thereto or necessary for the performance of those hereinafter stated:

1. To sue and be sued and to prosecute and defend, at law or in equity, in any court having jurisdiction of the subject matter and of the parties;

2. To adopt and use a corporate seal and to alter the same at its pleasure;

3. To procure insurance, participate in insurance plans, and provide self-insurance; however, the purchase of insurance, participation in an insurance plan, or the creation of a self-insurance plan by the Authority shall not be deemed a waiver or relinquishment of any sovereign immunity to which the Authority or its officers, directors, employees, or agents are otherwise entitled;

4. To establish bylaws and make all rules and regulations, not inconsistent with the provisions of this chapter, deemed expedient for the management of the Authority's affairs;

5. To apply for and accept money, materials, contributions, grants, or other financial assistance from the United States and agencies or instrumentalities thereof, the Commonwealth, and any political subdivision, agency, or instrumentality of the Commonwealth, and from any legitimate private source;

6. To acquire real and personal property or any interest therein by purchase, lease, gift, or otherwise for purposes consistent with this chapter; and to hold, encumber, sell, or otherwise dispose of such land or interest for purposes consistent with this chapter;

7. To acquire by purchase, lease, contract, or otherwise, highways, bridges, tunnels, railroads, rolling stock, and transit and rail facilities and other transportation-related facilities; and to construct the same by purchase, lease, contract, or otherwise;

8. In consultation with the Commonwealth Transportation Board and with each city or county in which the facility or any part thereof is or is to be located, to repair, expand, enlarge, construct, reconstruct, or renovate any or all of the transportation facilities referred to in this section, and to acquire any real or personal property needed for any such purpose;

9. To enter into agreements or leases with public or private entities for the operation and maintenance of bridges, tunnels, transit and rail facilities, and highways;

10. To make and execute contracts, deeds, mortgages, leases, and all other instruments and agreements necessary or convenient for the performance of its duties and the exercise of its powers and functions under this chapter;

11. To the extent funds are made or become available to the Authority to do so, to employ employees, agents, advisors, and consultants, including without limitation, attorneys, financial advisers, engineers, and other technical advisers and, the provisions of any other law to the contrary notwithstanding, to determine their duties and compensation;

12. The authority shall comply with the provisions governing localities contained in § 15.2-2108.23;

13. To decide and vote to impose all of the fees and taxes authorized under law for use by the Authority. Furthermore, no such fee or tax shall apply to Accomack or Northampton County until such time that the Chesapeake Bay Bridge-Tunnel facilities become subject to the control of the Authority as provided under § 33.1-391.12; and

14. To the extent not inconsistent with the other provisions of this chapter, and without limiting or restricting the powers otherwise given the Authority, to exercise all of the powers given to transportation district commissions by §§ 15.2-4518 and 15.2-4519. The Authority shall only undertake those transportation projects that are included in the federally mandated 2030 Regional Transportation Plan approved by the Metropolitan Planning Organization, or any successive plan, and that are located in, or which provide a benefit to, the counties and cities that are members of the Authority, subject to the limitations related to those projects contained in this section.

The Authority shall phase construction of the transportation projects that are included in the federally mandated 2030 Regional Transportation Plan, or any successive plan. Except as specifically provided herein, projects listed in the second phase shall not be undertaken until the Authority has considered and acted upon a financing plan for the maintenance, operation, and construction for the projects listed in the first phase that meet the requirements of this section.

*First Phase Projects:*

Route 460 Upgrade; I-64 Widening on the Peninsula; I-64 Widening on the Southside; Downtown Tunnel/Midtown Tunnel/MLK Extension; Southeastern Parkway/Dominion Blvd/Route 17; I-664 Widening in Newport News; I-664 Widening on the Southside; I-664 Monitor Merrimac Memorial Bridge Tunnel Widening.

*Second Phase Projects:*

I-564 from I-64 to the Intermodal Connector; I-564 Connector to the Monitor Merrimac Memorial Bridge Tunnel; Craney Island Connector.

§ 33.1-391.11. Authority a responsible public entity under Public-Private Transportation Act of 1995.

The Authority is a responsible public entity as defined in the Public-Private Transportation Act of 1995 (§ 56-556 et seq.) (the PPTA).

It is the intent of the General Assembly that the Authority shall encourage private sector participation in the aforementioned projects. Any cost savings realized under the PPTA relating to the

construction of first phase projects may be applied to advancing the future construction of second phase projects. Further, nothing herein shall prohibit the Authority from receiving and acting on PPTA proposals on projects in either phase.

§ 33.1-391.12. Addition of the Chesapeake Bay Bridge-Tunnel to facilities controlled by Authority; expansion of Authority membership; applicability of local transportation fees to Accomack and Northampton Counties.

The bridges, tunnels, roadways, and related facilities known collectively as the Chesapeake Bay Bridge-Tunnel, which provide a vehicular connection across the mouth of the Chesapeake Bay between the City of Virginia Beach and Northampton County, shall become subject to the control of the Authority subject to the provisions of § 33.1-391.8, at such time as all of the bonds and other evidences of debt now or hereafter issued by or on behalf of the Chesapeake Bay Bridge and Tunnel Commission shall have been satisfied or paid in full. Until such bonds and other evidences of debt have been satisfied or paid in full, control of and responsibility for the operation and maintenance of the Chesapeake Bay Bridge-Tunnel facilities shall remain with the Chesapeake Bay Bridge and Tunnel Commission.

In discharging its responsibilities for the operation and maintenance of the Chesapeake Bay Bridge-Tunnel facilities, the Authority shall have, in addition to the powers it is given by this chapter, all of the powers and authority given to the Chesapeake Bay Bridge and Tunnel Commission by Chapter 693 of the Acts of Assembly of 1954 and by Chapter 714 of the Acts of the Assembly of 1956, as amended and incorporated by reference as § 33.1-253.

At such time as the Chesapeake Bay Bridge-Tunnel facilities become subject to the control of the Authority as contemplated by this section, the Authority shall be enlarged by two members, who shall serve with voting privileges, one of whom shall be the chief elected officer of the governing body of the County of Accomack (or in the discretion of the chief elected officer, his designee, who shall be a current elected officer of such governing body), and one of whom shall be the chief elected officer of the governing body of the County of Northampton (or in the discretion of the chief elected officer, his designee, who shall be a current elected officer of such governing body).

§ 33.1-391.13. Issuance of bonds by the Chesapeake Bay Bridge and Tunnel Commission.

On a prospective basis, prior to issuing any bonds for the purposes of financing the construction of new or additional tunnels, the Chesapeake Bay Bridge and Tunnel Commission shall affirm that no bond, or payment of any temporary or interim financing shall have a maturity date that extends beyond the maturity date of any existing bond or note until such time as the Authority is consulted about such issuance.

§ 33.1-391.14. Continuing responsibilities of the Commonwealth Transportation Board and the Virginia Department of Transportation.

Except as otherwise explicitly provided in this chapter, until such time as the Authority and the Virginia Department of Transportation, or the Authority and the Commonwealth Transportation Board, agree otherwise in writing, the Commonwealth Transportation Board shall allocate funding to and the Department of Transportation shall perform or cause to be performed all maintenance and operation of the bridges, tunnels, and roadways pursuant to § 33.1-391.10, and shall perform such other required services and activities with respect to such bridges, tunnels, and roadways as were being performed on January 1, 2008.

§ 33.1-391.15. Use of revenues by the Authority.

Notwithstanding any other provision of this chapter, all moneys received by the Authority shall be used by the Authority solely for the benefit of those counties and cities that are embraced by the Authority, and such moneys shall be used by the Authority in a manner that is consistent with the purposes stated in this chapter.

§ 46.2-206.1. Imposition of certain additional fees on certain drivers.

A. The purpose of the civil remedial fees imposed in this section is to generate revenue from drivers whose proven dangerous driving behavior places significant financial burdens upon the Commonwealth. The civil remedial fees established by this section shall be in addition to any other fees, costs, or penalties imposed pursuant to the Code of Virginia.

B. The civil remedial fees established by this section shall be assessed on any resident of Virginia operating a motor vehicle on the highways of Virginia, including persons to whom Virginia driver's licenses, commercial driver's licenses, or learner's permits have been issued pursuant to this title; and persons operating motor vehicles without licenses or whose license has been revoked or suspended.

C. The court shall assess a person with the following fees upon each conviction of the following offenses:

1. Driving while his driver's license was suspended or revoked pursuant to § 18.2-272, 46.2-301, 46.2-302, 46.2-341.21, or 46.2-391 shall be assessed a fee to be paid in three annual payments of \$250 each;

1277 2. Reckless driving in violation of Article 7 (§ 46.2-852 et seq.) of Chapter 8 or aggressive driving in  
 1278 violation of § 46.2-868.1 shall be assessed a fee to be paid in three annual payments of \$350 each;

1279 3. Driving while intoxicated in violation of § 18.2-266, 18.2-266.1, or 46.2-341.24 shall be assessed  
 1280 a fee to be paid in three annual payments of \$750 each;

1281 4. Any other misdemeanor conviction for a driving and/or motor vehicle related violation of Title  
 1282 18.2 or this title that is not included in one of the preceding three subdivisions shall be assessed a fee  
 1283 to be paid in three annual payments of \$300 each; and

1284 5. Any felony conviction for a driving or motor vehicle-related offense under Title 18.2 or this title,  
 1285 shall be assessed a fee to be paid in three annual payments of \$1,000 each.

1286 D. For the purposes of subsection C:

1287 1. A finding of guilty in the case of a juvenile and a conviction under a substantially similar valid  
 1288 local ordinance of any locality of the Commonwealth, shall be a conviction.

1289 2. The fees assessed under subsection C shall be implemented in a manner whereby no convictions  
 1290 for offenses committed prior to July 1, 2007, shall be considered.

1291 E. The court shall collect, in full, the first annual payment of the fee imposed under subsection C at  
 1292 the time of conviction and shall order the person assessed a fee to submit the second annual payment to  
 1293 the Department within 14 calendar months of the date of conviction and the third annual payment to the  
 1294 Department within 26 months of the date of conviction. When transmitting conviction information to the  
 1295 Department the court shall also transmit notice that a fee has been imposed under this section and the  
 1296 deadline upon which the second and third annual payments must be submitted to the Department. The  
 1297 court shall order suspension of the driver's license or privilege to drive a motor vehicle in Virginia as  
 1298 provided in § 46.2-395 of any person failing to pay the first annual payment of the fee assessed under  
 1299 subsection C.

1300 F. For all convictions reported to the Department for which fees are established under subsection C,  
 1301 the person assessed the fee shall submit the second annual payment to the Commissioner within 14  
 1302 calendar months of the date of conviction and the third annual payment within 26 months of the date of  
 1303 conviction. The Commissioner, or his designee, shall establish guidelines, policies, or procedures to  
 1304 notify every person assessed a fee pursuant to subsection C of the second and the third annual  
 1305 payments. If the person fails to make such payment, the Commissioner shall suspend his driver's license  
 1306 or privilege to operate a motor vehicle in Virginia. No license shall be reissued or reinstated until all  
 1307 fees assessed pursuant to this section have been paid and all other reinstatement requirements as  
 1308 provided in this title have been satisfied.

1309 G. In addition to any fees set forth in subsection C, any person whose driver's record with the  
 1310 Department shows a balance of eight or more driver demerit points on July 15 shall be assessed a fee  
 1311 of \$100 plus \$75 for each demerit point in excess of eight, but not greater than \$700, provided that  
 1312 only those demerit points attributable to offenses which occurred on or after July 1, 2007 shall be used  
 1313 to calculate and assess such fees.

1314 H. The Commissioner, or his designee, shall assess the fees set forth in subsection G annually,  
 1315 beginning on July 15, 2007.

1316 I. The Commissioner, or his designee, shall establish guidelines, policies, or procedures to notify  
 1317 every person assessed a fee pursuant to subsection G. If any assessment made under subsection G  
 1318 remains unpaid 60 days following the date on which the notice of assessment was mailed, the  
 1319 Commissioner shall suspend the driver's license or privilege to drive a motor vehicle in Virginia of the  
 1320 person against whom the assessment was imposed. No license shall be reissued or reinstated until all  
 1321 fees assessed pursuant to this section have been paid and all other reinstatement requirements as  
 1322 provided in this title have been satisfied.

1323 J. In the event that a person disputes a conviction on his driver's record based upon identity, if the  
 1324 person presents the Department a certified copy of a petition to a court of competent jurisdiction  
 1325 seeking to vacate an order of such conviction, the Department shall suspend the imposition of the  
 1326 assessment. Such suspension shall be valid for one year from the date of the commencement or until 30  
 1327 days after an entry of a final order on such petition, whichever occurs first.

1328 K. Funds collected through the imposition of the fees as provided for in this section shall be used to  
 1329 pay the Department's cost in imposing and collecting such assessments as provided in the general  
 1330 appropriation act, and any remainder shall be deposited into the Highway Maintenance and Operating  
 1331 Fund.

