

25104273D

SENATE BILL NO. 1082

Offered January 8, 2025

Prefiled January 7, 2025

A BILL to amend and reenact §§ 33.2-1524, 33.2-1700, 33.2-1701, 33.2-1708, and 33.2-1709 of the Code of Virginia, relating to transportation; Commonwealth Transportation Special Structures Program Revenue Bond Act of 2025.

Patrons—McDougle, Cifers and Durant

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That §§ 33.2-1524, 33.2-1700, 33.2-1701, 33.2-1708, and 33.2-1709 of the Code of Virginia are amended and reenacted as follows:

§ 33.2-1524. Commonwealth Transportation Fund.

A. There is hereby created in the Department of the Treasury a special nonreverting fund to be known as the Commonwealth Transportation Fund (the Fund). The Fund shall be established on the books of the Comptroller. Any moneys remaining in the Fund at the end of the year shall not revert to the general fund but shall remain in the Fund. The Fund shall consist of all funds appropriated to the Fund and all funds dedicated to the Fund pursuant to law, including:

- 1. Revenues pursuant to §§ 58.1-2289 and 58.1-2701;
- 2. Revenues pursuant to subsections A and G of § 58.1-638 and § 58.1-638.3;
- 3. Tolls and other revenues derived from the projects financed or refinanced pursuant to this title that are payable into the state treasury and tolls and other revenues derived from other transportation projects, which may include upon the request of the applicable appointed local governing body, as soon as their obligations have been satisfied, such tolls and revenue derived for transportation projects pursuant to the Chesapeake Bay Bridge and Tunnel District and Commission established in Chapter 22 (§ 33.2-2200 et seq.) and to the Richmond Metropolitan Transportation Authority established in Chapter 29 (§ 33.2-2900 et seq.), or if the appointed local governing body requests refunding or advanced refunding by the Board and such refunding or advanced refunding is approved by the General Assembly. Such funds shall be held in separate subaccounts of the Commonwealth Transportation Fund to the extent required by law or the Board;
- 4. Revenues pursuant to § 58.1-2425;
- 5. Revenues pursuant to subdivisions A 1 through 12 of § 46.2-694 and §§ 46.2-694.1, 46.2-697, and 46.2-697.2, except where provided elsewhere in such sections and excluding revenues deposited into a special fund for the Department of Motor Vehicles pursuant to § 46.2-686;
- 6. Revenues pursuant to § 58.1-1741;
- 7. Revenues pursuant to § 58.1-815.4;
- 8. Revenues from § 58.1-2249;
- 9. Such other funds as may be appropriated by the General Assembly from time to time and designated for the Commonwealth Transportation Fund;
- 10. All interest, dividends, and appreciation that may accrue to the Transportation Trust Fund established pursuant to § 33.2-1524.1 and the Highway Maintenance and Operating Fund established pursuant to § 33.2-1530;
- 11. All amounts required by contract to be paid over to the Commonwealth Transportation Fund;
- 12. Concession payments paid to the Commonwealth by a private entity pursuant to the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.); and
- 13. Revenues pursuant to § 58.1-2531.

B. Funds in the Fund shall be distributed as follows:

- 1. Of the funds from subdivisions A 1, 2, 4 through 8, and 13: (i) 51 percent to the Highway Maintenance and Operating Fund established pursuant to § 33.2-1530 and (ii) 49 percent to the Transportation Trust Fund established pursuant to § 33.2-1524.1;
- 2. The funds from subdivisions A 3 and 12 shall be deposited into the Transportation Trust Fund established pursuant to § 33.2-1524.1;
- 3. Of the funds from subdivision A 10: (i) two-thirds shall be deposited in the Virginia Transportation Infrastructure Bank established pursuant to Article 1 (§ 33.2-1500 et seq.) and (ii) one-third shall be deposited into the Transportation Partnership Opportunity Fund established pursuant to § 33.2-1529.1.

C. From funds available pursuant to subsection B, (i) \$40 million annually shall be deposited into the Route 58 Corridor Development Fund pursuant to § 33.2-2300, (ii) \$40 million annually shall be deposited into the Northern Virginia Transportation District Fund pursuant to § 33.2-2400, and (iii) \$80 million

59 annually shall be deposited into the Special Structure Fund pursuant to § 33.2-1532, though the amount
 60 deposited shall be adjusted annually based on the *greater of (a) the* change in the United States Average
 61 Consumer Price Index for all items, all urban consumers (CPI-U), as published by the Bureau of Labor
 62 Statistics of the U.S. Department of Labor *or (b) zero*. Such deposits may be made in one or more
 63 installments.

