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SENATE BILL NO. 340

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Counties, Cities and Towns
on March 6, 1998)

(Patron Prior to Substitute—Senator Martin)

A BILL to amend and reenact §§ 9, 14 and 16 of Chapter 380 of the Acts of Assembly of 1980, relating to the Capital Region Airport Commission.

Be it enacted by the General Assembly of Virginia:

1. That §§ 9, 14 and 16 of Chapter 380 of the Acts of Assembly of 1980 are amended and reenacted as follows:

§ 9. Rules and regulations.

The Commission shall have the power to adopt, amend, and repeal rules and regulations for the use, maintenance and operation of its facilities and governing the conduct of persons and organizations using its facilities.

Unless the Commission shall by unanimous vote of all Commissioners present determine that an emergency exists, the Commission shall, prior to the adoption of any rule or regulation or alteration, amendment or modification thereof:

a. Make such rule, regulation, alteration, amendment, or modification in convenient form available for public inspection in the office of the Commission for at least ten days;

b. Publish a notice in a newspaper of general circulation published in the participating political subdivisions declaring the Commission's intention to consider adopting such rule, regulation, alteration, amendment, or modification and informing the public that the Commission will hold a public hearing at which any person may appear and be heard for or against the adoption of such rule or regulation or such alteration, amendment, or modification, on a day and at a time to be specified in the notice, after the expiration of at least ten days from the day of the publication thereof; and

c. Hold the public hearing on the day and at the time specified in such notice or any adjournment thereof, and hear persons appearing for or against such rule, regulation, alteration, amendment, or modification.

The Commission's rules and regulations shall be available for public inspection in the Commission's principal office.

The Commission's rules and regulations relating to:

a. Traffic, including but not limited to motor vehicle ~~speed limits~~ *moving violations* and the location of and payment for public parking;

b. Access to Commission facilities, including but not limited to solicitation, handbilling, and picketing; and

c. Aircraft operation and maintenance; shall have the force and effect of law, as shall any other rule or regulation of the Commission which shall contain a determination by the Commission that it is necessary to accord the same the force and effect of law in the interest of the public safety; provided, however, that with respect to motor vehicle traffic rules and regulations, the Commission shall obtain the approval of the traffic engineer or comparable official of the political subdivision in which such rules or regulations are to be enforced. The violation of any rule or regulation of the Commission relating to motor vehicle traffic shall be tried and punished in the same manner as if it had been committed on the public roads of the participating political subdivision in which such violation occurred; all other violations of the Commission's rules and regulations having the force and effect of law shall be punishable as misdemeanors.

§ 14. Deposit and investment of funds.

All moneys received pursuant to the authority of this act, whether as proceeds from the sale of bonds or as revenues or otherwise, shall be deemed to be trust funds to be held and applied solely as provided in this act. All moneys of the Commission shall be deposited as soon as practicable in a separate account or accounts in one or more banks or trust companies organized under the laws of the Commonwealth or national banking associations ~~having their principal offices in the Commonwealth~~. Such deposits shall be continuously secured in accordance with the Virginia Security for Public Deposits Act.

Funds of the Commission not needed for immediate use or disbursement may, subject to the provisions of any contract between the Commission and the holders of its bonds, be invested in securities which are considered lawful investments for fiduciaries.

§ 16. Resolution or trust indenture to secure bonds.

In connection with the issuance of bonds ~~and~~ *and/or* in order to secure the payment of such bonds, the Commission shall have power:

- 60 1. To pledge by resolution, trust indenture, or other agreement, all or any part of its fees, rents, or
61 revenues;
- 62 2. To covenant to impose and maintain such schedule of fees, rents and charges as will produce
63 funds sufficient to pay operating costs and debt service;
- 64 3. To covenant against pledging all or any part of its fees, rents, and revenues to which its right then
65 exists or the right to which may thereafter come into existence or against permitting or suffering any
66 lien thereon;
- 67 4. To provide for the release of fees, rents, and revenues from any pledge and to reserve rights and
68 powers in the fees, rents and revenues from which are subject to a pledge;
- 69 5. To covenant with respect to limitations on its right to sell, lease, or otherwise dispose of any
70 facility or facilities of the Commission or any part thereof or with respect to limitations on its right to
71 undertake additional projects;
- 72 6. To covenant as to the bonds to be issued pursuant to any resolution, trust indenture, or other
73 instrument and as to the issuance of such bonds in escrow or otherwise, and as to the use and
74 disposition of the proceeds thereof;
- 75 7. To covenant as to what other, or additional, debt may be incurred by it;
- 76 8. To provide for the terms, form, registration, exchange, execution, and authentication of bonds;
- 77 9. To provide for the replacement of lost, destroyed, or mutilated bonds;
- 78 10. To covenant as to the use of any or all of its property, real or personal, subject to the continued
79 use of such property for airport purposes;
- 80 11. To create or to authorize the creation of special funds in which there may be segregated: (i) the
81 proceeds of any loan or grant; (ii) all of the fees, rents, and revenues of any facility or facilities or parts
82 thereof; (iii) any moneys held for the payment of the costs of operation and maintenance of any such
83 facilities or as a reserve for the meeting of contingencies in the operation and maintenance thereof; (iv)
84 any moneys held for the payment of the principal and interest on its bonds or the sums due under its
85 leases or as reserve for such payments; and (v) any moneys held for any other reserve or contingencies;
86 and to covenant as to the use and disposal of the moneys held in such funds;
- 87 12. To redeem its bonds, and to covenant for their redemption and to provide the terms and
88 conditions thereof;
- 89 13. To covenant against extending the time for the payment of its bonds or interest thereon, directly
90 or indirectly, by any means or in any manner;
- 91 14. To prescribe the procedure, if any, by which the terms of any contract with bondholders may be
92 amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner
93 in which such consent may be given;
- 94 15. To covenant as to the maintenance of its facilities, the insurance to be carried thereon and the
95 use and disposition of insurance moneys;
- 96 16. To vest in a bondholder the right, in the event of the failure of the Commission to observe or
97 perform any covenant on its part to be kept or performed, to cure any such default and to advance any
98 moneys necessary for such purpose, and the moneys so advanced may be made an additional obligation
99 of the Commission with such interest, security and priority as may be provided in any trust indenture,
100 lease or contract of the Commission with reference thereto;
- 101 17. To covenant and prescribe as to the events of default and terms and conditions upon which any
102 or all of its bonds shall become or may be declared due before maturity and as to the terms and
103 conditions upon which such declaration and its consequences may be waived;
- 104 18. To covenant as to the rights, liabilities, powers, and duties arising upon the breach of it of any
105 covenant, condition, or obligation;
- 106 19. To covenant to surrender possession of all or any part of any facility or facilities acquired or
107 constructed from bond proceeds, the revenues from which have been pledged upon the happening of any
108 event of default, as defined in the contract, and to vest in a bondholder the right without judicial
109 proceeding to take possession and to use, operate, manage, and control such facility or any part thereof,
110 and to collect and receive all fees, rents, and revenues arising therefrom in the same manner as the
111 Commission itself might do and to dispose of the moneys collected in accordance with the agreement of
112 the Commission with such obligee, subject to the continued use of such facilities for airport purposes;
- 113 20. To vest in a trustee or trustees the right to enforce any covenant made to secure, to pay, or in
114 relation to the bonds, to provide for the powers and duties of such trustee or trustees, to limit liabilities
115 thereof and to provide the terms and conditions upon which the trustee or trustees or the bondholders or
116 any proportion of them may enforce any such covenant;
- 117 21. To make covenants other than and in addition to the covenants herein expressly authorized, of
118 like or different character;
- 119 22. To execute all instruments necessary or convenient in the exercise of the powers herein granted
120 or in the performance of its covenants or duties, which may contain such covenants and provisions, in
121 addition to those above specified, as any purchaser of the bonds of the Commission may reasonably

122 require; and

123 23. To make such covenants and to do any and all such acts and things as may be necessary or
124 convenient or desirable in order to secure its bonds, or in the absolute discretion of the Commission
125 tend to make the bonds more marketable; notwithstanding that such covenants, acts or things may not be
126 enumerated herein; it being the intention hereof to give the Commission power to do all things in the
127 issuance of bonds, and in the provisions for their security that are not inconsistent with the Constitution
128 of the Commonwealth or this act.

129 24. *In connection with, or incidental to, the issuance or carrying of notes or bonds or the acquisition*
130 *or carrying of any investments, to enter into swap agreements or other contracts or arrangements that*
131 *the Commission determines to be necessary or appropriate to place obligations or investments of the*
132 *Commission, as represented by notes, bonds or investments of the Commission, in whole or in part, on*
133 *the interest rate, currency, cash flow or other basis desired by the Commission or to hedge payment,*
134 *currency, rate, spread or other exposure. Such contracts or arrangements may be entered into by the*
135 *Commission in connection with, or incidental to, entering into or maintaining (i) any agreement that*
136 *secures notes or bonds of the Commission and is authorized or permitted by law or (ii) any investment,*
137 *or contract providing for any investment, otherwise authorized or permitted by law.*

138 *Such contracts and arrangements may contain such payment, security, default, remedy, and other*
139 *terms and conditions as determined by the Commission, after giving due consideration to the*
140 *creditworthiness of the counterparty or other obligated party, including any rating by any nationally*
141 *recognized rating agency, and any other criteria as may be appropriate.*

142 *In connection with or incidental to any of these contracts or arrangements, the Commission may*
143 *enter into credit enhancement or liquidity agreements with such terms and conditions as it shall*
144 *determine.*