1332 § 46.2-694. Fees for vehicles designed and used for transportation of passengers; weights used for  
 1333 computing fees; burden of proof.

1334 A. The annual registration fees for motor vehicles, trailers, and semitrailers designed and used for the  
 1335 transportation of passengers on the highways in the Commonwealth are:

1336 1. ~~Twenty-three~~ Thirty-three dollars for each private passenger car or motor home if the passenger  
 1337 car or motor home weighs 4,000 pounds or less, provided that it is not used for the transportation of

passengers for compensation and is not kept or used for rent or for hire, or is not operated under a lease without a chauffeur.

2. ~~Twenty-eight~~ *Thirty-eight* dollars for each passenger car or motor home which weighs more than 4,000 pounds, provided that it is not used for the transportation of passengers for compensation and is not kept or used for rent or for hire, or is not operated under a lease without a chauffeur.

3. Thirty cents per 100 pounds or major fraction thereof for a private motor vehicle other than a motorcycle with a normal seating capacity of more than 10 adults including the driver if the private motor vehicle is not used for the transportation of passengers for compensation and is not kept or used for rent or for hire or is not operated under a lease without a chauffeur. In no case shall the fee be less than \$23 if the vehicle weighs 4,000 pounds or less or \$28 if the vehicle weighs more than 4,000 pounds.

4. Thirty cents per 100 pounds or major fraction thereof for a school bus. In no case shall the fee be less than \$23 if the vehicle weighs 4,000 pounds or less or \$28 if the vehicle weighs more than 4,000 pounds.

5. Twenty-three dollars for each trailer or semitrailer designed for use as living quarters for human beings.

6. Thirteen dollars plus \$ 0.30 per 100 pounds or major fraction thereof for each motor vehicle, trailer, or semitrailer used as a common carrier of passengers, operating either intrastate or interstate. Interstate common carriers of interstate passengers may elect to be licensed and pay the fees prescribed in subdivision 7 of this subsection on submission to the Commissioner of a declaration of operations and equipment as he may prescribe. An additional \$5 shall be charged if the motor vehicle weighs more than 4,000 pounds.

7. Thirteen dollars plus \$ 0.70 per 100 pounds or major fraction thereof for each motor vehicle, trailer, or semitrailer used as a common carrier of interstate passengers if election is made to be licensed under this subsection. An additional \$5 shall be charged if the motor vehicle weighs more than 4,000 pounds. In lieu of the foregoing fee of \$ 0.70 per 100 pounds, a motor carrier of passengers, operating two or more vehicles both within and outside the Commonwealth and registered for insurance purposes with the Surface Transportation Board of the United States Department of Transportation, Federal Highway Administration, may apply to the Commissioner for prorated registration. Upon the filing of such application, in such form as the Commissioner may prescribe, the Commissioner shall apportion the registration fees provided in this subsection so that the total registration fees to be paid for such vehicles of such carrier shall be that proportion of the total fees, if there were no apportionment, that the total number of miles traveled by such vehicles of such carrier within the Commonwealth bears to the total number of miles traveled by such vehicles within and outside the Commonwealth. Such total mileage in each instance is the estimated total mileage to be traveled by such vehicles during the license year for which such fees are paid, subject to the adjustment in accordance with an audit to be made by representatives of the Commissioner at the end of such license year, the expense of such audit to be borne by the carrier being audited. Each vehicle passing into or through Virginia shall be registered and licensed in Virginia and the annual registration fee to be paid for each such vehicle shall not be less than \$33. For the purpose of determining such apportioned registration fees, only those motor vehicles, trailers, or semitrailers operated both within and outside the Commonwealth shall be subject to inclusion in determining the apportionment provided for herein.

8. Thirteen dollars plus \$ 0.80 per 100 pounds or major fraction thereof for each motor vehicle, trailer or semitrailer kept or used for rent or for hire or operated under a lease without a chauffeur for the transportation of passengers. An additional fee of \$5 shall be charged if the vehicle weighs more than 4,000 pounds. This subsection does not apply to vehicles used as common carriers.

9. Twenty-three dollars for a taxicab or other vehicle which is kept for rent or hire operated with a chauffeur for the transportation of passengers, and which operates or should operate under permits issued by the Department as required by law. An additional fee of \$5 shall be charged if the vehicle weighs more than 4,000 pounds. This subsection does not apply to vehicles used as common carriers.

10. Eighteen dollars for a motorcycle, with or without a sidecar. To this fee shall be added a surcharge of \$3 which shall be distributed as provided in § 46.2-1191.

11. Twenty-three dollars for a bus used exclusively for transportation to and from church school, for the purpose of religious instruction, or church, for the purpose of divine worship. If the empty weight of the vehicle exceeds 4,000 pounds, the fee shall be \$28.

12. Thirteen dollars plus \$ 0.70 per 100 pounds or major fraction thereof for other passenger-carrying vehicles.

13. An additional fee of \$4 per year shall be charged and collected at the time of registration of each pickup or panel truck and each motor vehicle under subdivisions 1 through 12 of this subsection. All funds collected pursuant to this subdivision shall be paid into the state treasury and shall be set aside as a special fund to be used only for emergency medical service purposes. The moneys in the special fund

shall be distributed as follows:

a. Two percent shall be distributed to the State Department of Health to provide funding to the Virginia Association of Volunteer Rescue Squads to be used solely for the purpose of conducting volunteer recruitment, retention and training activities;

b. Thirty percent shall be distributed to the State Department of Health to support (i) emergency medical services training programs (excluding advanced life support classes); (ii) advanced life support training; (iii) recruitment and retention programs (all funds for such support shall be used to recruit and retain volunteer emergency medical services personnel only, including public awareness campaigns, technical assistance programs, and similar activities); (iv) emergency medical services system development, initiatives, and priorities based on needs identified by the State Emergency Medical Services Advisory Board; (v) local, regional, and statewide performance contracts for emergency medical services to meet the objectives stipulated in § 32.1-111.3; (vi) technology and radio communication enhancements; and (vii) improved emergency preparedness and response. Any funds set aside for distribution under this provision and remaining undistributed at the end of any fiscal year shall revert to the Rescue Squad Assistance Fund;

c. Thirty-two percent shall be distributed to the Rescue Squad Assistance Fund;

d. Ten percent shall be available to the State Department of Health's Office of Emergency Medical Services for use in emergency medical services; and

e. Twenty-six percent shall be returned by the Comptroller to the locality wherein such vehicle is registered, to provide funding for training of volunteer or salaried emergency medical service personnel of licensed, nonprofit emergency medical services agencies and for the purchase of necessary equipment and supplies for use in such locality for licensed, nonprofit emergency medical and rescue services.

The Comptroller shall clearly designate on the warrant, check, or other means of transmitting these funds that such moneys are only to be used for purposes set forth in this subdivision. Such funds shall be in addition to any local appropriations and local governing bodies shall not use these funds to supplant local funds. Each local governing body shall report annually to the Board of Health on the use of the funds returned to it pursuant to this section. In any case in which the local governing body grants the funds to a regional emergency medical services council to be distributed to the licensed, nonprofit emergency medical and rescue services, the local governing body shall remain responsible for the proper use of the funds. If, at the end of any fiscal year, a report on the use of the funds returned to the locality pursuant to this section for that year has not been received from a local governing body, any funds due to that local governing body for the next fiscal year shall be retained until such time as the report has been submitted to the Board.

B. All motor vehicles, trailers, and semitrailers registered as provided in subsection B of § 46.2-646 shall pay a registration fee equal to one-twelfth of all fees required by subsection A of this section or § 46.2-697 for such motor vehicle, trailer, or semitrailer, computed to the nearest cent, multiplied by the number of months in the registration period for such motor vehicles, trailers, and semitrailers.

C. The manufacturer's shipping weight or scale weight shall be used for computing all fees required by this section to be based upon the weight of the vehicle.

D. The applicant for registration bears the burden of proof that the vehicle for which registration is sought is entitled by weight, design, and use to be registered at the fee tendered by the applicant to the Commissioner or to his authorized agent.

§ 46.2-694.1. Fees for trailers and semitrailers not designed and used for transportation of passengers.

Unless otherwise specified in this title, the registration fees for trailers and semitrailers not designed and used for the transportation of passengers on the highways in the Commonwealth shall be as follows:

Registered Gross Weight	1-Year Fee	2-Year Fee	Permanent Fee
0-1,500 lbs	<del>\$8.00</del> \$18.00	<del>\$16.00</del> \$36.00	<del>\$50.00</del> \$70.00
1,501-4,000 lbs	<del>\$18.50</del> \$28.50	<del>\$37.00</del> \$57.00	<del>\$50.00</del> \$75.00
4,001 lbs & above	<del>\$23.50</del> \$40.00	<del>\$47.00</del> \$80.00	<del>\$50.00</del> \$100.00

From the foregoing registration fees, the following amounts, regardless of weight category, shall be paid by the Department into the state treasury and set aside for the payment of the administrative costs of the safety inspection program provided for in Article 21 (§ 46.2-1157 et seq.) of Chapter 10 of this title: (i) from each one-year registration fee, one dollar and fifty cents; (ii) from each two-year registration fee, three dollars; and (iii) from each permanent registration fee, four dollars.

§ 46.2-697. Fees for vehicles not designed or used for transportation of passengers.

A. Except as otherwise provided in this section, the fee for registration of all motor vehicles not designed and used for the transportation of passengers shall be ~~thirteen dollars~~ \$23 plus an amount determined by the gross weight of the vehicle or combination of vehicles of which it is a part, when loaded to the maximum capacity for which it is registered and licensed, according to the schedule of fees set forth in this section. For each 1,000 pounds of gross weight, or major fraction thereof, for which any such vehicle is registered, there shall be paid to the Commissioner the fee indicated in the

following schedule immediately opposite the weight group and under the classification established by the provisions of subsection B of § 46.2-711 into which such vehicle, or any combination of vehicles of which it is a part, falls when loaded to the maximum capacity for which it is registered and licensed. The fee for a pickup or panel truck shall be ~~twenty-three dollars~~ \$33 if its gross weight is 4,000 pounds or less, and ~~twenty-eight dollars~~ \$38 if its gross weight is 4,001 pounds through 6,500 pounds. The fee shall be ~~twenty-nine dollars~~ \$39 for any motor vehicle with a gross weight of 6,501 pounds through 10,000 pounds.

Gross Weight Groups (pounds)	Fee Per Thousand Pounds of Gross Weight		
	Private Carriers	For Rent or For Hire Carriers	
10,001 - 11,000	<del>\$2.60</del> 3.17		\$4.75
11,001 - 12,000	<del>2.80</del> 3.42		4.90
12,001 - 13,000	<del>3.00</del> 3.66		5.15
13,001 - 14,000	<del>3.20</del> 3.90		5.40
14,001 - 15,000	<del>3.40</del> 4.15		5.65
15,001 - 16,000	<del>3.60</del> 4.39		5.90
16,001 - 17,000	<del>4.00</del> 4.88		6.15
17,001 - 18,000	<del>4.40</del> 5.37		6.40
18,001 - 19,000	<del>4.80</del> 5.86		7.50
19,001 - 20,000	<del>5.20</del> 6.34		7.70
20,001 - 21,000	<del>5.60</del> 6.83		7.90
21,001 - 22,000	<del>6.00</del> 7.32		8.10
22,001 - 23,000	<del>6.40</del> 7.81		8.30
23,001 - 24,000	<del>6.80</del> 8.30		8.50
24,001 - 25,000	<del>6.90</del> 8.42		8.70
25,001 - 26,000	<del>6.95</del> 8.48		8.90
26,001 - 27,000	<del>8.25</del> 10.07		10.35
27,001 - 28,000	<del>8.30</del> 10.13		10.55
28,001 - 29,000	<del>8.35</del> 10.18		10.75
29,001 - 40,000	<del>8.45</del> 10.31		10.95
40,001 - 45,000	<del>8.55</del> 10.43		11.15
45,001 - 50,000	<del>8.75</del> 10.68		11.25
50,001 - 55,000	<del>9.25</del> 11.29		13.25
55,001 - 76,000	<del>11.25</del> 13.73		15.25
76,001 - 80,000	<del>13.25</del> 16.17		16.25

For all such motor vehicles exceeding a gross weight of 6,500 pounds, an additional fee of five dollars shall be imposed.

B. In lieu of registering any motor vehicle referred to in this section for an entire licensing year, the owner may elect to register the vehicle only for one or more quarters of a licensing year, and in such case, the fee shall be twenty-five percent of the annual fee plus five dollars for each quarter that the vehicle is registered.

C. When an owner elects to register and license a motor vehicle under subsection B of this section, the provisions of §§ 46.2-646 and 46.2-688 shall not apply.

D. Notwithstanding any other provision of law, no vehicle designed, equipped, and used to tow disabled or inoperable motor vehicles shall be required to register in accordance with any gross weight other than the gross weight of the towing vehicle itself, exclusive of any vehicle being towed.