64 **§ 33.2-1700. Definitions.**

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

66 "Board" means the Commonwealth Transportation Board, or if the Commonwealth Transportation Board
 67 is abolished, any board, commission, or officer succeeding to the principal functions thereof or upon whom
 68 the powers given by this chapter to the Board shall be given by law.

69 "Cost of the project," as applied to a project to be acquired by purchase or by condemnation, includes:

- 70 1. The purchase price or the amount of the award;
- 71 2. The cost of improvements, financing charges, and interest during any period of disuse before
 72 completion of improvements;
- 73 3. The cost of traffic estimates and of engineering data;
- 74 4. The cost of engineering and legal expenses;
- 75 5. The cost of plans, specifications and surveys, and estimates of cost and of revenues; and
- 76 6. Other expenses necessary or incident to determining the feasibility or practicability of the enterprises,
 77 administrative expenses, and such other expenses as may be necessary or incident to the financing authorized
 78 in this chapter and the acquisition of the project and the placing of the project in operation.

79 "Cost of the project," as applied to a project to be constructed, includes:

- 80 1. The cost of construction;
- 81 2. The cost of all lands, properties, rights, easements, and franchises acquired that are deemed necessary
 82 for such construction;
- 83 3. The cost of acquiring by purchase or condemnation any ferry that is deemed by the Board to be
 84 competitive with any bridge to be constructed;
- 85 4. The cost of all machinery and equipment;
- 86 5. The cost of financing charges and interest prior to construction, during construction, and for one year
 87 after completion of construction;
- 88 6. The cost of traffic estimates and of engineering data;
- 89 7. The cost of engineering and legal expenses;
- 90 8. The cost of plans, specifications and surveys, estimates of cost and of revenues; and
- 91 9. Other expenses necessary or incident to determining the feasibility or practicability of the enterprise,
 92 administrative expenses, and such other expenses as may be necessary or incident to the financing authorized
 93 in this chapter, the construction of the project, the placing of the project in operation, and the condemnation
 94 of property necessary for such construction and operation.

95 "Improvements" means those repairs to, replacements of, additions to, and betterments of a project
 96 acquired by purchase or by condemnation as are deemed necessary to place it in a safe and efficient condition
 97 for the use of the public, if such repairs, replacements, additions, and betterments are ordered prior to the sale
 98 of any bonds for the acquisition of such project.

99 "Owner" includes all individuals, incorporated companies, partnerships, societies, and associations having
 100 any title or interest in any property rights, easements, or franchises authorized to be acquired by this chapter.

101 "Project" means any one or more of the following:

- 102 1. The York River Bridges, extending from a point within Yorktown in York County or within York
 103 County across the York River to Gloucester Point or some point in Gloucester County.
- 104 2. The Rappahannock River Bridge, extending from Greys Point, or its vicinity, in Middlesex County,
 105 across the Rappahannock River to a point in the vicinity of White Stone, in Lancaster County, or at some
 106 other feasible point in the general vicinity of the two respective points.
- 107 3. The James River Bridge, from a point at or near Jamestown, in James City County, across the James
 108 River to a point in Surry County.
- 109 4. The James River, Chuckatuck, and Nansemond River Bridges, together with necessary connecting
 110 roads, in the Cities of Newport News and Suffolk and the County of Isle of Wight.
- 111 5. The Hampton Roads Bridge-Tunnel or Bridge and Tunnel System, extending from a point or points in
 112 the Cities of Newport News and Hampton on the northwest shore of Hampton Roads across Hampton Roads
 113 to a point or points in the City of Norfolk or Suffolk on the southeast shore of Hampton Roads.
- 114 6. Interstate 264, extending from a point in the vicinity of the intersection of Interstate 64 and U.S. Route
 115 58 at Norfolk to some feasible point between London Bridge and U.S. Route 60.
- 116 7. The Henrico-James River Bridge, extending from a point on the eastern shore of the James River in
 117 Henrico County to a point on the western shore, between Falling Creek and Bells Road interchanges of
 118 Interstate 95; however, the project shall be deemed to include all property, rights, easements, and franchises
 119 relating to this project and deemed necessary or convenient for its operation, including its approaches.
- 120 8. The limited access highway between the Newport News/Williamsburg International Airport area and

121 the Newport News downtown area, which generally runs parallel to tracks of the Chesapeake and Ohio
122 Railroad.

123 9. Transportation improvements in the Dulles Corridor, with an eastern terminus of the East Falls Church
124 Metrorail station at Interstate 66 and a western terminus of Virginia Route 772 in Loudoun County, including
125 without limitation the Dulles Toll Road; the Dulles Access Road; outer roadways adjacent or parallel thereto;
126 mass transit, including rail; bus rapid transit; and capacity-enhancing treatments such as high-occupancy
127 vehicle lanes, high-occupancy toll lanes, interchange improvements, commuter parking lots, and other
128 transportation management strategies.

