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HOUSE BILL NO. 2181

Offered January 13, 2025

Prefiled January 7, 2025

A BILL authorizing the issuance of Commonwealth of Virginia General Obligation Bonds in an amount not exceeding \$80,960,000 for the purpose of financing the cost of deferred maintenance projects for existing state parks and recreational facilities; authorizing the Treasury Board, by and with the consent of the Governor, to fix the details of such bonds and to provide for the sale of the bonds; authorizing the Treasury Board, by and with the consent of the Governor, to borrow money in anticipation of the issuance of the bonds; authorizing the issuance of refunding bonds, by and with the consent of the Governor; providing for the pledge of the full faith and credit of the Commonwealth for the payment of such obligations; providing that interest on such obligations shall be exempt from all taxation by the Commonwealth and any political subdivision thereof; and providing that this act shall not become effective and that no bonds shall be issued hereunder unless this act is approved by a majority of the qualified voters of the Commonwealth voting thereon at an election, as required by Article X, Section 9 (b) of the Constitution of Virginia.

Patron—Orrock

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:

1. § 1. Title. This act shall be known and may be cited as the "Commonwealth of Virginia State Parks Bond Act of 2025."

§ 2. Authorization of bonds and BANs. The authorization to issue bonds hereunder is subject to a favorable vote of a majority of the qualified voters voting on this act at the November 4, 2025, general election as hereinafter provided. Thereafter, the Treasury Board is hereby authorized, by and with the consent of the Governor, to sell and issue, at one time or from time to time, bonds of the Commonwealth, to be designated "Commonwealth of Virginia General Obligation Bonds, Series...", in an aggregate principal amount not exceeding \$80,960,000. The Treasury Board is further authorized, by and with the consent of the Governor, to borrow money in anticipation of the issuance of the bonds by the issuance of bond anticipation notes (BANs), including BANs issued as commercial paper.

§ 3. Purpose; projects. The proceeds of the bonds and BANs, excluding amounts needed to pay issuance costs and other financing expenses, shall be used as provided in § 4 hereof for deferred maintenance projects for existing state parks and recreational facilities as follows:

Parks and Recreational Facilities	Description	Amount
Construction of the following projects:		
Various existing state parks and recreational facilities	Deferred maintenance	\$80,960,000
Total		\$80,960,000

For purposes of this act, "deferred maintenance" means deferred maintenance on capital projects in existing state parks and recreational facilities including the repair or replacement of utility systems, infrastructure, campground facilities, cabins, lodging, restrooms, bathhouses, docks, piers, marinas, boat ramps, dams or other water control devices, trails, roadways, access routes, bridges, and other recreational facilities; as well as restoration and stabilization of shorelines; and repairs, restoration, and stabilization of historic structures; and modifications to existing state park and recreational facilities to address building code deficiencies, improve accessibility, and eliminate or reduce risks to life, health, and safety. "Deferred maintenance" does not include any personnel or employment needs or aesthetic maintenance, such as lawn-mowing.

The Governor or his designee shall determine the amount to be allocated for deferred maintenance to each such state park or recreational facility. To the extent that the cost of such deferred maintenance noted above is less than the amount allocated for deferred maintenance of state parks, the Governor or his designee may increase the amount allocated for any state park deferred maintenance project noted above. No such allocation may be increased, however, until it has been demonstrated to the satisfaction of the Governor or his designee that (a) the cost of the deferred maintenance has been reduced to the extent reasonable, (b) the deferred maintenance has not been expanded or enhanced beyond that originally approved, and (c) the deferred maintenance is suitable and adequate for the scope originally intended. No increase in the amount allocated for any deferred maintenance shall constitute an authorization for the issuance of bonds in an amount in excess of the aggregate amount authorized hereunder. No allocation shall be made for any deferred maintenance authorized herein until all applicable requirements of § 10.1-200.1 of the Code of

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59 *Virginia have been met.*