E. All registrations and licenses issued for less than a full year shall expire on the date shown on the license and registration.

§ 46.2-702.1. Distribution of certain revenue.

A. Except as provided in subsection B, the net additional revenues generated by increases in the registration fees under §§ 46.2-694, 46.2-694.1, and 46.2-697 pursuant to enactments of the 2007 Session of the General Assembly, shall be deposited into the Highway Maintenance and Operating Fund.

B. In the case of vehicles registered under the International Registration Plan, an amount that is approximately equal to the net additional revenues generated by increases in the registration fees under §§ 46.2-694, 46.2-694.1, and 46.2-697 that are in regard to such vehicles pursuant to enactments of the 2007 Session of the General Assembly shall be deposited into the Highway and Maintenance Operating Fund.

C. For purposes of this title, "net additional revenues" shall mean the additional revenues provided

1519 pursuant to enactments of the 2007 Session of the General Assembly minus any refunds or remittances  
1520 required to be paid.

1521 § 46.2-755.1. Additional annual license fees in certain localities.

1522 In addition to taxes and license fees imposed pursuant to § 46.2-752 and to all other taxes and fees  
1523 permitted by law, the Hampton Roads Transportation Authority established pursuant to § 33.1-391.7 and  
1524 the Northern Virginia Transportation Authority established pursuant to § 15.2-4830 are authorized to  
1525 charge an additional non-refundable annual license fee in the amount of \$10 for each vehicle registered  
1526 in any county or city that is embraced by the respective Authority, for such vehicles subject to state  
1527 registration fees under this Title. Such additional license fees shall not, however, be charged for any  
1528 vehicle registered under the International Registration Plan developed by International Registration  
1529 Plan, Inc.

1530 § 46.2-755.2. Additional initial registration fees in certain localities.

1531 In addition to taxes and license fees imposed pursuant to § 46.2-752 and to all other taxes and fees  
1532 permitted by law, the Hampton Roads Transportation Authority established pursuant to § 33.1-391.7 and  
1533 the Northern Virginia Transportation Authority established pursuant to § 15.2-4830 are authorized to  
1534 charge an additional non-refundable initial, one-time registration fee on any vehicle registered in any  
1535 county or city that is embraced by the respective Authority, for such vehicles subject to state registration  
1536 fees under this Title. The fee shall be imposed at a rate of 1% of the value of the vehicle at the time the  
1537 vehicle is first registered in such county or city by the owner of the vehicle. The value of the vehicle  
1538 shall be determined on the same basis as is or would be used to determine the basis for motor vehicle  
1539 sales and use tax as set forth in Chapter 24 (§ 58.1-2400 et seq.) of Title 58.1. The fee –authorized by  
1540 this section shall be assessed at the time the vehicle is first registered in the county or city embraced by  
1541 the respective Authority by the owner of the vehicle, and shall be imposed only once, so long as the  
1542 ownership of the vehicle upon which they are imposed remains unchanged.

1543 The fee authorized by this section shall not be imposed upon (i) vehicles registered prior to January  
1544 1, 2008 unless the ownership of the vehicle changes on or after January 1, 2008; (ii) vehicles registered  
1545 under the International Registration Plan developed by International Registration Plan, Inc.; and (iii)  
1546 any vehicle for which the sole basis for imposing the fee would be a change in the ownership of the  
1547 vehicle due to (a) a gift to the spouse, son, or daughter of the transferor, (b) a transfer to a spouse,  
1548 heir under the will, or heir at law by intestate succession as a result of the death of the owner of the  
1549 vehicle, or (c) the addition or removal of a spouse.

1550 § 46.2-1135. Liquidated damages for violation of weight limits.

1551 A. Any person violating any weight limit as provided in this chapter or in any permit issued pursuant  
1552 to Article 18 (§ 46.2-1139 et seq.) of this chapter by the Department or its designee or by local  
1553 authorities pursuant to this chapter shall be assessed liquidated damages. The amount of those damages  
1554 shall be:

1555	Excess weight over	
1556	the prescribed	
1557	or permitted	Assessed
1558	axle weight	amount per
1559	limits	pound

1561	<del>4,000 pounds or less</del>	<del>1 cent per pound</del>
1562	<del>4,001 to 8,000 pounds</del>	<del>10 cents per pound</del>
1563	<del>8,001 to 12,000 pounds</del>	<del>20 cents per pound</del>
1564	<del>12,001 pounds or more</del>	<del>30 cents per pound</del>
1565	2,000 pounds or less	1 cent per pound
1566	2,001 to 4,000 pounds	3 cents per pound
1567	4,001 to 8,000 pounds	12 cents per pound
1568	8,001 to 12,000 pounds	22 cents per pound
1569	12,001 pounds or more	35 cents per pound

1570	Excess weight over	
1571	the prescribed	Assessed
1572	gross weight	amount per
1573	limit	pound

1575	<del>4,000 pounds or less</del>	<del>1 cent per pound</del>
1576	<del>4,001 to 8,000 pounds</del>	<del>5 cents per pound</del>
1577	<del>8,001 to 12,000 pounds</del>	<del>10 cents per pound</del>

1578	<del>12,001 pounds or more</del>	<del>15 cents per pound</del>
1579	2,000 pounds or less	1 cent per pound
1580	2,001 to 4,000 pounds	3 cents per pound
1581	4,001 to 8,000 pounds	7 cents per pound
1582	8,001 to 12,000 pounds	12 cents per pound
1583	12,001 pounds or more	20 cents per pound

1584 All gross permit violations shall be assessed \$.20 per pound over the permitted weight limit.

1585 *In addition to all damages assessed herein, for every violation of any weight limit as provided in this*  
 1586 *chapter or in any permit issued pursuant to Article 18 (§ 46.2-1139 et seq.) of this chapter, there shall*  
 1587 *be assessed additional liquidated damages of \$20.*

1588 If a person has no prior violations under the motor vehicle weight laws, and the excess weight does  
 1589 not exceed ~~2,500~~ 1,500 pounds, the general district court may waive the liquidated damages against such  
 1590 person. Except as provided by § 46.2-1138, such assessment shall be entered by the court or by the  
 1591 Department as a judgment for the Commonwealth, the entry of which shall constitute a lien upon the  
 1592 overweight vehicle. Except as provided by § 46.2-1138, such sums shall be paid to the Department or  
 1593 collected by the attorney for the Commonwealth and forwarded to the State Treasurer and allocated to  
 1594 the fund appropriated for the construction and maintenance of state highways.

1595 B. If the gross weight of the vehicle exceeds lawful limits by at least 25 percent but no more than  
 1596 50 percent, the amount of the liquidated damages shall be two times the amount provided for in the  
 1597 foregoing provisions of this section; if the gross weight of the vehicle exceeds lawful limits by more  
 1598 than 50 percent, the amount of the liquidated damages shall be three times the amount provided for in  
 1599 the foregoing provisions of this section. The provisions of this subsection shall not apply to pickup or  
 1600 panel trucks.

1601 C. *The increases in the liquidated damages under subsection A pursuant to enactments of the 2007*  
 1602 *Session of the General Assembly shall not be applicable to any motor vehicle hauling forest or farm*  
 1603 *products from the place where such products are first produced, cut, harvested, or felled to the location*  
 1604 *where they are first processed. The amount of liquidated damages assessed against such motor vehicles*  
 1605 *shall be:*

1607	Excess weight over	
1608	the prescribed or	Assessed
1609	permitted axle	amount per
1610	weight limits	pound
1611		
1612	4,000 pounds or less	1 cent per pound
1613	4,001 to 8,000 pounds	10 cents per pound
1614	8,001 to 12,000 pounds	20 cents per pound
1615	12,001 pounds or more	30 cents per pound

1617	Excess weight over	Assessed
1618	the prescribed gross	amount per
1619	weight limit	pound
1620		
1621	4,000 pounds or less	1 cent per pound
1622	4,001 to 8,000 pounds	5 cents per pound
1623	8,001 to 12,000 pounds	10 cents per pound
1624	12,001 pounds or more	15 cents per pound

1625 § 46.2-1167.1. *Additional fee permitted in certain counties and cities.*

1626 *In addition to all other charges and fees permitted by law, the Hampton Roads Transportation*  
 1627 *Authority and the Northern Virginia Transportation Authority are authorized to charge an additional fee*  
 1628 *at the time of inspection in the amount of \$10 for all vehicles for which an amount is permitted to be*  
 1629 *charged for inspection pursuant to § 46.2-1167 in the area embraced by the respective Authority and*  
 1630 *which shall be transmitted to the respective Authority.*

1631 § 58.1-605. To what extent and under what conditions cities and counties may levy local sales taxes;  
 1632 collection thereof by Commonwealth and return of revenue to each city or county entitled thereto.

1633 A. No county, city or town shall impose any local general sales or use tax or any local general retail  
 1634 sales or use tax except as authorized by this section.

1635 B. The council of any city and the governing body of any county may levy a general retail sales tax  
 1636 at the rate of one percent to provide revenue for the general fund of such city or county. Such tax shall

be added to the rate of the state sales tax imposed by §§ 58.1-603 and 58.1-604 and shall be subject to all the provisions of this chapter and the rules and regulations published with respect thereto. No discount under § 58.1-622 shall be allowed on a local sales tax.

C. The council of any city and the governing body of any county desiring to impose a local sales tax under this section may do so by the adoption of an ordinance stating its purpose and referring to this section, and providing that such ordinance shall be effective on the first day of a month at least 60 days after its adoption. A certified copy of such ordinance shall be forwarded to the Tax Commissioner so that it will be received within five days after its adoption.

D. Any local sales tax levied under this section shall be administered and collected by the Tax Commissioner in the same manner and subject to the same penalties as provided for the state sales tax.

E. All local sales tax moneys collected by the Tax Commissioner under this section shall be paid into the state treasury to the credit of a special fund which is hereby created on the Comptroller's books under the name "Collections of Local Sales Taxes." Such local sales tax moneys shall be credited to the account of each particular city or county levying a local sales tax under this section. The basis of such credit shall be the city or county in which the sales were made as shown by the records of the Department and certified by it monthly to the Comptroller, namely, the city or county of location of each place of business of every dealer paying the tax to the Commonwealth without regard to the city or county of possible use by the purchasers. If a dealer has any place of business located in more than one political subdivision by reason of the boundary line or lines passing through such place of business, the amount of sales tax paid by such a dealer with respect to such place of business shall be treated for the purposes of this section as follows: one-half shall be assignable to each political subdivision where two are involved, one-third where three are involved, and one-fourth where four are involved.

F. As soon as practicable after the local sales tax moneys have been paid into the state treasury in any month for the preceding month, the Comptroller shall draw his warrant on the Treasurer of Virginia in the proper amount in favor of each city or county entitled to the monthly return of its local sales tax moneys, and such payments shall be charged to the account of each such city or county under the special fund created by this section. If errors are made in any such payment, or adjustments are otherwise necessary, whether attributable to refunds to taxpayers, or to some other fact, the errors shall be corrected and adjustments made in the payments for the next six months as follows: one-sixth of the total adjustment shall be included in the payments for the next six months. In addition, the payment shall include a refund of amounts erroneously not paid to the city or county and not previously refunded during the three years preceding the discovery of the error. A correction and adjustment in payments described in this subsection due to the misallocation of funds by the dealer shall be made within three years of the date of the payment error.

G. Such payments to counties are subject to the qualification that in any county wherein is situated any incorporated town constituting a special school district and operated as a separate school district under a town school board of three members appointed by the town council, the county treasurer shall pay into the town treasury for general governmental purposes the proper proportionate amount received by him in the ratio that the school age population of such town bears to the school age population of the entire county. If the school age population of any town constituting a separate school district is increased by the annexation of territory since the last preceding school age population census, such increase shall, for the purposes of this section, be added to the school age population of such town as shown by the last such census and a proper reduction made in the school age population of the county or counties from which the annexed territory was acquired.

H. One-half of such payments to counties are subject to the further qualification, other than as set out in subsection G above, that in any county wherein is situated any incorporated town not constituting a separate special school district which has complied with its charter provisions providing for the election of its council and mayor for a period of at least four years immediately prior to the adoption of the sales tax ordinance, the county treasurer shall pay into the town treasury of each such town for general governmental purposes the proper proportionate amount received by him in the ratio that the school age population of each such town bears to the school age population of the entire county, based on the latest statewide school census. The preceding requirement pertaining to the time interval between compliance with election provisions and adoption of the sales tax ordinance shall not apply to a tier-city. If the school age population of any such town not constituting a separate special school district is increased by the annexation of territory or otherwise since the last preceding school age population census, such increase shall, for the purposes of this section, be added to the school age population of such town as shown by the last such census and a proper reduction made in the school age population of the county or counties from which the annexed territory was acquired.

I. Notwithstanding the provisions of subsection H, the board of supervisors of a county may, in its discretion, appropriate funds to any incorporated town not constituting a separate school district within such county which has not complied with the provisions of its charter relating to the elections of its

council and mayor, an amount not to exceed the amount it would have received from the tax imposed by this chapter if such election had been held.