129 10. Subject to the limitations and approvals of § 33.2-1712, any other highway for a primary highway
130 transportation improvement district or transportation service district that the Board has agreed to finance
131 under a contract with any such district or any other alternative mechanism for generation of local revenues for
132 specific funding of a project satisfactory to the Board, the financing for which is to be secured by
133 Transportation Trust Fund revenues under any appropriation made by the General Assembly for that purpose
134 and payable first from revenues received under such contract or other local funding source; second, to the
135 extent required, from funds appropriated and allocated, pursuant to the highway allocation formula as
136 provided by law, to the highway construction district in which the project is located or to the county or
137 counties in which the project is located; and third, to the extent required from other legally available revenues
138 of the Transportation Trust Fund and from any other available source of funds.

139 11. The U.S. Route 58 Corridor Development Program projects as defined in §§ 33.2-2300 and 33.2-2301.

140 12. The Northern Virginia Transportation District Program as defined in §§ 33.2-2400 and 33.2-2401.

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

145 14. Any project designated by the General Assembly financed in whole or part through the issuance of
146 Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes.

147 15. Any project authorized by the General Assembly financed in whole or in part by funds from the
148 Priority Transportation Fund established pursuant to § 33.2-1527 or from the proceeds of bonds whose debt
149 service is paid in whole or in part by funds from such Fund.

150 16. Any project identified by the Board to be financed in whole or in part through the issuance of
151 Commonwealth of Virginia Federal Transportation Grant Anticipation Revenue Notes.

152 17. The Interstate 81 Corridor Improvement Program projects as defined in §§ 33.2-3600 and 33.2-3602.

153 18. Railroad and other infrastructure improvements leading into Washington, D.C., from Virginia and new
154 Metrorail-related improvements to, and serving, the Rosslyn Metrorail station in Arlington County.

155 19. *Any project identified by the Board to be financed in whole or in part through the issuance of*
156 *Commonwealth of Virginia Special Structures Program Revenue Bonds.*

157 "Revenues" includes tolls and any other moneys received or pledged by the Board pursuant to this
158 chapter, including legally available Transportation Trust Fund revenues and any federal highway
159 reimbursements and any other federal highway assistance received by the Commonwealth.

160 "Toll project" means a project financed in whole or in part through the issuance of revenue bonds that are
161 secured by toll revenues generated by the project.

162 "Undertaking" means all of the projects authorized to be acquired or constructed under this chapter.

163 **§ 33.2-1701. General powers of Commonwealth Transportation Board.**

164 The Board may, subject to the provisions of this chapter:

165 1. Acquire by purchase or by condemnation, construct, improve, operate, and maintain any one or more of
166 the projects mentioned and included in the undertaking as defined in § 33.2-1700;

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

170 3. Subject to the limitations and approvals of § 33.2-1712, issue revenue bonds of the Commonwealth to
171 be known and designated as "Commonwealth of Virginia Transportation Contract Revenue Bonds," secured
172 by Transportation Trust Fund revenues under a payment agreement between the Board and the Treasury
173 Board, subject to their appropriation by the General Assembly and payable first from revenues received
174 pursuant to contracts with a primary highway transportation improvement district or transportation service
175 district or other local revenue sources for which specific funding of any such bonds may be authorized by
176 law; second, to the extent required, from funds appropriated and allocated, pursuant to the highway allocation
177 formula as provided by law, to the highway construction district in which the project to be financed is located
178 or to the county or counties in which the project to be financed is located; and third, to the extent required,
179 from other legally available revenues of the Transportation Trust Fund and from any other available source of
180 funds;

181 4. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia

182 Transportation Revenue Bonds," secured (i) by revenues received from the U.S. Route 58 Corridor
183 Development Fund, subject to their appropriation by the General Assembly; (ii) to the extent required, from
184 revenues legally available from the Transportation Trust Fund; and (iii) to the extent required, from any other
185 legally available funds that have been appropriated by the General Assembly;

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

194 6. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia
195 Transportation Program Revenue Bonds," secured, subject to their appropriation by the General Assembly, (i)
196 first from any revenues received from any Set-aside Fund established by the General Assembly pursuant to §
197 58.1-816.1; (ii) to the extent required, from revenues received pursuant to any contract with a locality or any
198 alternative mechanism for generation of local revenues for specific funding of a project satisfactory to the
199 Board; (iii) to the extent required, from funds appropriated and allocated, pursuant to the highway allocation
200 formula as provided by law, to the highway construction district in which the project to be financed is located
201 or to the city or county in which the project to be financed is located; (iv) to the extent required, from legally
202 available revenues of the Transportation Trust Fund; and (v) from such other funds that may be appropriated
203 by the General Assembly. No bonds for any project shall be issued under the authority of this subdivision
204 unless such project is specifically included in a bill or resolution passed by the General Assembly;