60 § 4. *Application of proceeds. Proceeds (including any premium) of the bonds and any BANs (except the*
61 *proceeds of (i) bonds the issuance of which has been anticipated by BANs, (ii) refunding bonds and (iii)*
62 *refunding BANs) shall be deposited by the State Treasurer in a special capital outlay fund in the State*
63 *Treasury and shall be disbursed only for the purpose for which the bonds or any BANs have been issued. In*
64 *no event shall any such proceeds be used for any purpose other than those for deferred maintenance*
65 *described in § 3. In the event that the proceeds of the bonds or BANs exceed the cost of the projects specified*
66 *in § 3, the Treasury Board shall cause such excess proceeds to be applied to the retirement of the bonds or*
67 *BANs. The proceeds of (i) bonds the issuance of which has been anticipated by BANs, (ii) refunding bonds*
68 *and (iii) refunding BANs and any funds provided by the General Assembly, or available from any other*
69 *source, for the purpose, shall be used to pay such BANs, refunded bonds, and refunded BANs. The proceeds*
70 *of the bonds and any refunding bonds or BANs are hereby appropriated for disbursement from the state*
71 *treasury for the current biennium pursuant to Article X, Section 7 of the Constitution of Virginia, and §*
72 *2.2-1819 of the Code of Virginia. The general conditions and general provisions of the general appropriation*
73 *act enacted pursuant to Chapter 15 (§ 2.2-1500 et seq.) of Title 2.2 of the Code of Virginia, in effect from*
74 *time to time, and all of the terms and conditions contained therein shall apply to the projects listed in § 3. The*
75 *Governor or his designee is hereby authorized to increase the appropriation for any project listed in § 3 by*
76 *the amount of the proceeds of donations, gifts, grants, or other nongeneral funds paid into the state treasury*
77 *in excess of such appropriation.*

78 § 5. *Details, sale of bonds and BANs. The bonds shall be dated, shall mature at such time or times not*
79 *exceeding 25 years from their date or dates and may be made redeemable before their maturity or maturities*
80 *at such price or prices or within such price parameters, all as may be determined by the Treasury Board, by*
81 *and with the consent of the Governor. The principal of the bonds shall be amortized by payment into a*
82 *sinking fund or otherwise, in annual installments. The first annual installment of principal of the bonds shall*
83 *become due not later than one-tenth of the term of the bonds, and no installment of principal of the bonds*
84 *shall be more than twice the smallest previous installment. Any such sinking fund shall not be appropriated*
85 *for any other purpose. The bonds shall be in such form, shall bear interest at such rate or rates, either at*
86 *fixed rates or at rates established by formula or other method, and may contain such other provisions, all as*
87 *the Treasury Board or the State Treasurer, when authorized by the Treasury Board, may determine. The*
88 *principal of and premium, if any, and interest on the bonds and BANs shall be payable in lawful money of the*
89 *United States of America. Bonds and BANs may be certificated or uncertificated as determined by the*
90 *Treasury Board. The Treasury Board may contract for services of such registrars, transfer agents, or other*
91 *authenticating agents as it deems appropriate to maintain a record of the persons entitled to the bonds and*
92 *BANs. Bonds and BANs may be issued under a system of book entry for recording the ownership and transfer*
93 *of ownership rights to receive payments on the bonds and BANs. The Treasury Board shall fix the*
94 *denomination or denominations of the bonds and the place or places of payment of principal, premium, if*
95 *any, and interest, which may be at the office of the State Treasurer or at any one or more banks or trust*
96 *companies within or outside the Commonwealth.*

97 *The Treasury Board may sell the bonds and any BANs in such manner, either by competitive bidding,*
98 *negotiated sale or private placement, and for such price as it may determine, by and with consent of the*
99 *Governor, to be in the interest of the Commonwealth.*

100 *At the discretion of the Treasury Board, bonds and BANs may be issued at one time or in part from time to*
101 *time and may be issued and sold at the same time with other general obligation bonds and bond anticipation*
102 *notes, respectively, of the Commonwealth authorized pursuant to Article X, Section 9 (a) (3), (b), or (c) of the*
103 *Constitution of Virginia, either as separate issues, as a combined issue designated "Commonwealth of*
104 *Virginia General Obligation Bonds [Bond Anticipation Notes], Series 20.....," or as a combination of both.*
105 *The bonds and BANs shall be signed on behalf of the Commonwealth by the Governor and by the State*
106 *Treasurer, or shall bear their facsimile signatures, and shall bear the lesser seal of the Commonwealth or a*
107 *facsimile thereof. In the event that the bonds or BANs bear the facsimile signature of the State Treasurer,*
108 *they shall be signed by such administrative assistant as the State Treasurer shall determine or by such*
109 *registrar or paying agent as may be designated to sign them by the Treasury Board. If any officer whose*
110 *signature or facsimile signature shall appear on any bonds or BANs shall cease to be such officer before the*
111 *delivery, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same*
112 *as if such officer had remained in office until such delivery, and any bond or BAN may bear the facsimile*
113 *signature of, or may be signed by, such persons as at the actual time of the execution are the proper officers*
114 *to sign such bond or BAN although, at the date of such bond or BAN, such persons may not have been such*
115 *officers.*