J. It is further provided that if any incorporated town which would otherwise be eligible to receive funds from the county treasurer under subsection G or H of this section be located in a county which does not levy a general retail sales tax under the provisions of this law, such town may levy a general retail sales tax at the rate of one percent to provide revenue for the general fund of the town, subject to all the provisions of this section generally applicable to cities and counties. Any tax levied under the authority of this subsection shall in no case continue to be levied on or after the effective date of a county ordinance imposing a general retail sales tax in the county within which such town is located.

K. 1. *Notwithstanding the other provisions of this chapter, the Hampton Roads Transportation Authority and the Northern Virginia Transportation Authority may impose a retail sales tax at the rate of 5% on (i) charges for separately stated labor or services in the repair of motor vehicles and (ii) charges for the repair of a motor vehicle in cases in which the true object of the repair is a service provided within a city or county embraced by the respective Authority.*

2. *The revenue generated and collected pursuant to the tax authorized under this subsection, less the applicable portion of any refunds to taxpayers and after subtraction of the direct costs of administration by the Department, shall be deposited and held in a special trust fund under the control of the State Treasurer entitled "Special Sales and Use Tax Motor Vehicle Repair Fund." The State Treasurer on a monthly basis shall distribute the amounts deposited in the special trust fund to the Hampton Roads Transportation Authority or the Northern Virginia Transportation Authority as appropriate.*

3. *No discount under § 58.1-622 shall be allowed for the tax described under this subsection. Except as otherwise provided herein, the tax under this subsection shall be administered and collected in the same manner and subject to the same penalties as provided for the local retail sales tax.*

§ 58.1-606. To what extent and under what conditions cities and counties may levy local use tax; collection thereof by Commonwealth and return of revenues to the cities and counties.

A. The council of any city and the governing body of any county which has levied or may hereafter levy a city or county sales tax under § 58.1-605 may levy a city or county use tax at the rate of one percent to provide revenue for the general fund of such city or county. Such tax shall be added to the rate of the state use tax imposed by this chapter and shall be subject to all the provisions of this chapter, and all amendments thereof, and the rules and regulations published with respect thereto, except that no discount under § 58.1-622 shall be allowed on a local use tax.

B. The council of any city and the governing body of any county desiring to impose a local use tax under this section may do so in the manner following:

1. If the city or county has previously imposed the local sales tax authorized by § 58.1-605, the local use tax may be imposed by the council or governing body by the adoption of a resolution by a majority of all the members thereof, by a recorded yea and nay vote, stating its purpose and referring to this section, and providing that the local use tax shall become effective on the first day of a month at least 60 days after the adoption of the resolution. A certified copy of such resolution shall be forwarded to the Tax Commissioner so that it will be received within five days after its adoption. The resolution authorized by this paragraph may be adopted in the manner stated notwithstanding any other provision of law, including any charter provision.

2. If the city or county has not imposed the local sales tax authorized by § 58.1-605, the local use tax may be imposed by ordinance together with the local sales tax in the manner set out in subsections B and C of § 58.1-605.

C. Any local use tax levied under this section shall be administered and collected by the Tax Commissioner in the same manner and subject to the same penalties as provided for the state use tax.

D. The local use tax authorized by this section shall not apply to transactions to which the sales tax applies, the situs of which for state and local sales tax purposes is the city or county of location of each place of business of every dealer paying the tax to the Commonwealth without regard to the city or county of possible use by the purchasers. However, the local use tax authorized by this section shall apply to tangible personal property purchased without this Commonwealth for use or consumption within the city or county imposing the local use tax, or stored within the city or county for use or consumption, where the property would have been subject to the sales tax if it had been purchased within this Commonwealth. The local use tax shall also apply to leases or rentals of tangible personal property where the place of business of the lessor is without this Commonwealth and such leases or rentals are subject to the state tax. Moreover, the local use tax shall apply in all cases in which the state use tax applies.

E. Out-of-state dealers who hold certificates of registration to collect the use tax from their customers for remittance to this Commonwealth shall, to the extent reasonably practicable, in filing their monthly use tax returns with the Tax Commissioner, break down their shipments into this Commonwealth by cities and counties so as to show the city or county of destination. If, however, the out-of-state dealer is

unable accurately to assign any shipment to a particular city or county, the local use tax on the tangible personal property involved shall be remitted to the Commonwealth by such dealer without attempting to assign the shipment to any city or county.

F. Local use tax revenue shall be distributed among the cities and counties for which it is collected, respectively, as shown by the records of the Department, and the procedure shall be the same as that prescribed for distribution of local sales tax revenue under § 58.1-605. The local use tax revenue that is not accurately assignable to a particular city or county shall be distributed monthly by the appropriate state authorities among the cities and counties in this Commonwealth imposing the local use tax upon the basis of taxable retail sales in the respective cities and counties in which the local sales and use tax was in effect in the taxable month involved, as shown by the records of the Department, and computed with respect to taxable retail sales as reflected by the amounts of the local sales tax revenue distributed among such cities and counties, respectively, in the month of distribution. Notwithstanding any other provision of this section, the Tax Commissioner shall develop a uniform method to distribute local use tax. Any significant changes to the method of local use tax distribution shall be phased in over a five-year period. Distribution information shall be shared with the affected localities prior to implementation of the changes.

G. All local use tax revenue shall be used, applied or disbursed by the cities and counties as provided in § 58.1-605 with respect to local sales tax revenue.

H. 1. *Notwithstanding the other provisions of this chapter, the Hampton Roads Transportation Authority and the Northern Virginia Transportation Authority may impose a retail use tax at the rate of 5% on (i) charges for separately stated labor or services for the repair of motor vehicles and (ii) charges for the repair of a motor vehicle in cases in which the true object of the repair is a service provided within a city or county embraced by the respective Authority.*

2. *The revenue generated and collected pursuant to the tax authorized under this subsection, less the applicable portion of any refunds to taxpayers and after subtraction of the direct costs of administration by the Department, shall be deposited and held in a special trust fund under the control of the State Treasurer entitled "Special Sales and Use Tax Motor Vehicle Repair Fund." The State Treasurer on a monthly basis shall distribute the amounts deposited in the special trust fund to the Hampton Roads Transportation Authority or the Northern Virginia Transportation Authority as appropriate.*

3. *No discount under § 58.1-622 shall be allowed for the tax described under this subsection. Except as otherwise provided herein, the tax under this subsection shall be administered and collected in the same manner and subject to the same penalties as provided for the local retail use tax.*

§ 58.1-625.1. *Certain dealers required to separately state labor or service charges in the repair of motor vehicles.*

*Any dealer or other person required to collect any tax imposed under this chapter, or pursuant to any authority granted under this chapter, who is located in any county or city embraced by the Northern Virginia Transportation Authority established under § 15.2-4830 or the Hampton Roads Transportation Authority established under § 33.1-391.7, shall separately state on any bill, invoice, ticket, or other billing statement the amount charged by such dealer or person for labor or services performed in the repair of motor vehicles. This section shall apply only in the counties or cities embraced by the Northern Virginia Transportation Authority if the Authority is imposing the taxes authorized pursuant to subsection K of § 58.1-605 and subsection H of § 58.1-606, or in the counties or cities embraced by the Hampton Roads Transportation Authority if the Authority is imposing the taxes authorized pursuant to subsection K of § 58.1-605 and subsection H of § 58.1-606.*

§ 58.1-802.1. *Regional congestion relief fee.*

*In addition to any other tax imposed under the provisions of this chapter, the Hampton Roads Transportation Authority established pursuant to § 33.1-391.7 and the Northern Virginia Transportation Authority established pursuant to § 15.2-4830 may impose a fee, delineated as the "Regional congestion relief fee," on each deed, instrument, or writing by which lands, tenements, or other realty located in any county or city embraced by the respective Authority is sold and is granted, assigned, transferred, or otherwise conveyed to or vested in the purchaser or any other person, by such purchaser's direction. The rate of the fee, when the consideration or value of the interest, whichever is greater, equals or exceeds \$100, shall be \$0.40 for each \$100 or fraction thereof, exclusive of the value of any lien or encumbrance remaining thereon at the time of the sale, whether such lien is assumed or the realty is sold subject to such lien or encumbrance.*

*The fee imposed by this section shall be paid by the grantor, or any person who signs on behalf of the grantor, of any deed, instrument, or writing subject to the fee imposed by this section.*

*Fees imposed by this section shall be collected pursuant to subsection B of § 58.1-802. However, the compensation allowed to the clerk of the court under such subsection shall not be applicable with regard to the fee collected under this section. The clerk shall return all fees collected pursuant to the authority granted under this section to the Hampton Roads Transportation Authority or the Northern*

*Virginia Transportation Authority, as appropriate, as soon as practicable.*

§ 58.1-811. Exemptions.

A. The taxes imposed by §§ 58.1-801 and 58.1-807 shall not apply to any deed conveying real estate or lease of real estate:

1. To an incorporated college or other incorporated institution of learning not conducted for profit, where such real estate is intended to be used for educational purposes and not as a source of revenue or profit;

2. To an incorporated church or religious body or to the trustee or trustees of any church or religious body, or a corporation mentioned in § 57-16.1, where such real estate is intended to be used exclusively for religious purposes, or for the residence of the minister of any such church or religious body;

3. To the United States, the Commonwealth, or to any county, city, town, district or other political subdivision of the Commonwealth;

4. To the Virginia Division of the United Daughters of the Confederacy;

5. To any nonstock corporation organized exclusively for the purpose of owning or operating a hospital or hospitals not for pecuniary profit;

6. To a corporation upon its organization by persons in control of the corporation in a transaction which qualifies for nonrecognition of gain or loss pursuant to § 351 of the Internal Revenue Code as it exists at the time of the conveyance;

7. From a corporation to its stockholders upon complete or partial liquidation of the corporation in a transaction which qualifies for income tax treatment pursuant to § 331, 332, 333 or 337 of the Internal Revenue Code as it exists at the time of liquidation;

8. To the surviving or new corporation, partnership or limited liability company upon merger or consolidation of two or more corporations, partnerships or limited liability companies, or in a reorganization within the meaning of § 368 (a) (1) (C) and (F) of the Internal Revenue Code as amended;

9. To a subsidiary corporation from its parent corporation, or from a subsidiary corporation to a parent corporation, if the transaction qualifies for nonrecognition of gain or loss under the Internal Revenue Code as amended;

10. To a partnership or limited liability company, when the grantors are entitled to receive not less than 50 percent of the profits and surplus of such partnership or limited liability company; provided that the transfer to a limited liability company is not a precursor to a transfer of control of the assets of the company to avoid recordation taxes;

11. From a partnership or limited liability company, when the grantees are entitled to receive not less than 50 percent of the profits and surplus of such partnership or limited liability company; provided that the transfer from a limited liability company is not subsequent to a transfer of control of the assets of the company to avoid recordation taxes;

12. To trustees of a revocable inter vivos trust, when the grantors in the deed and the beneficiaries of the trust are the same persons, regardless of whether other beneficiaries may also be named in the trust instrument, when no consideration has passed between the grantor and the beneficiaries; and to the original beneficiaries of a trust from the trustees holding title under a deed in trust;

13. When the grantor is the personal representative of a decedent's estate or trustee under a will or inter vivos trust of which the decedent was the settlor, other than a security trust defined in § 55-58.1, and the sole purpose of such transfer is to comply with a devise or bequest in the decedent's will or to transfer title to one or more beneficiaries after the death of the settlor in accordance with a dispositive provision in the trust instrument; or

14. When the grantor is an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code that is organized and operated primarily to acquire land and purchase materials to erect or rehabilitate low-cost homes on such land, which homes are sold at cost to persons who otherwise would be unable to afford to buy a home through conventional means, located in a county with a population of not less than 28,500 and not more than 28,650 or a city with a population of not less than 66,000 and not more than 70,000.

B. The taxes imposed by §§ 58.1-803 and 58.1-804 shall not apply to any deed of trust or mortgage:

1. Given by an incorporated college or other incorporated institution of learning not conducted for profit;

2. Given by the trustee or trustees of a church or religious body or given by an incorporated church or religious body, or given by a corporation mentioned in § 57-16.1;

3. Given by any nonstock corporation organized exclusively for the purpose of owning and/or operating a hospital or hospitals not for pecuniary profit;

4. Given by any local governmental entity or political subdivision of the Commonwealth to secure a debt payable to any other local governmental entity or political subdivision; or

5. Securing a loan made by an organization described in subdivision 14 of subsection A of this

1881 section.