205 7. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia
206 Transportation Program Revenue Bonds," secured, subject to their appropriation by the General Assembly, (i)
207 first from any revenues received from the Commonwealth Transit Capital Fund established by the General
208 Assembly pursuant to § 33.2-1526.2; (ii) to the extent required, from legally available revenues of the
209 Transportation Trust Fund; and (iii) from such other funds that may be appropriated by the General
210 Assembly. No bonds for any project shall be issued under the authority of this subdivision unless such project
211 is specifically included in a bill or resolution passed by the General Assembly;

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

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

223 10. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of
224 Virginia Transportation Capital Projects Revenue Bonds," secured, subject to their appropriation by the
225 General Assembly, (i) from the revenues deposited into the Priority Transportation Fund established pursuant
226 to § 33.2-1527; (ii) to the extent required, from revenues legally available from the Transportation Trust
227 Fund; and (iii) to the extent required, from any other legally available funds;

228 11. Issue grant anticipation notes of the Commonwealth from time to time to be known and designated as
229 "Commonwealth of Virginia Federal Transportation Grant Anticipation Revenue Notes," secured, subject to
230 their appropriation by the General Assembly, (i) first from the project-specific reimbursements pursuant to §
231 33.2-1520; (ii) then, at the discretion of the Board, to the extent required, from legally available revenues of
232 the Transportation Trust Fund; and (iii) then from such other funds, if any, that are designated by the General
233 Assembly for such purpose;

234 12. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of
235 Virginia Interstate 81 Program Revenue Bonds," secured, subject to appropriation by the General Assembly,
236 by revenues received from the Interstate 81 Corridor Improvement Fund from deposits thereto pursuant to §
237 58.1-2299.20 derived from the receipt of the regional fuels tax levied pursuant to § 58.1-2295;

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

240 14. Construct grade separations at intersections of any projects with public highways, railways, or streets
241 and adjust the lines and grades thereof so as to accommodate the same to the design of such grade
242 separations, the cost of such grade separations and any damage incurred in adjusting the lines and grades of

243 such highways, railways, or streets to be ascertained and paid by the Board as a part of the cost of the project;
 244 15. Vacate or change the location of any portion of any public highway and reconstruct the same at such
 245 new location as the Board deems most favorable for the project and of substantially the same type and in as
 246 good condition as the original highway, the cost of such reconstruction and any damage incurred in vacating
 247 or changing the location thereof to be ascertained and paid by the Board as a part of the cost of the project.
 248 Any public highway vacated or relocated by the Board shall be vacated or relocated in the manner provided
 249 by law for the vacation or relocation of public highways, and any damages awarded on account thereof may
 250 be paid by the Board as a part of the cost of the project;

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

261 On any toll project, the Board shall pay the cost and expense of relocation or removal as a part of the cost
 262 of the project for those public utility facilities owned or operated by the Commonwealth or such locality,
 263 political subdivision, public utility, or public service corporation. On all other projects under this chapter, the
 264 Board shall pay the cost and expense of relocation or removal as a part of the cost of the project for those
 265 public utility facilities owned or operated by the Commonwealth or such locality or political subdivision. The
 266 Commonwealth or such locality, political subdivision, public utility, or public service corporation may
 267 maintain and operate such public utility facilities with the necessary appurtenances in the new location for as
 268 long a period and upon the same terms and conditions as it had the right to maintain and operate such public
 269 utility facilities in their former location;

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

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

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

283 19. Enter into any agreements or take such other actions as the Board determines in connection with
 284 applying for or obtaining any federal credit assistance, including without limitation loan guarantees and lines
 285 of credit, pursuant to authorization from the U.S. Department of Transportation with respect to any project
 286 included in the Commonwealth's long-range transportation plan and the approved State Transportation
 287 Improvement Program; ~~and~~

288 20. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of
 289 Virginia Passenger Rail Facilities Bonds," secured, subject to their appropriation by the General Assembly
 290 from net revenues resulting from tolls, rates, fees, and charges for or in connection with the use, occupancy,
 291 and services of the Transform 66 Inside the Beltway express lanes project and remaining after payment of
 292 expenses incurred in operating such project's toll facilities; *and*

293 21. *Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of*
 294 *Virginia Special Structures Program Revenue Bonds," secured, subject to their appropriation by the General*
 295 *Assembly, (i) first from revenues received from the Special Structure Fund pursuant to § 33.2-1532; (ii)*
 296 *second and to the extent required, from revenues legally available from the Transportation Trust Fund; and*
 297 *(iii) then to the extent required, from any other legally available funds.*