116 § 6. *Refunding. The Treasury Board is hereby authorized, by and with the consent of the Governor, to sell*
117 *and issue, at one time or from time to time, refunding bonds and BANs of the Commonwealth, to refund any*
118 *or all of the bonds and BANs, respectively, issued under this act or otherwise pursuant to Article X, Section 9*
119 *(b), of the Constitution of Virginia. Refunding bonds and BANs may be issued in a principal amount up to the*

120 amount necessary to pay at maturity or redeem the bonds and BANs to be refunded and pay all issuance costs
 121 and other financing expenses of the refunding. Such refunding bonds and BANs may be issued whether or not
 122 the bonds or BANs to be refunded are then subject to redemption. Any escrow or trust fund established with
 123 the proceeds from the sale of refunding bonds shall be irrevocably pledged to the payment of the bonds or
 124 BANs to be refunded and shall be used solely to pay such bonds or BANs at maturity or upon redemption or
 125 for the purchase of not less than all of the bonds or BANs to be refunded. Any such escrow or trust fund shall
 126 constitute a special fund for the payment of such refunded bonds or BANs, and such refunded bonds or BANs,
 127 to the extent of amounts, including the maturity amounts of investments, set aside for the payment thereof in
 128 such escrow or trust fund, shall not be included for the purposes of determining any limitations upon the
 129 amount of bonded indebtedness of the Commonwealth that may be incurred pursuant to Article X, Section 9
 130 (b), of the Constitution of Virginia. The Treasury Board may, however, direct that the interest received from
 131 the investment of the proceeds of the bonds or BANs be transferred to the general fund of the State Treasury.

132 § 7. Authorized investments. Pending the application of the proceeds of the bonds or BANs (including
 133 refunding bonds and BANs) to the purpose for which they have been authorized and the application of funds
 134 set aside for the purpose to the payment of bonds or BANs, they may be invested by the State Treasurer in
 135 securities that are legal investments under the laws of the Commonwealth for public funds and sinking funds,
 136 as the case may be. Whenever the State Treasurer receives interest from the investment of the proceeds of
 137 bonds or any BANs, such interest shall become a part of the principal of the bonds or any BANs and shall be
 138 used in the same manner as required for principal of the bonds or BANs. The Treasury Board may, however,
 139 direct that the interest received from the investment of the proceeds of the bonds or BANs be transferred to
 140 the general fund of the State Treasury.

141 § 8. Security for bonds and BANs. The full faith and credit of the Commonwealth is hereby irrevocably
 142 pledged for the payment of the principal of and the interest on bonds, refunding bonds, and (unless the
 143 Treasury Board, by and with the consent of the Governor, shall provide otherwise) BANs issued under this
 144 act. The proceeds of (i) bonds the issuance of which has been anticipated by BANs, (ii) refunding bonds, and
 145 (iii) refunding BANs are hereby irrevocably pledged for the payment of principal of and interest and any
 146 premium on such bonds or BANs to be refunded thereby. In addition, the Treasury Board may pledge the full
 147 faith and credit of the Commonwealth for the payment of the principal of and interest on any BANs. If
 148 sufficient funds are not appropriated in the general appropriations act for any fiscal year for the timely
 149 payment of the principal of and the interest on the bonds, any refunding bonds or any BANs where the full
 150 faith and credit of the Commonwealth has been pledged, there shall be set apart by direction of the
 151 Governor, from the first general fund revenues received during such fiscal year and thereafter, a sum
 152 sufficient to pay such principal and interest.

153 § 9. Expenses. All expenses incurred under this act shall be paid from the proceeds of the bonds, or any
 154 refunding bonds or BANs, or from any other available funds as the Treasury Board shall determine.

155 § 10. Exemption of interest from tax. The bonds and BANs issued under the provisions of this act, their
 156 transfer, and the income therefrom, including any profit made on the sale thereof, shall at all times be exempt
 157 from taxation by the Commonwealth and by any political subdivision thereof. The interest on the bonds and
 158 any refunding bonds or BANs may be subject to inclusion in gross income of the holders thereof for federal
 159 income tax purposes.

160 § 11. Referendum. The question of the effectiveness of this act and the authorization of the bonds shall be
 161 submitted to the qualified voters of the Commonwealth at the general election to be held on Tuesday,
 162 November 4, 2025. The referendum shall be supervised and held, notice thereof given, ballots prepared,
 163 returns made and certified, votes canvassed and results ascertained and made known, as provided by law.
 164 The ballots to be used at the election shall pose the question in substantially the following form:

165 QUESTION: Shall [the relevant Chapter], Acts of the General Assembly of 2025, authorizing the issuance
 166 of general obligation bonds of the Commonwealth of Virginia in the maximum amount of \$80,960,000
 167 pursuant to Article X, Section 9 (b) of the Constitution of Virginia for deferred maintenance projects for
 168 existing state parks and recreational facilities, take effect?