1882 C. The tax imposed by § 58.1-802 *and the fees imposed by § 58.1-802.1* shall not apply to any:

1883 1. Transaction described in subdivisions 6 through 13 of subsection A of this section;

1884 2. Instrument or writing given to secure a debt;

1885 3. Deed conveying real estate from an incorporated college or other incorporated institution of  
1886 learning not conducted for profit;

1887 4. Deed conveying real estate from the United States, the Commonwealth or any county, city, town,  
1888 district or other political subdivision thereof;

1889 5. Conveyance of real estate to the Commonwealth or any county, city, town, district or other  
1890 political subdivision thereof, if such political unit is required by law to reimburse the parties taxable  
1891 pursuant to § 58.1-802 *or subject to the fee under § 58.1-802.1*; or

1892 6. Deed conveying real estate from the trustee or trustees of a church or religious body or from an  
1893 incorporated church or religious body, or from a corporation mentioned in § 57-16.1.

1894 D. No recordation tax shall be required for the recordation of any deed of gift between a grantor or  
1895 grantors and a grantee or grantees when no consideration has passed between the parties. Such deed  
1896 shall state therein that it is a deed of gift.

1897 E. The tax imposed by § 58.1-807 shall not apply to any lease to the United States, the  
1898 Commonwealth, or any county, city, town, district or other political subdivision of the Commonwealth.

1899 F. The taxes *and fees* imposed by §§ 58.1-801, 58.1-802, 58.1-802.1, 58.1-807, 58.1-808 and  
1900 58.1-814 shall not apply to (i) any deed of gift conveying real estate or any interest therein to The  
1901 Nature Conservancy or (ii) any lease of real property or any interest therein to The Nature Conservancy,  
1902 where such deed of gift or lease of real estate is intended to be used exclusively for the purpose of  
1903 preserving wilderness, natural or open space areas.

1904 G. The words "trustee" or "trustees," as used in subdivision 2 of subsection A, subdivision 2 of  
1905 subsection B, and subdivision 6 of subsection C, include the trustees mentioned in § 57-8 and the  
1906 ecclesiastical officers mentioned in § 57-16.

1907 H. No recordation tax levied pursuant to this chapter shall be levied on the release of a contractual  
1908 right, if the release is contained within a single deed that performs more than one function, and at least  
1909 one of the other functions performed by the deed is subject to the recordation tax.

1910 I. No recordation tax levied pursuant to this chapter shall be levied on a deed, lease, easement,  
1911 release, or other document recorded in connection with a concession pursuant to the Public-Private  
1912 Transportation Act of 1995 (§ 56-556 et seq.) or similar federal law.

1913 § 58.1-815.4. *Distribution of recordation tax for certain transportation-related purposes.*

1914 *Effective July 1, 2008, of the state recordation taxes imposed pursuant to §§ 58.1-801 and 58.1-803,*  
1915 *the revenues collected each fiscal year from \$0.03 of the total tax imposed under each section shall be*  
1916 *deposited by the Comptroller as follows:*

1917 1. *The revenues collected from \$0.02 of the total tax shall be deposited into the Commonwealth Mass*  
1918 *Transit Fund pursuant to subdivision A 4 e of § 58.1-638; and*

1919 2. *The revenues collected from \$0.01 of the total tax shall be deposited into the Highway*  
1920 *Maintenance and Operating Fund.*

1921 *Article 4.1.*

1922 *Motor Vehicle Fuel Sales Tax in Certain Localities.*

1923 § 58.1-1724.2. *Rules and regulations; bracket system.*

1924 *The Tax Commissioner shall promulgate rules and regulations for the registration of dealers and the*  
1925 *procedures for filing returns for the payment of the tax imposed pursuant to this article. Such*  
1926 *regulations shall include provisions for a bracket system, designed so that the tax will appear on the*  
1927 *fuel pump as a part of the total cost of a unit of fuel, whether the unit is a gallon or other measure.*  
1928 *The bracket system shall state the tax per unit measure in tenths of a cent, and shall be in increments of*  
1929 *no more than 2 1/2 cents.*

1930 § 58.1-1724.3. *Sales tax on fuel in certain localities.*

1931 A. *In addition to all other taxes, fees, and other charges imposed on fuels subject to tax under*  
1932 *Chapter 22 (§ 58.1-2200 et seq.) of this title, the Hampton Roads Transportation Authority may impose*  
1933 *a sales tax of 2% of the retail price of such fuels sold at retail within any county or city embraced by*  
1934 *the Authority. The Commissioner shall transfer the revenues collected to the Hampton Roads*  
1935 *Transportation Authority established under § 33.1-391.7. As used in this section "sold at retail" means*  
1936 *a sale to a consumer or to any person for any purpose other than resale.*

1937 B. *The tax imposed under this section shall be subject to the provisions of the Virginia Retail Sales*  
1938 *and Use Tax Act (§ 58.1-600 et seq.), except that the exemption provided for motor vehicle fuels under*  
1939 *§ 58.1-609.1, and the bracket system provided in such act, shall not be applicable.*

1940 § 58.1-1724.4. *Exclusion from professional license tax.*

1941 *The amount of the tax imposed by this article and collected by a dealer in any taxable year shall be*

1942 excluded from gross receipts for purposes of any tax imposed under Chapter 37 (§ 58.1-3700 et seq.) of  
 1943 this title.

1944 § 58.1-1724.5. Refund of motor vehicle fuel sales tax.

1945 Anyone who purchases fuel (i) that is taxed under the provisions of § 58.1-1724.3 and (ii) upon  
 1946 which a refund is granted for motor fuels taxes paid pursuant to the provisions of Chapter 22  
 1947 (§ 58.1-2200 et seq.), may file a claim for a refund of taxes paid under this article within 30 days after  
 1948 receipt of a refund under the above chapter on forms and under regulations adopted by the Department  
 1949 of Taxation.

1950 § 58.1-1724.6. Disposition of tax revenues.

1951 All taxes paid to the Commissioner pursuant to this article, after subtraction of the direct costs of  
 1952 administration by the Department, shall be transferred to the Hampton Roads Transportation Authority  
 1953 on a monthly basis.

1954 § 58.1-1724.7. Disclosure of information; penalties.

1955 For purposes of administering the tax levied under this article, the Commissioner, upon written  
 1956 request, is authorized to provide to the finance officer of the Hampton Roads Transportation Authority,  
 1957 such information as may be necessary for the performance his of official duties. Any person to whom  
 1958 information is provided pursuant to this section shall be subject to the prohibitions and penalties  
 1959 prescribed in § 58.1-3.

1960 § 58.1-2217. Taxes levied; rate.

1961 A. There is hereby levied a tax at the rate of seventeen and one-half cents per gallon on gasoline and  
 1962 gasohol.

1963 B. There is hereby levied a tax at the rate of ~~sixteen~~ *seventeen and one-half* cents per gallon on  
 1964 diesel fuel.

1965 C. Blended fuel that contains gasoline shall be taxed at the rate levied on gasoline. Blended fuel that  
 1966 contains diesel fuel shall be taxed at the rate levied on diesel fuel.

1967 D. There is hereby levied a tax at the rate of five cents per gallon on aviation gasoline. Any person,  
 1968 whether or not licensed under this chapter, who uses, acquires for use, sells or delivers for use in  
 1969 highway vehicles any aviation gasoline shall be liable for the tax at the rate of seventeen and one-half  
 1970 cents per gallon, along with any penalties and interest that may accrue.

1971 E. There is hereby levied a tax at the rate of five cents per gallon on aviation jet fuel purchased or  
 1972 acquired for use by a user of aviation fuel other than an aviation consumer. There is hereby levied a tax  
 1973 at the rate of five cents per gallon upon the first 100,000 gallons of aviation jet fuel, excluding bonded  
 1974 aviation jet fuel, purchased or acquired for use by any aviation consumer in any fiscal year. There is  
 1975 hereby levied a tax at the rate of one-half cent per gallon on all aviation jet fuel, excluding bonded  
 1976 aviation jet fuel, purchased or acquired for use by an aviation consumer in excess of 100,000 gallons in  
 1977 any fiscal year. Any person, whether or not licensed under this chapter, who uses, acquires for use, sells  
 1978 or delivers for use in highway vehicles any aviation jet fuel taxable under this chapter shall be liable for  
 1979 the tax imposed at the rate of ~~sixteen~~ *seventeen and one-half* cents per gallon, along with any penalties  
 1980 and interest that may accrue.

1981 F. In accordance with § 62.1-44.34:13, a storage tank fee is imposed on each gallon of gasoline,  
 1982 aviation gasoline, diesel fuel (including dyed diesel fuel), blended fuel, and heating oil sold and  
 1983 delivered or used in the Commonwealth.

1984 § 58.1-2249. Tax on alternative fuel.

1985 A. There is hereby levied a tax at the rate of ~~sixteen~~ *seventeen and one-half* cents per gallon on  
 1986 liquid alternative fuel used to operate a highway vehicle by means of a vehicle supply tank that stores  
 1987 fuel only for the purpose of supplying fuel to operate the vehicle. There is hereby levied a tax at a rate  
 1988 equivalent to ~~sixteen~~ *seventeen and one-half* cents per gallon on all other alternative fuel used to operate  
 1989 a highway vehicle. The Commissioner shall determine the equivalent rate applicable to such other  
 1990 alternative fuels.

1991 B. In addition to any tax imposed by this article, there is hereby levied an annual license tax of fifty  
 1992 dollars per vehicle on each highway vehicle that is fueled from a private source if the alternative fuels  
 1993 tax levied under this article has not been paid on fuel used in the vehicle. If such a highway vehicle is  
 1994 not in operation by January 1 of any year, the license tax shall be reduced by one-twelfth for each  
 1995 complete month which shall have elapsed since the beginning of such year.

1996 § 58.1-2289. Disposition of tax revenue generally.

1997 A. Unless otherwise provided in this section, all taxes and fees, including civil penalties, collected by  
 1998 the Commissioner pursuant to this chapter, less a reasonable amount to be allocated for refunds, shall be  
 1999 promptly paid into the state treasury and shall constitute special funds within the Commonwealth  
 2000 Transportation Fund. Any balances remaining in these funds at the end of the year shall be available for  
 2001 use in subsequent years for the purposes set forth in this chapter, and any interest income on such funds  
 2002 shall accrue to these funds. Except as provided in § 33.1-23.03:1, no portion of the revenue derived

from taxes collected pursuant to §§ 58.1-2217, 58.1-2249 or § 58.1-2701, and remaining after authorized refunds for nonhighway use of fuel, shall be used for any purpose other than the construction, reconstruction or maintenance of the roads and projects comprising the State Highway System, the Interstate System and the secondary system of state highways and expenditures directly and necessarily required for such purposes, including the retirement of revenue bonds.

Revenues collected under this chapter may be also used for (i) contributions toward the construction, reconstruction or maintenance of streets in cities and towns of such sums as may be provided by law and (ii) expenditures for the operation and maintenance of the Department of Transportation, the Department of Rail and Public Transportation, the Department of Aviation, the Virginia Port Authority, and the Department of Motor Vehicles as may be provided by law.

The Governor is hereby authorized to transfer out of such fund an amount necessary for the inspection of gasoline and motor grease measuring and distributing equipment, and for the inspection and analysis of gasoline for purity.

B. ~~The~~ *Except as provided in subsection F, the* tax collected on each gallon of aviation fuel sold and delivered or used in this Commonwealth, less refunds, shall be paid into a special fund of the state treasury. Proceeds of this special fund within the Commonwealth Transportation Fund shall be disbursed upon order of the Department of Aviation, on warrants of the Comptroller, to defray the cost of the administration of the laws of this Commonwealth relating to aviation, for the construction, maintenance and improvement of airports and landing fields to which the public now has or which it is proposed shall have access, and for the promotion of aviation in the interest of operators and the public generally.

C. One-half cent of the tax collected on each gallon of fuel on which ~~the a~~ refund has been paid at the rate of seventeen cents per gallon, or in the case of diesel fuel, fifteen and one-half cents per gallon for gasoline, gasohol, diesel fuel, blended fuel, or alternative fuel, for fuel consumed in tractors and unlicensed equipment used for agricultural purposes shall be paid into a special fund of the state treasury, known as the Virginia Agricultural Foundation Fund, to be disbursed to make certain refunds and defray the costs of the research and educational phases of the agricultural program, including supplemental salary payments to certain employees at Virginia Polytechnic Institute and State University, the Department of Agriculture and Consumer Services and the Virginia Truck and Ornamentals Research Station, including reasonable expenses of the Virginia Agricultural Council.

D. One and one-half cents of the tax collected on each gallon of fuel used to propel a commercial watercraft upon which a refund has been paid shall be paid to the credit of the Game Protection Fund of the state treasury to be made available to the Board of Game and Inland Fisheries until expended for the purposes provided generally in subsection C of § 29.1-701, including acquisition, construction, improvement and maintenance of public boating access areas on the public waters of this Commonwealth and for other activities and purposes of direct benefit and interest to the boating public and for no other purpose. However, one and one-half cents per gallon on fuel used by commercial fishing, oystering, clamming, and crabbing boats shall be paid to the Department of Transportation to be used for the construction, repair, improvement and maintenance of the public docks of this Commonwealth used by said commercial watercraft. Any expenditures for the acquisition, construction, improvement and maintenance of the public docks shall be made according to a plan developed by the Virginia Marine Resources Commission.