298 **§ 33.2-1708. Revenue bonds.**

299 The Board may provide by resolution, at one time or from time to time, for the issuance of revenue bonds,
 300 notes, or other revenue obligations of the Commonwealth for the purpose of paying all or any part of the cost,
 301 as defined in § 33.2-1700, of any one or more projects, as defined in § 33.2-1700. The principal or purchase
 302 price of, and redemption premium, if any, and interest on such obligations shall be payable solely from the
 303 special funds herein provided for such payment. For the purposes of this section, "special funds" includes any

304 funds established for Commonwealth of Virginia Toll Revenue Bonds, Commonwealth of Virginia
305 Transportation Contract Revenue Bonds, Commonwealth of Virginia Transportation Revenue Bonds,
306 Commonwealth of Virginia Interstate 81 Program Revenue Bonds, Commonwealth of Virginia Federal
307 Highway Reimbursement Anticipation Notes, or Commonwealth of Virginia Federal Transportation Grant
308 Anticipation Revenue Notes, ~~or~~ Commonwealth of Virginia Passenger Rail Facilities Bonds, *or*
309 *Commonwealth of Virginia Special Structures Program Revenue Bonds.*

310 **§ 33.2-1709. Credit of Commonwealth not pledged.**

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

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

342 C. Commonwealth of Virginia Transportation Revenue Bonds issued under the provisions of this chapter
343 shall not be deemed to constitute a debt of the Commonwealth or a pledge of the full faith and credit of the
344 Commonwealth, but such bonds shall be payable solely from the funds provided therefor pursuant to this
345 chapter (i) from revenues received from the U.S. Route 58 Corridor Development Fund established pursuant
346 to § 33.2-2300, subject to their appropriation by the General Assembly; (ii) to the extent required, from
347 revenues legally available from the Transportation Trust Fund; and (iii) to the extent required, from any other
348 legally available funds that may be appropriated by the General Assembly.

349 D. Commonwealth of Virginia Transportation Revenue Bonds issued under this chapter for Category 1
350 projects as provided in subdivision 12 of the definition of "project" in § 33.2-1700 shall not be deemed to
351 constitute a debt of the Commonwealth or a pledge of the full faith and credit of the Commonwealth. Such
352 bonds shall be payable solely, subject to their appropriation by the General Assembly, (i) first from revenues
353 received from the Northern Virginia Transportation District Fund established pursuant to § 33.2-2400; (ii) to
354 the extent required, from funds appropriated and allocated, pursuant to the highway allocation formula as
355 provided by law, to the highway construction district in which the project to be financed is located or to the
356 city or county in which the project to be financed is located; (iii) to the extent required, from legally available
357 revenues of the Transportation Trust Fund; and (iv) from such other funds that may be appropriated by the
358 General Assembly.

359 E. Commonwealth of Virginia Transportation Program Revenue Bonds issued under this chapter for
360 projects defined in subdivision 13 of the definition of "project" in § 33.2-1700 shall not be deemed to
361 constitute a debt of the Commonwealth or a pledge of the full faith and credit of the Commonwealth. Such
362 bonds shall be payable solely, subject to their appropriation by the General Assembly, (i) first from any
363 revenues received from any Set-aside Fund established by the General Assembly pursuant to § 58.1-816.1;
364 (ii) to the extent required, from revenues received pursuant to any contract with a locality or any alternative

365 mechanism for generation of local revenues for specific funding of a project satisfactory to the Board; (iii) to
 366 the extent required, from funds appropriated and allocated, pursuant to the highway allocation formula as
 367 provided by law, to the highway construction district in which the project to be financed is located or to the
 368 city or county in which the project to be financed is located; (iv) to the extent required, from legally available
 369 revenues from the Transportation Trust Fund; and (v) from such other funds that may be appropriated by the
 370 General Assembly.

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

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

385 H. Commonwealth of Virginia Transportation Capital Projects Revenue Bonds issued under the
 386 provisions of this chapter for projects as provided in subdivision 15 of the definition of "project" in §
 387 33.2-1700 shall not be deemed to constitute a debt of the Commonwealth or a pledge of the full faith and
 388 credit of the Commonwealth, but such bonds shall be payable solely, subject to their appropriation by the
 389 General Assembly, (i) from the revenues deposited into the Priority Transportation Fund established pursuant
 390 to § 33.2-1527; (ii) to the extent required, from revenues legally available from the Transportation Trust
 391 Fund; and (iii) to the extent required, from any other legally available funds.