169 After the general election, the State Board of Elections shall without delay make out, certify, and transmit
 170 to the Governor and to the Treasury Board an official copy of the report of the whole number of votes cast at
 171 the election for and against the act.

172 If a majority of those voting thereon shall vote in favor of this act, this act shall take effect and the bonds
 173 may be issued as hereinabove provided. If a majority of those voting thereon shall vote against this act, this
 174 act shall not take effect and the bonds shall not be issued.

175 The expenses incurred in conducting this election shall be defrayed as in the case of election of members
 176 of the General Assembly.

177 § 12. Reimbursement. The Department of Conservation and Recreation may apply any available
 178 nongeneral funds to initiate a project authorized in § 3 hereof, and the appropriations provided for in this act
 179 may be used to reimburse the Department for nongeneral funds so applied. Such reimbursement shall be
 180 contingent upon the availability of appropriations provided for in this act. Reimbursement shall be made only

181 *for projects authorized in § 3 hereof that were supplemented with nongeneral funds on and after January 1,*
182 *2025, provided that any such expenditures have received the prior written approval of the Director of the*
183 *Department of Planning and Budget.*

184 *§ 13. Severability. The provisions of this act or the application thereof to any person or circumstance that*
185 *are held invalid shall not affect the validity of other provisions or applications of this act that can be given*
186 *effect without the invalid provisions or applications.*

187 **2. That on or before September 1, 2025, the Department of Conservation and Recreation shall provide**
188 **to the Governor and the Chairmen of the Senate Committee on Finance and Appropriations and the**
189 **House Committee on Appropriations an implementation plan for the completion of the projects listed**
190 **in the first enactment of this act. The plan shall include at a minimum: (i) the proposed deferred**
191 **maintenance schedule for each project, indicating the anticipated start-up date for the project as well**
192 **as the projected completion date for the project, taking into consideration the budgetary and**
193 **programmatic capacity of the agency or institution to operate the completed project; (ii) detailed draw**
194 **schedules indicating the monthly cash needs to finance expenditures from the start-up date to the**
195 **completion date of each project; and (iii) an estimate of the additional costs for the staffing and**
196 **equipping of each project as well as an identification of the anticipated source of funding to cover such**
197 **additional costs for each project. The Governor shall prescribe a uniform format for the preparation of**
198 **this submission.**

199 **3. That on or before January 13, 2026, the Governor shall release his proposed plan for the execution**
200 **of the deferred maintenance projects listed in the first enactment of this act. To the extent practicable,**
201 **the Governor's plan shall be based on the implementation plans submitted by the Department of**
202 **Conservation and Recreation pursuant to the second enactment of this act. However, the Governor**
203 **shall modify such implementation plan, as necessary, to provide for the orderly issuance of the bonds**
204 **authorized in this act and to ensure that the Commonwealth (i) stays within the appropriations in the**
205 **general appropriation act to pay the debt service on such bonds, (ii) acts within its budgetary ability to**
206 **open and operate such completed projects, (iii) adheres to the limits of its capacity to issue tax-**
207 **supported debt, and (iv) complies with all other provisions of law regarding its authority to issue debt.**
208 **Should the Governor find the need to make a modification in any of the project schedules proposed by**
209 **the Department of Conservation and Recreation to meet the purposes stated herein, he shall direct the**
210 **Secretary of Finance to confer with the Chairmen of the Senate Committee on Finance and**
211 **Appropriations and the House Committee on Appropriations and the Department of Conservation and**
212 **Recreation and develop criteria to determine which projects continue on schedule as planned and**
213 **which projects are deferred.**

214 **4. That the Secretary of Finance, in conjunction with the Secretary of Natural and Historic Resources**
215 **and the Secretary of Administration, shall provide to the Chairmen of the Senate Committee on**
216 **Finance and Appropriations and the House Committee on Appropriations, beginning in 2026, by**
217 **September 1 of each year, until such deferred maintenance projects as are herein authorized are**
218 **completed, a status report on the projects, including the most recent approved draw schedules for the**
219 **projects included in this act.**

220 **5. That there is hereby appropriated to the State Board of Elections from the general fund of the state**
221 **treasury an amount not to exceed \$125,000 for the costs of public notices and other information**
222 **required to be published in connection with the referendum on this act at the November 4, 2025,**
223 **general election.**