From the tax collected pursuant to the provisions of this chapter from the sales of gasoline used for the propelling of watercraft, after deduction for lawful refunds, there shall be paid into the state treasury for use by the Marine Resources Commission, the Virginia Soil and Water Conservation Board, the State Water Control Board, and the Commonwealth Transportation Board to (i) improve the public docks as specified in this section, (ii) improve commercial and sports fisheries in Virginia's tidal waters, (iii) make environmental improvements including, without limitation, fisheries management and habitat enhancement in the Chesapeake and its tributaries, and (iv) further the purposes set forth in § 33.1-223, a sum as established by the General Assembly.

E. Notwithstanding other provisions of this section, there shall be transferred from moneys collected pursuant to this section to a special fund within the Commonwealth Transportation Fund in the state treasury, to be used to meet the necessary expenses of the Department of Motor Vehicles, an amount equal to one percent of a sum to be calculated as follows: the tax revenues collected pursuant to this chapter, at the tax rates in effect on December 31, 1986, less refunds authorized by this chapter and less taxes collected for aviation fuels.

*F. The additional revenues, less any additional refunds authorized, generated by increases in the rates of taxes under this chapter pursuant to enactments of the 2007 Session of the General Assembly shall be collected pursuant to Article 4 of this chapter and deposited into the Highway Maintenance and Operating Fund.*

§ 58.1-2402.1. *Local rental car transportation fee.*

A. *In addition to all other taxes, fees, and other charges imposed under law, the Hampton Roads*

Transportation Authority established pursuant to § 33.1-391.7 and the Northern Virginia Transportation Authority established pursuant to § 15.2-4830, may impose a fee of 2% of the gross proceeds on the daily rental of a vehicle in any county or city embraced by the respective Authority wherein the daily rental of the vehicle occurs, regardless of whether such vehicle is required to be licensed in the Commonwealth. The fee shall not be levied upon a rental to a person for re-rental as an established business or part of an established business or incidental or germane to such business.

B. After subtraction of the direct costs of administration by the Department, the Commissioner shall transfer the revenues collected pursuant to this section to the Hampton Roads Transportation Authority and the Northern Virginia Transportation Authority, as appropriate.

C. Any and all fees imposed pursuant to this section shall be collected by the Department of Motor Vehicles. The Commissioner shall maintain records of the fee imposed and collected by locality.

D. The fee imposed pursuant to the authority granted under this section shall be implemented, enforced, and collected in the same manner that rental taxes under this chapter are implemented, enforced, and collected.

§ 58.1-2403. Exemptions.

No tax shall be imposed as provided in § 58.1-2402 or 58.1-2402.1 if the vehicle is:

1. Sold to, rented or used by the United States government or any governmental agency thereof;
2. Sold to, rented or used by the Commonwealth of Virginia or any political subdivision thereof;
3. Registered in the name of a volunteer fire department or rescue squad not operated for profit;
4. Registered to any member of the Mattaponi, Pamunkey, or Chickahominy Indian tribes or any other recognized Indian tribe of the Commonwealth living on the tribal reservation;
5. Transferred incidental to repossession under a recorded lien and ownership is transferred to the lienholder;
6. A manufactured home permanently attached to real estate and included in the sale of real estate;
7. A gift to the spouse, son, or daughter of the transferor. With the exception of a gift to a spouse, this exemption shall not apply to any unpaid obligation assumed by the transferee incidental to the transfer;
8. Transferred from an individual or partnership to a corporation or limited liability company or from a corporation or limited liability company to an individual or partnership if the transfer is incidental to the formation, organization or dissolution of a corporation or limited liability company in which the individual or partnership holds the majority interest;
9. Transferred from a wholly owned subsidiary to the parent corporation or from the parent corporation to a wholly owned subsidiary;
10. Being registered for the first time in this Commonwealth and the applicant holds a valid, assignable title or registration issued to him by another state or a branch of the United States Armed Forces and (i) has owned the vehicle for longer than 12 months or (ii) has owned the vehicle for less than 12 months and provides evidence of a sales tax paid to another state. However, when a vehicle has been purchased by the applicant within the last 12 months and the applicant is unable to provide evidence of a sales tax paid to another state, the applicant shall pay the Virginia sales tax based on the fair market value of the vehicle at the time of registration in Virginia;
11. Titled in a Virginia or non-Virginia motor vehicle dealer's name for resale;
12. A motor vehicle having seats for more than seven passengers and sold to an urban or suburban bus line the majority of whose passengers use the buses for traveling a distance of less than 40 miles, one way, on the same day;
13. Purchased in the Commonwealth by a nonresident and a Virginia title is issued for the sole purpose of recording a lien against the vehicle if the vehicle will be registered in a state other than Virginia;
14. A motor vehicle designed for the transportation of 10 or more passengers, purchased by and for the use of a church conducted not for profit;
15. Loaned or leased to a private nonprofit institution of learning, for the sole purpose of use in the instruction of driver's education when such education is a part of such school's curriculum for full-time students;
16. Sold to an insurance company or local government group self-insurance pool, created pursuant to § 15.2-2703, for the sole purpose of disposition when such company has paid the registered owner of such vehicle a total loss claim;
17. Owned and used for personal or official purposes by accredited consular or diplomatic officers of foreign governments, their employees or agents, and members of their families, if such persons are nationals of the state by which they are appointed and are not citizens of the United States;
18. A self-contained mobile computerized axial tomography scanner sold to, rented or used by a nonprofit hospital or a cooperative hospital service organization as described in § 501 (e) of the United States Internal Revenue Code;

2125 19. A motor vehicle having seats for more than seven passengers and sold to a restricted common  
 2126 carrier or common carrier of passengers;

2127 20. Beginning July 1, 1989, a self-contained mobile unit designed exclusively for human diagnostic  
 2128 or therapeutic service, sold to, rented to, or used by a nonprofit hospital, or a cooperative hospital  
 2129 service organization as described in § 501 (e) of the United States Internal Revenue Code, or a nonprofit  
 2130 corporation as defined in § 501 (c) (3) of the Internal Revenue Code, established for research in,  
 2131 diagnosis of, or therapy for human ailments;

2132 21. Transferred, as a gift or through a sale to an organization exempt from taxation under § 501 (c)  
 2133 (3) of the Internal Revenue Code, provided the motor vehicle is not titled and tagged for use by such  
 2134 organization;

2135 22. A motor vehicle sold to an organization which is exempt from taxation under § 501 (c) (3) of the  
 2136 Internal Revenue Code and which is organized for the primary purpose of distributing food, clothing,  
 2137 medicines and other necessities of life to, and providing shelter for, needy persons in the United States  
 2138 and throughout the world;

2139 23. A truck, tractor truck, trailer, or semitrailer, as severally defined in § 46.2-100, except trailers and  
 2140 semitrailers not designed or used to carry property and vehicles registered under § 46.2-700, with a gross  
 2141 vehicle weight rating or gross combination weight rating of 26,001 pounds or more, in which case no  
 2142 tax shall be imposed pursuant to subdivisions 1 and 3 of subsection A of § 58.1-2402;

2143 24. Transferred to the trustees of a revocable inter vivos trust, when the individual titleholder of a  
 2144 Virginia titled motor vehicle and the beneficiaries of the trust are the same persons, regardless of  
 2145 whether other beneficiaries of the trust may also be named in the trust instrument, when no  
 2146 consideration has passed between the titleholder and the beneficiaries; and transferred to the original  
 2147 titleholder from the trustees holding title to the motor vehicle;

2148 25. Transferred to trustees of a revocable inter vivos trust, when the owners of the vehicle and the  
 2149 beneficiaries of the trust are the same persons, regardless of whether other beneficiaries may also be  
 2150 named in the trust instrument, or transferred by trustees of such a trust to beneficiaries of the trust  
 2151 following the death of the grantor, when no consideration has passed between the grantor and the  
 2152 beneficiaries in either case;

2153 26. Sold by a vehicle's lessor to its lessee upon the expiration of the term of the vehicle's lease, if  
 2154 the lessee is a natural person and this natural person has paid the tax levied pursuant to this chapter with  
 2155 respect to the vehicle when he leased it from the lessor, and if the lessee presents an original copy of  
 2156 the lease upon request of the Department of Motor Vehicles or other evidence that the sales tax has  
 2157 been paid to the Commonwealth by the lessee purchasing the vehicle; or

2158 27. Titled in the name of a deceased person and transferred to the spouse or heir, or under the will,  
 2159 of such deceased person.

2160 § 58.1-2425. Disposition of revenues.

2161 A. ~~As~~ Except as provided in § 58.1-2402.1 funds collected hereunder by the Commissioner shall be  
 2162 forthwith paid into the state treasury. Except as otherwise provided in § 58.1-2402.1 and in this section,  
 2163 these funds shall constitute special funds within the Commonwealth Transportation Fund. Any balances  
 2164 remaining in these funds at the end of the year shall be available for use in subsequent years for the  
 2165 purposes set forth in this chapter, and any interest income on such funds shall accrue to these funds.  
 2166 The revenue so derived, after refunds have been deducted, is hereby allocated for the construction,  
 2167 reconstruction and maintenance of highways and the regulation of traffic thereon and for no other  
 2168 purpose. However, (i) all funds collected pursuant to the provisions of this chapter from manufactured  
 2169 homes, as defined in § 46.2-100, shall be distributed to the city, town, or county wherein such  
 2170 manufactured home is to be situated as a dwelling; (ii) all funds collected from the additional tax  
 2171 imposed by subdivision A 4 of § 58.1-2402 on the rental of daily rental vehicles shall be distributed  
 2172 quarterly to the city, town, or county wherein such vehicle was delivered to the rentee; (iii) effective  
 2173 January 1, 1987, an amount equivalent to the net additional revenues generated by enactments of the  
 2174 1986 Special Session of the Virginia General Assembly which amended §§ 46.2-694, 46.2-697,  
 2175 58.1-2401, 58.1-2402 and this section shall be distributed to and paid into the Transportation Trust  
 2176 Fund, a special fund within the Commonwealth Transportation Fund, and are hereby appropriated to the  
 2177 Commonwealth Transportation Board for transportation needs; (iv) except as otherwise provided in  
 2178 clause (iii) of this sentence, all moneys collected from the tax on the gross proceeds from the rental in  
 2179 Virginia of any motor vehicle pursuant to subdivision A 3 of § 58.1-2402 at the tax rate in effect on  
 2180 December 31, 1986, shall be paid by the Commissioner into the state treasury and shall be paid into the  
 2181 Rail Enhancement Fund established by § 33.1-221.1:1.1; and (v) all additional revenues resulting from  
 2182 the fee imposed under subdivision A 5 of § 58.1-2402 as enacted by the 2004 Session of the General  
 2183 Assembly shall be used to pay the debt service on the bonds issued by the Virginia Public Building  
 2184 Authority for the Statewide Agencies Radio System (STARS) for the Department of State Police  
 2185 pursuant to the authority granted by the 2004 Session of the General Assembly.

B. As provided in subsection A of § 58.1-638, of the funds becoming part of the Transportation Trust Fund pursuant to clause (iii) of subsection A of this section, an aggregate of 4.2 percent shall be set aside as the Commonwealth Port Fund; an aggregate of 2.4 percent shall be set aside as the Commonwealth Airport Fund; and an aggregate of 14.5 percent in fiscal year 1998-1999 and 14.7 percent in fiscal year 1999-2000 and thereafter shall be set aside as the Commonwealth Mass Transit Fund.

§ 58.1-2531. *Distribution of certain revenue.*

A. Beginning with the Commonwealth's fiscal year beginning on July 1, 2008 and for each fiscal year thereafter, an amount equal to one-third of all revenues collected by the Commission in the most recently ended fiscal year from the tax imposed under this chapter, less one-third of the total amount of such tax refunded in the most recently ended fiscal year, shall be deposited by the Comptroller to the Priority Transportation Fund established under § 33.1-23.03:8.

B. For purposes of the Comptroller's deposits under this section, the Commissioner of the Bureau of Insurance shall, no later than July 15 of each year, provide a written certification to the Comptroller that reports the amount to be deposited pursuant to subsection A. After the required amount has been deposited as provided in subsection A, all remaining revenues from the tax imposed under this chapter shall be deposited into the general fund of the state treasury. The Comptroller shall make all deposits under this section as soon as practicable.

§ 58.1-2701. Amount of tax.

A. Except as provided in subsection B, every motor carrier shall pay a road tax equivalent to ~~nineteen and one-half cents~~ \$0.21 per gallon calculated on the amount of motor fuel, diesel fuel or liquefied gases (which would not exist as liquids at a temperature of sixty degrees Fahrenheit and a pressure of 14.7 pounds per square inch absolute), used in its operations within the Commonwealth.

The tax imposed by this chapter shall be in addition to all other taxes of whatever character imposed on a motor carrier by any other provision of law.