392 I. Commonwealth of Virginia Federal Transportation Grant Anticipation Revenue Notes issued under the
 393 provisions of Article 4 (§ 33.2-1511 et seq.) of Chapter 15 and this chapter shall not be deemed to constitute a
 394 debt of the Commonwealth or a pledge of the full faith and credit of the Commonwealth, but such notes shall
 395 be payable solely, subject to their appropriation by the General Assembly, (i) first from the project-specific
 396 reimbursements pursuant to § 33.2-1520; (ii) then, at the discretion of the Board, to the extent required, from
 397 legally available revenues of the Transportation Trust Fund; and (iii) then from such other funds, if any, that
 398 are designated by the General Assembly for such purpose.

399 J. Commonwealth of Virginia Interstate 81 Program Revenue Bonds issued under the provisions of this
 400 chapter shall not be deemed to constitute a debt of the Commonwealth or a pledge of the full faith and credit
 401 of the Commonwealth, but such bonds shall be payable solely from the funds provided therefor pursuant to
 402 this chapter, subject to their appropriation by the General Assembly, from revenues received from the
 403 Interstate 81 Corridor Improvement Fund from deposits thereto pursuant to § 58.1-2299.20 derived from the
 404 receipt of the regional fuels tax levied pursuant to § 58.1-2295.

405 K. Commonwealth of Virginia Passenger Rail Facilities Bonds issued under the provisions of this chapter
 406 shall not be deemed to constitute a debt of the Commonwealth or a pledge of the full faith and credit of the
 407 Commonwealth but such bonds shall be payable solely from the funds provided therefor from tolls, rates,
 408 fees, and charges pursuant to this chapter. All such bonds shall state on their face that the Commonwealth is
 409 not obligated to pay the same or the interest thereon except from revenues and funds provided from tolls,
 410 rates, fees, and charges pursuant to this chapter and the full faith and credit of the Commonwealth are not
 411 pledged to the payment of the principal of and interest on such bonds. The issuance of such revenue bonds
 412 under the provisions of this chapter shall not directly or indirectly or contingently obligate the
 413 Commonwealth to levy or to pledge any form of taxation whatsoever or to make any appropriation for their
 414 payment, other than to appropriate available funds from pledged revenues.

415 L. Commonwealth of Virginia Special Structures Program Revenue Bonds issued under the provisions of
 416 this chapter shall not be deemed to constitute a debt of the Commonwealth or a pledge of the full faith and
 417 credit of the Commonwealth, but such bonds shall be payable solely from the funds provided therefor
 418 pursuant to this chapter, subject to their appropriation by the General Assembly, (i) first from revenues
 419 received from the Special Structure Fund pursuant to § 33.2-1532; (ii) second and to the extent required,
 420 from revenues legally available from the Transportation Trust Fund; and (iii) then to the extent required,
 421 from any other legally available funds.

422 2. § 1. Commonwealth Transportation Special Structures Program Revenue Bond Act of 2025.

423 This act shall be known and may be cited as the "Commonwealth Transportation Special Structures
 424 Program Revenue Bond Act of 2025."

425 § 2. Definitions.

426 "Act" means the Commonwealth Transportation Special Structures Program Revenue Bond Act of 2025.

427 "Board" means the Commonwealth Transportation Board established pursuant to Article 1 (§ 33.2-200 et
428 seq.) of Chapter 2 of Title 33.2 of the Code of Virginia.

429 "Bond" means a bond, a note, a credit facility, an anticipatory borrowing, and any other evidence of
430 indebtedness issued pursuant to the provisions of the Act. A bond may contain any designation appropriate to
431 the debt instrument.

432 "Bond Act" means the Transportation Development and Revenue Bond Act established pursuant to
433 Chapter 17 (§ 33.2-1700 et seq.) of Title 33.2 of the Code of Virginia and any amendments thereto.

434 "Fund" means the Special Structure Fund created in § 33.2-1532 of the Code of Virginia.

435 "Plan" means the plan developed in accordance with § 33.2-374 of the Code of Virginia to implement the
436 Program.

437 "Program" means the Special Structure Program established in accordance with § 33.2-374 of the Code
438 of Virginia.

439 § 3. Authorization of bonds and bond anticipation notes.

440 The Board is hereby authorized, by and with the consent of the Governor, to issue, pursuant to the
441 provisions of the Bond Act, in one or more series, revenue obligations of the Commonwealth, to be
442 designated "Commonwealth of Virginia Special Structures Program Revenue Bonds, Series", provided
443 that the aggregate principal amount issued in any one fiscal year shall not exceed \$200 million, exclusive of
444 any amounts issued for refunding bonds for debt service savings, and provided that the aggregate principal
445 amount outstanding at any time shall not exceed \$1 billion, exclusive of (i) amounts issued for financing
446 expenses (including any original issue discount) and (ii) amounts issued for reserve funds or capitalized
447 interest. Such aggregate principal amount shall not include any pre-project completion interest that may be
448 converted to principal in connection with any federal program borrowing undertaken pursuant to subsection
449 D of § 6.

450 § 4. The Board shall use the net proceeds of any bonds, including any premium received on the sale
451 thereof, for the exclusive purpose of paying costs incurred or to be incurred in relation to the Plan and the
452 Program. Such costs may include payment of bond interest during and after the construction of
453 transportation improvements, as determined by the Board. Such costs may include expenditures for:

- 454 1. Environmental and engineering studies;
- 455 2. Acquisition of rights-of-way;
- 456 3. Maintenance, rehabilitation, and replacement of special structures in the Commonwealth;
- 457 4. Acquisition of real and personal property;
- 458 5. Contributions to reserve funds;
- 459 6. Any financing expenses; and
- 460 7. Any purpose the Board deems necessary to implement the Plan and the Program.

461 § 5. The Board shall make proceeds of the bonds available to pay costs for the purposes identified in § 4,
462 or to refund previously issued bonds providing funds to pay for the purposes identified in § 4. The Board may
463 use proceeds of the bonds to make payments to any authority, commission, locality, or other entity of the
464 Commonwealth for purposes of paying such entity's costs related to transportation projects in furtherance of
465 the Program. The Board shall use bond proceeds together with any federal, local, or private funds that may
466 be made available for similar purposes. The Board may use proceeds from the bonds, together with any
467 investment earnings from such bonds, to secure the payment of principal or the purchase price and
468 redemption premium, if any, and interest on the bonds.

469 § 6. A. The Board shall determine the terms and structure of each issue of bonds, provided that its
470 determination shall be subject to approval by the Treasury Board in accordance with § 2.2-2416 of the Code
471 of Virginia and any amendments thereto. The bonds of each issue shall:

- 472 1. Be dated;
- 473 2. Be issued in a principal amount subject to the limitations identified in § 3;
- 474 3. Bear interest at a rate or rates, which may be fixed, adjustable, variable, or a combination thereof and
475 which may be determined according to a formula or other method;
- 476 4. Mature at a time or times not exceeding 25 years from the date of issue, except as provided in
477 subsection D; and
- 478 5. If directed by the Board, be issued under a system of book entry for recording the ownership and
479 transfer of ownership of rights to receive payments of principal or purchase price and redemption premium,
480 if any, and interest on such bonds.

481 B. The Board may determine that bonds be made subject to purchase or redemption before their maturity
482 or maturities, at such price or prices and under such terms and conditions it deems appropriate. The Board
483 shall:

- 484 1. Determine the form of the bonds;
- 485 2. Determine whether the bonds are certificated or uncertificated;
- 486 3. Fix the authorized denomination of the bonds, provided that interest on the bonds shall be made
487 payable in lawful money of the United States; and
- 488 4. Fix the place or places of payment of the bonds' principal, purchase price, redemption premium, if any,

489 *and interest, provided that such place may be the office of the State Treasurer or any bank or trust company*
 490 *in the United States.*

491 *C. All bonds issued under this Act shall have, as between successive holders, all the qualities and*
 492 *incidents of negotiable instruments under the Commonwealth's negotiable instruments laws.*

493 *D. Notwithstanding the maturity limitation prescribed in subdivision A 4, if the Board enters into an*
 494 *agreement with the authorization of the U.S. Department of Transportation pursuant to the provisions of*
 495 *subdivision 19 of § 33.2-1701 of the Code of Virginia, or any successor thereto, any loan, credit facility, or*
 496 *other borrowing that occurs under such agreement, including any advancement under a line of credit or*
 497 *lending program with an individualized prepayment schedule, shall not exceed 25 years from the first*
 498 *scheduled payment of principal. The first scheduled payment of principal shall be not more than five years*
 499 *from the initial advancement of funds under such loan, credit facility, line of credit, or other borrowing.*

500 *E. The Board may sell bonds from time to time at public or private sale for such price or prices as it*
 501 *determines to be in the best interest of the Commonwealth. The Board may sell bonds by competitive bidding,*
 502 *negotiated sale, or private placement with private lenders or governmental agencies.*

503 *§ 7. A. Any bonds issued pursuant to this Act shall (i) be signed on behalf of the Board by the chairman or*
 504 *vice-chairman of the Board or shall bear the facsimile signature of such officer and (ii) bear the official seal*
 505 *of the Board, which shall be attested to by the manual or facsimile signature of the secretary or assistant*
 506 *secretary of the Board. If a bond bears a facsimile signature pursuant to clause (i), the bond shall be signed*
 507 *by a designee of the Board, who may be an administrative assistant, a registrar, or a paying agent. If an*
 508 *officer who has signed the bond ceases to be an officer before the delivery of such bond, any such signature*
 509 *or facsimile signature of such officer shall be valid and sufficient for all purposes as if such officer had*
 510 *remained an officer until delivery of such bond.*