B. In lieu of the tax imposed in subsection A, motor carriers registering qualified highway vehicles that are not registered under the International Registration Plan shall pay a fee of \$100 \$150 per year for each qualified highway vehicle. The fee is due and payable when the vehicle registration fees are paid pursuant to the provisions of Article 7 (§ 46.2-685 et seq.) of Chapter 6 of Title 46.2.

If a vehicle becomes a qualified highway vehicle before the end of its registration period, the fee due at the time the vehicle becomes a qualified highway vehicle shall be prorated monthly to the registration expiration month. Fees paid under this subsection shall not be refunded unless a full refund of the registration fee paid is authorized by law.

C. All taxes and fees paid under the provisions of this chapter shall be credited to the Highway Maintenance and Operating Fund, a special fund within the Commonwealth Transportation Fund.

§ 58.1-2706. Credit for payment of motor fuel, diesel fuel or liquefied gases tax.

A. Every motor carrier subject to the road tax shall be entitled to a credit on such tax equivalent to ~~sixteen seventeen and one-half~~ cents per gallon on all motor fuel, diesel fuel and liquefied gases purchased by such carrier within the Commonwealth for use in its operations either within or without the Commonwealth and upon which the motor fuel, diesel fuel or liquefied gases tax imposed by the laws of the Commonwealth has been paid by such carrier. Evidence of the payment of such tax in such form as may be required by, or is satisfactory to, the Department shall be furnished by each carrier claiming the credit herein allowed.

B. When the amount of the credit to which any motor carrier is entitled for any quarter exceeds the amount of the tax for which such carrier is liable for the same quarter, the excess may: (i) be allowed as a credit on the tax for which such carrier would be otherwise liable for any of the eight succeeding quarters or (ii) be refunded, upon application, duly verified and presented and supported by such evidence as may be satisfactory to the Department.

C. The Department may allow a refund upon receipt of proper application and review. It shall be at the discretion of the Department to determine whether an audit is required.

D. The refund may be allowed without a formal hearing if the amount of refund is agreed to by the applicant. Otherwise, a formal hearing on the application shall be held by the Department after notice of not less than ten days to the applicant and the Attorney General.

E. Whenever any refund is ordered it shall be paid out of the Highway Maintenance and Construction Fund.

F. Whenever a person operating under lease to a motor carrier to perform transport services on behalf of the carrier purchases motor fuel, diesel fuel or liquefied gases relating to such services, such payments or purchases may, at the discretion of the Department, be considered payment or purchases by the carrier.

§ 58.1-3221.2. *Classification of certain commercial and industrial real property and taxation of such property by certain localities included in the Northern Virginia Transportation Authority and the*

2247 Hampton Roads Transportation Authority.

2248 A. Beginning January 1, 2008, and solely for the purposes of imposing the tax authorized pursuant  
 2249 to this section, in the counties and cities that are embraced by the Northern Virginia Transportation  
 2250 Authority and the Hampton Roads Transportation Authority, all real property used for or zoned to  
 2251 permit commercial or industrial uses is hereby declared to be a separate class of real property for local  
 2252 taxation. Such classification of real property shall exclude all residential uses and all multifamily  
 2253 residential uses, including but not limited to single family residential units, cooperatives, condominiums,  
 2254 townhouses, apartments, or homes in a subdivision when leased on a unit by unit basis even though  
 2255 these units may be part of a larger building or parcel of real estate containing more than four  
 2256 residential units.

2257 B. In addition to all other taxes and fees permitted by law, (i) the governing body of any locality  
 2258 embraced by the Northern Virginia Transportation Authority may, by ordinance, annually impose on all  
 2259 real property in the locality specially classified in subsection A: an amount of real property tax, in  
 2260 addition to such amount otherwise authorized by law, at a rate not to exceed \$0.25 per \$100 of  
 2261 assessed value as the governing body may, by ordinance, impose upon the annual assessed value of all  
 2262 real property used for or zoned to permit commercial or industrial uses; and (ii) the governing body of  
 2263 any locality embraced by the Hampton Roads Transportation Authority may, by ordinance, annually  
 2264 impose on all real property in the locality specially classified in subsection A: an amount of real  
 2265 property tax, in addition to such amount otherwise authorized by law, at a rate not to exceed \$0.10 per  
 2266 \$100 of assessed value as the governing body may, by ordinance, impose upon the annual assessed  
 2267 value of all real property used for or zoned to permit commercial or industrial uses. The authority  
 2268 granted in this subsection shall be subject to the following conditions:

2269 (1) Upon appropriation, all revenues generated from the additional real property tax imposed shall  
 2270 be used exclusively for transportation purposes that benefit the locality imposing the tax; and

2271 (2) The additional real property tax imposed shall be levied, administered, enforced, and collected  
 2272 in the same manner as set forth in Subtitle III of Title 58.1 for the levy, administration, enforcement,  
 2273 and collection of local taxes. In addition, the local assessor shall separately assess and set forth upon  
 2274 the locality's land book the fair market value of that portion of property that is defined as a separate  
 2275 class of real property for local taxation in accordance with the provisions of this section.

2276 C. Beginning January 1, 2008, in lieu of the authority set forth in subsections A and B above and  
 2277 solely for the purposes of imposing the tax authorized pursuant to this section, in the counties and cities  
 2278 embraced by the Northern Virginia Transportation Authority and the Hampton Roads Transportation  
 2279 Authority, all real property used for or zoned to permit commercial or industrial uses is hereby declared  
 2280 to be a separate class of real property for local taxation. Such classification of real property shall  
 2281 exclude all residential uses and all multifamily residential uses, including but not limited to single family  
 2282 residential units, cooperatives, condominiums, townhouses, apartments, or homes in a subdivision when  
 2283 leased on a unit by unit basis even though these units may be part of a larger building or parcel of real  
 2284 estate containing more than four residential units.

2285 D. In addition to all other taxes and fees permitted by law, (i) the governing body of any locality  
 2286 embraced by the Northern Virginia Transportation Authority may, by ordinance, create within its  
 2287 boundaries, one or more special regional transportation tax districts and, thereafter, may, by ordinance,  
 2288 impose upon the real property located in special regional transportation tax districts specially classified  
 2289 in subsection C within such special regional transportation tax districts: an amount of real property tax,  
 2290 in addition to such amounts otherwise authorized by law, at a rate not to exceed \$0.25 per \$100 of  
 2291 assessed value as the governing body may, by ordinance, impose upon the annual assessed value of all  
 2292 real property used for or zoned to permit commercial or industrial uses; and, (ii) the governing body of  
 2293 any locality embraced by the Hampton Roads Transportation Authority may, by ordinance, create within  
 2294 its boundaries, one or more special regional transportation tax districts and, thereafter, may, by  
 2295 ordinance, impose upon the real property specially classified in subsection C within such special  
 2296 regional transportation tax districts: an amount of real property tax, in addition to such amounts  
 2297 otherwise authorized by law, at a rate not to exceed \$0.10 per \$100 of assessed value as the governing  
 2298 body may, by ordinance, impose upon the annual assessed value of all real property used for or zoned  
 2299 to permit commercial or industrial uses. The authority granted in this subsection shall be subject to the  
 2300 following conditions:

2301 (1) Notwithstanding any other provisions of law to the contrary, upon appropriation, all revenues  
 2302 generated from the additional real property taxes imposed in accordance with subsection C and this  
 2303 subsection shall be used for transportation purposes that benefit the special regional transportation tax  
 2304 district to which such revenue is attributable;

2305 (2) Any local ordinance adopted in accordance with the provisions of subsection C and this  
 2306 subsection shall include the requirement that the additional real property taxes so authorized are to be  
 2307 imposed annually in accordance with applicable law;

(3) Any locality that imposes the additional real property taxes set forth in subsections A and B shall not be permitted to also impose the additional real property taxes set forth in subsection C and this subsection. In addition, any locality electing to impose the additional real property taxes on all real property located in such locality that is specially classified in subsections A and B must do so in the manner prescribed in subsections A and B and not by creation of a special transportation tax district as set forth in subsection C and this subsection. The creation of such special regional transportation tax districts shall not, however, affect the authority of a locality to establish tax districts pursuant to other provisions of law;

(4) The total revenues generated from the additional real property taxes imposed in accordance with subsection C and this subsection shall not be less than 85% of the revenues estimated to be generated when imposing the additional real property taxes in accordance with subsections A and B at the rate of \$0.25 per \$100 of assessed value in any locality embraced by the Northern Virginia Transportation Authority and at the rate of \$0.10 per \$100 of assessed value in any locality embraced by the Hampton Roads Transportation Authority; and

(5) The additional real property taxes imposed pursuant to subsection C and this subsection shall be levied, administered, enforced, and collected, in the same manner as set forth in Subtitle III of Title 58.1 for the levy, administration, enforcement, and collection of all local taxes. In addition, the local assessor shall separately assess and set forth upon the locality's land book the fair market value of that portion of property that is defined as separate class of real property for local taxation in accordance with the provisions of this section.

§ 58.1-3825.1. Additional transient occupancy tax in certain counties and cities in Northern Virginia.

In addition to such transient occupancy taxes as are authorized by this chapter, the Northern Virginia Transportation Authority established under § 15.2-4830 may impose an additional transient occupancy tax at the rate of 2% of the amount of charge for the occupancy of any room or space occupied provided that such room or space is located within a county or city embraced by the Authority. Such revenues shall be used according to the provisions of § 15.2-4838.1.

**2. That the Commonwealth Transportation Board is authorized to issue bonds to fund transportation projects throughout the Commonwealth as follows:**

§ 1. Title. This act shall be known and may be cited as the "Commonwealth Transportation Capital Projects Bond Act of 2007."

§ 2. The Commonwealth Transportation Board is hereby authorized, by and with the consent of the Governor, to issue, pursuant to the provisions of the State Revenue Bond Act (§ 33.1-267 et seq. of the Code of Virginia) as amended from time to time, revenue obligations of the Commonwealth to be designated "Commonwealth of Virginia Transportation Capital Projects Revenue Bonds, Series .." at one or more times in an aggregate principal amount not to exceed \$3 billion, after all costs; provided that the aggregate principal amount issued in any one fiscal year shall not exceed \$300 million, excluding any refunding bonds. If, the aggregate principal amount issued in any fiscal year is less than \$300 million, then the amount by which such issuance is less than \$300 million may be issued in any subsequent fiscal year in addition to the \$300 million authorized in the subsequent fiscal year. The issuance of any bonds under this Act is subject to the provisions of subsection C of § 33.1-23.03:8 of the Code of Virginia.

§ 3. The net proceeds of the Bonds shall be used exclusively for the purpose of providing funds for paying the costs incurred or to be incurred for construction or funding of transportation projects pursuant to § 33.1-23.4:01 of the Code of Virginia, including but not limited to environmental and engineering studies, rights-of-way acquisition, improvements to all modes of transportation, acquisition, construction and related improvements, and any financing costs and other financing expenses. Such costs may include the payment of interest on the Bonds for a period during construction and not exceeding one year after completion of construction of the projects.

§ 4. The proceeds of the Bonds, including any premium received on the sale thereof, shall be made available by the Commonwealth Transportation Board to pay costs of the projects and, where appropriate, may be paid to any authority, locality, commission, or other entity for the purposes of paying for costs of the projects. The proceeds of the Bonds may be used together with any federal, local, or private funds that may be made available for such purpose. The proceeds of the Bonds, together with any investment earnings thereon, may, at the discretion of the Commonwealth Transportation Board, secure the payment of principal or purchase price of and redemption premium, if any, and interest on the Bonds.

§ 5. The terms and structure of each issue of the Bonds shall be determined by the Commonwealth Transportation Board, subject to approval by the Treasury Board in accordance with § 2.2-2416 of the Code of Virginia, as amended. The Bonds of each issue shall be dated; shall be issued in a principal amount (subject to the limitations set forth in § 2 and in subsection C of § 33.1-23.03:8 of the Code of Virginia); shall bear interest at such rate or rates, which may be fixed, adjustable, variable or a

combination thereof and may be determined by a formula or other method; shall mature at such time or times not exceeding 25 years from their date or dates; and may be made subject to purchase or redemption before their maturity or maturities, at such price or prices and under such terms and conditions, all as may be determined by the Commonwealth Transportation Board. The Commonwealth Transportation Board shall determine the form of the Bonds, whether the Bonds are certificated or uncertificated, and fix the authorized denomination or denominations of the Bonds and the place or places of payment of principal or purchase price of, and redemption premium, if any, and interest on the Bonds, which may be at the office of the State Treasurer or any bank or trust company within or without the Commonwealth. The principal or purchase price of, and redemption premium, if any, and interest on the Bonds shall be made payable in lawful money of the United States of America. Each issue of the Bonds may be issued under a system of book entry for recording the ownership and transfer of ownership of rights to receive payments of principal or purchase price of and redemption premium, if any, and interest on such Bonds. All Bonds shall have and are hereby declared to have, as between successive holders, all of the qualities and incidents of negotiable instruments under the negotiable instruments law of the Commonwealth.