511 *B. If a loan, a line of credit, or other borrowing is not evidenced by a bond, any agreements and*
 512 *instruments as may be necessary to provide evidence of such loan, line of credit, or other borrowing shall be*
 513 *signed on behalf of the Board by the chairman or vice-chairman of the Board. Such agreements and*
 514 *instruments may bear the official seal of the Board. Such agreements and instruments shall be signed by the*
 515 *secretary or assistant secretary of the Board.*

516 *§ 8. All expenses incurred under this Act or in connection with any bond issuance shall be paid from the*
 517 *proceeds of such bonds or from any available funds as the Board shall determine.*

518 *§ 9. A. The proceeds of the bonds and of any anticipation notes authorized pursuant to this Act shall be*
 519 *placed by the State Treasurer in a special fund in the state treasury or placed with a trustee in accordance*
 520 *with the provisions of § 33.2-1716 of the Code of Virginia and any amendments thereto. Such proceeds shall*
 521 *be disbursed only for the purpose for which such bonds and anticipation notes were issued. Proceeds derived*
 522 *from the sale of bonds authorized by this Act shall first be used to pay anticipation notes, if any were issued*
 523 *in anticipation of the sale of such bonds and renewals of such bonds.*

524 *B. Subsection A shall not apply to the proceeds of the bonds when the issuance of such bonds has been*
 525 *anticipated by anticipation notes.*

526 *§ 10. The Board may receive any other funds that may be made available to pay costs of projects related*
 527 *to the Plan and the Program and, subject to appropriation by the General Assembly, may make available*
 528 *such funds for the payment of the principal, purchase price, and redemption premium, if any, and interest on*
 529 *bonds authorized under this Act. The Board is authorized to enter into agreements with any department or*
 530 *agency of the Commonwealth or any other party to allow for such funds, and any other funds, to be paid into*
 531 *the state treasury, or to a trustee in accordance with the provisions of § 33.2-1716 of the Code of Virginia*
 532 *and any amendments thereto, to pay a part of the costs of such projects, to pay any costs of issuance, to fund*
 533 *any part of any reserve fund, or to pay the principal or purchase price of, and redemption premium, if any,*
 534 *and interest on the bonds.*

535 *§ 11. In connection with the issuance or planned issuance of any bonds, the Board shall establish a fund*
 536 *either in the state treasury with the cooperation of the State Treasurer or with a trustee in accordance with*
 537 *the provisions of § 33.2-1716 of the Code of Virginia and any amendments thereto. Such fund shall (i) secure*
 538 *payments of the bonds and (ii) be used for the payments of such bonds to the credit of which there shall be*
 539 *deposited such amounts, subject to appropriation by the General Assembly, necessary to pay the principal or*
 540 *purchase price of, redemption premium if any, and interest on the bonds, as and when such costs become due*
 541 *and payable. Such costs shall be paid (a) first from revenues received from the Fund pursuant to § 33.2-1532*
 542 *of the Code of Virginia; (b) second and to the extent required, from revenues legally available from the*
 543 *Transportation Trust Fund; and (c) then to the extent required, from any other legally available funds.*

544 *§ 12. The State Treasurer shall invest bond proceeds and moneys in any reserve funds and sinking funds*
 545 *related to bonds in accordance with the provisions of Chapter 18 (§ 2.2-1800 et seq.) of Title 2.2 of the Code*
 546 *of Virginia and any applicable law governing management of funds by a trustee pursuant to § 33.2-1716 of*
 547 *the Code of Virginia, and any amendments thereto.*

548 *§ 13. No tax or fee shall be imposed by the Commonwealth, a locality, or any other entity of the*
 549 *Commonwealth on the interest income and profit made on the sale of obligations issued under the provisions*

550 *of this Act.*

551 *§ 14. Any obligation issued under this Act shall be considered a security in which any person and entity*
552 *identified in § 33.2-1713 of the Code of Virginia may properly and legally invest funds.*

553 *§ 15. If any provision of this Act conflicts with a provision of the Bond Act, the provision of this Act shall*
554 *control.*

555 *§ 16. This Act, being necessary for the welfare of the Commonwealth and its inhabitants, shall be liberally*
556 *construed to effect the purpose of this Act.*

557 *§ 17. If any portion of this Act is held unconstitutional by a court of competent jurisdiction, the remaining*
558 *portions of this Act shall remain in effect.*