The Commonwealth Transportation Board may sell the Bonds from time to time at public or private sale, by competitive bidding, negotiated sale, or private placement, for such price or prices as it may determine to be in the best interests of the Commonwealth.

§ 6. The Bonds shall be signed on behalf of the Commonwealth Transportation Board by the chairman or vice-chairman of the Commonwealth Transportation Board, or shall bear the facsimile signature of such officer, and shall bear the official seal of the Board, which shall be attested to by the manual or facsimile signature of the secretary or assistant secretary of the Commonwealth Transportation Board. In the event that the Bonds shall bear the facsimile signature of the chairman or vice-chairman of the Commonwealth Transportation Board, such Bonds shall be signed by such administrative assistant as the chairman of the Transportation Board shall determine or by any registrar/paying agent who may be designated by the Commonwealth Transportation Board. In case any officer whose signature or a facsimile of whose signature appears on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in office until such delivery.

§ 7. All expenses incurred under this Act or in connection with the issuance of the Bonds shall be paid from the proceeds of such Bonds or from any available funds as the Commonwealth Transportation Board shall determine.

§ 8. The Commonwealth Transportation Board is hereby authorized to borrow money at such rate or rates through the execution and issuance of the Bonds for the same, but only in the following circumstances and under the following conditions:

a. In anticipation of the sale of the Bonds, the issuance of which shall have been authorized by the Commonwealth Transportation Board and shall have been approved by the Governor, if the Commonwealth Transportation Board shall deem it advisable to postpone the issuance of such Bonds; or

b. For the renewal of any anticipation notes herein authorized.

§ 9. The proceeds of the Bonds and of any anticipation notes herein authorized (except the proceeds of the Bonds the issuance of which has been anticipated by such anticipation notes) shall be placed by the State Treasurer in a special fund in the state treasury, or may be placed with a trustee in accordance with § 33.1-283 of the Code of Virginia, as amended, and shall be disbursed only for the purpose for which such Bonds and such anticipation notes shall be issued; provided, however, that proceeds derived from the sale of the Bonds herein authorized shall be first used in the payment of any anticipation notes that may have been issued in anticipation of the sale of such Bonds and any renewals of such Bonds. The proceeds of the Bonds and of any anticipation notes herein authorized, together with any investment earnings thereon, shall not be taken into account in computing, and shall be in addition to funds allocated pursuant to the highway allocation formula set forth in § 33.1-23.1 of the Code of Virginia, as amended.

§ 10. The Commonwealth Transportation Board is hereby authorized to receive any other funds that may be made available to pay costs of the projects and, subject to appropriation, to make available the same to the payment of the principal or purchase price of, and redemption premium, if any, and interest on the Bonds authorized hereby and to enter into the appropriate agreements to allow for those funds to be paid into the state treasury, or to a trustee in accordance with § 33.1-283 of the Code of Virginia, as amended, to pay a part of the costs of the projects or to pay principal or purchase price of, and redemption premium, if any, and interest on the Bonds.

§ 11. The Commonwealth Transportation Board, in connection with the issuance of the Bonds, shall establish a fund in accordance with § 33.1-286 of the Code of Virginia, as amended, either in the state treasury or with a trustee in accordance with § 33.1-283 of the Code of Virginia, as amended, which

shall secure and be used for the payment of the Bonds to the credit of which there shall be deposited such amounts, appropriated therefor by the General Assembly, as are required to pay principal or purchase price of, and redemption premium, if any, and interest on the Bonds, as and when due and payable, (i) from the revenues deposited into the Priority Transportation Fund pursuant to § 33.1-23.03:8; (ii) to the extent required, from revenues legally available from the Transportation Trust Fund; and (iii) to the extent required, from any legally available funds.

§ 12. Bond proceeds and moneys in any reserve funds and sinking funds in respect of the Bonds shall be invested by the State Treasurer in accordance with the provisions of general law relating to the investment of such funds belonging to or in the control of the Commonwealth, or by a trustee in accordance with § 33.1-283 of the Code of Virginia, as amended.

§ 13. The interest income from and any profit made on the sale of the obligations issued under the provisions of this Act shall at all times be free and exempt from taxation by the Commonwealth and by any municipality, county, or other political subdivision thereof.

§ 14. All obligations issued under the provisions of this Act are hereby made securities in which all persons and entities listed in § 33.1-280 of the Code of Virginia, as amended, may properly and legally invest funds under their control.

3. That the revenues generated by the provisions of this act shall not be used to calculate or reduce the share of local, federal, and state revenues otherwise available to participating jurisdictions. Further, such revenues and moneys shall not be included in any computation of, or formula for, a locality's ability to pay for public education, upon which appropriations of state revenues to local governments for public education are determined.

4. That prior to December 1 each year beginning 2008, the Washington Metropolitan Transit Authority shall submit to the Auditor of Public Accounts its annual audit report and financially audited statements for the most recent fiscal year.

5. That the Hampton Roads Transportation Authority established under § 33.1-391.7 of the Code of Virginia shall develop as part of a long-range plan quantifiable measures and achievable goals for the area embraced by the Authority relating to, but not limited to, congestion reduction and safety, transit and high-occupancy vehicle (HOV) usage, job-to-housing ratios, job and housing access to transit and pedestrian facilities, air quality, and per-capita vehicle miles traveled. In addition, the Northern Virginia Transportation Authority established under § 15.2-4830 of the Code of Virginia shall also develop as part of a long-range plan quantifiable measures and achievable goals for the area embraced by the Authority relating to, but not limited to, congestion reduction and safety, transit and high-occupancy vehicle (HOV) usage, job-to-housing ratios, job and housing access to transit and pedestrian facilities, air quality, and per-capita vehicle miles traveled. Such goals shall be subject to the approval of the Commonwealth Transportation Board on a biennial basis.

6. That the fees and taxes authorized by this Act for imposition or assessment by the Hampton Roads Transportation Authority shall only be imposed or assessed by the Authority if (i) at least seven of the twelve governing bodies of the counties and cities embraced by the Authority (but excluding the governing body of the County of Accomack and the governing body of the County of Northampton) that include at least 51% of the population of the counties and cities embraced by the Authority (but excluding the populations of the Counties of Accomack and Northampton) pass a duly adopted resolution stating its approval of such power of the Authority no later than December 31, 2007, and then (ii) at least seven of the twelve voting members of the Authority (but excluding voting members representing the Counties of Accomack and Northampton), that include at least 51% of the population of the counties and cities embraced by the Authority vote in the affirmative to impose or assess all of the fees and taxes authorized under this Act for imposition and assessment by the Authority in all of the counties and cities embraced by the Authority. For purposes of this enactment, "population" means the population as determined by the most recently preceding United States decennial census or the most recent population estimates of the Weldon Cooper Center for Public Service of the University of Virginia, whichever is most recent.

Such governing bodies in clause (i) shall provide a copy of the resolution to the Clerks of the House of Delegates and the Senate as soon as practicable. The Authority shall provide written notice of an affirmative vote pursuant to clause (ii) to the Clerks of the House of Delegates and the Senate as soon as practicable. Upon receiving any such resolution or written notice, the Clerks shall provide a copy to the Governor.

In addition, if such fees or taxes are imposed or assessed, such fees and taxes shall not apply to the Counties of Accomack and Northampton until such time as the Chesapeake Bay Bridge-Tunnel facilities become subject to the control of the Hampton Roads Transportation Authority as provided in § 33.1-391.12 of the Code of Virginia.

7. That the Virginia Department of Transportation, with the advice and consent of the

Commonwealth Transportation Board, shall, on or before January 1, 2009, submit to the Governor and the General Assembly a plan to reassign the various highways, bridges, and other facilities comprising the state primary, secondary, and urban highways systems so that the assignment of components to such systems is based, to the maximum degree practicable, on the components' functional classification. Such plan shall include an analysis of the costs, benefits, and programmatic and other implications of such reassignment.

8. That the Virginia Department of Transportation shall, on or before January 1, 2008, submit a written report to the General Assembly on its plans to create opportunities to enhance mobility and free-flowing traffic on Department-controlled toll facilities by embracing technological advances.

9. That the tenth enactment clauses of Chapter 1019 and Chapter 1044 of the Acts of Assembly of 2000 are repealed effective July 1, 2007.

10. That counties shall have until July 1, 2011, to amend their comprehensive plans in accordance with the provisions of § 15.2-2223.1 of the Code of Virginia pursuant to this act.

11. That the fees collected pursuant to § 46.2-206.1 in the fiscal year ending June 30, 2008, shall be deposited and held in a special fund in the state treasury and transferred on August 15, 2008, to the Highway Maintenance and Operating Fund.

12. That in conjunction with the construction of rail mass transit in the right of way of the Dulles Access/Toll Road Connector (DATRC), sound walls shall be constructed along residential properties from the beginning of the DATRC to Dulles International Airport if required by the issued Record of Decisions pursuant to the National Environmental Policy Act (42 U.S.C. § 4321 et seq., as may be amended).

13. That the Northern Virginia Transportation Authority established under § 15.2-4830 of the Code of Virginia shall provide written notice to the Clerks of the House of Delegates and the Senate of any affirmative vote of the Authority to assess or impose any fee or tax authorized under this act for imposition or assessment by the Authority. The Authority shall provide such notice as soon as practicable. Upon receiving such written notice, the Clerks shall provide a copy of the same to the Governor. Furthermore, the Authority, the cities and counties embraced by the Authority, the Commissioner of the Department of Taxation, the Commissioner of the Department of Motor Vehicles, and other appropriate entities shall develop guidelines, policies, and procedures for the efficient and effective collection and administration of the fees and taxes authorized by this act for use by the Authority. The guidelines, policies, and procedures shall be made public at least 60 days prior to their implementation. The development of these guidelines, policies, and procedures shall be exempt from the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia). The Secretary of Finance may authorize an anticipation loan for purposes of meeting the requirements of this enactment.

14. That the Hampton Roads Transportation Authority, the cities and counties embraced by the Authority, the Commissioner of the Department of Taxation, the Commissioner of the Department of Motor Vehicles, and other appropriate entities shall develop guidelines, policies, and procedures for the efficient and effective collection and administration of the fees and taxes authorized for use by the Authority. The guidelines, policies, and procedures shall be made public at least 60 days prior to their implementation. The development of the guidelines, policies, and procedures shall be exempt from the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia). The Secretary of Finance may authorize an anticipation loan for purposes of meeting the requirements of this enactment.

15. That the staff of the Hampton Roads Planning District Commission and the Virginia Department of Transportation shall work cooperatively to assist the proper formation and effective organization of the Hampton Roads Transportation Authority. Until such time as the Authority is fully established and functioning, the staff of the Hampton Roads Planning District Commission shall serve as its staff, and the Hampton Roads Planning District Commission shall provide the Authority with office space and administrative support. The Authority shall reimburse the Hampton Roads Planning District Commission for the cost of such staff, office space, and administrative support as appropriate.

16. That, as provided under § 58.1-3221.2, the tax authorized thereunder may only be imposed by a city or county embraced by the Northern Virginia Transportation Authority established under § 15.2-4830, or a city or county embraced by the Hampton Roads Transportation Authority established under § 33.1-391.7.

17. That the Department of Motor Vehicles shall work with the appropriate state agencies to develop guidelines, policies, and procedures for the efficient and effective collection and administration of the fees set forth under § 46.2-206.1 of the Code of Virginia. The guidelines, policies, and procedures shall be made public at least 60 days before their implementation. The

2552 development of the guidelines, policies, and procedures shall be exempt from the Administrative  
2553 Process Act (§ 2.2-4000 et seq. of the Code of Virginia).  
2554 18. That the tax authorized pursuant to § 58.1-540 of the Code of Virginia shall not be imposed by  
2555 a city or county embraced by the Northern Virginia Transportation Authority if the Authority is  
2556 imposing any of the fees or taxes authorized under law for imposition or assessment by the  
2557 Authority.  
2558 19. That the tax authorized pursuant to § 58.1-540 of the Code of Virginia shall not be imposed by  
2559 a city or county embraced by the Hampton Roads Transportation Authority if the Authority is  
2560 imposing any of the fees or taxes authorized under law for imposition or assessment by the  
2561 Authority.  
2562 20. That the Northern Virginia Transportation Authority and the counties and cities embraced by  
2563 the Authority shall work cooperatively with the towns located within such counties for purposes of  
2564 implementation of the provisions of this act.  
2565 21. That the revenue generated by this act shall be used solely for transportation purposes.  
2566 22. That the provisions of this act which generate additional revenue for the Transportation Trust  
2567 Fund, established under § 33.1-23.03:1 of the Code of Virginia, or the Highway Maintenance and  
2568 Operating Fund shall expire on December 31 of any year in which the General Assembly  
2569 appropriates any of the revenues designated under general law to the Highway Maintenance and  
2570 Operating Fund or the Transportation Trust Fund for any non-transportation related purpose.  
2571 23. That should any portion of this act be held unconstitutional by a court of competent  
2572 jurisdiction, the remaining portions of this act shall remain in effect.