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SENATE BILL NO. 1082**AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by the Senate Committee on Finance and Appropriations
on January 28, 2025)

(Patron Prior to Substitute—Senator McDougle)

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.*

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 annually shall be deposited into the Special Structure Fund pursuant to § 33.2-1532, though the amount deposited shall be adjusted annually based on the *greater of (a) the* change in the United States Average Consumer Price Index for all items, all urban consumers (CPI-U), as published by the Bureau of Labor

60 Statistics of the U.S. Department of Labor *or (b) zero*. Such deposits may be made in one or more
61 installments.

62 **§ 33.2-1700. Definitions.**

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

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

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

68 1. The purchase price or the amount of the award;

69 2. The cost of improvements, financing charges, and interest during any period of disuse before
70 completion of improvements;

71 3. The cost of traffic estimates and of engineering data;

72 4. The cost of engineering and legal expenses;

73 5. The cost of plans, specifications and surveys, and estimates of cost and of revenues; and

74 6. Other expenses necessary or incident to determining the feasibility or practicability of the enterprises,
75 administrative expenses, and such other expenses as may be necessary or incident to the financing authorized
76 in this chapter and the acquisition of the project and the placing of the project in operation.

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

78 1. The cost of construction;

79 2. The cost of all lands, properties, rights, easements, and franchises acquired that are deemed necessary
80 for such construction;

81 3. The cost of acquiring by purchase or condemnation any ferry that is deemed by the Board to be
82 competitive with any bridge to be constructed;

83 4. The cost of all machinery and equipment;

84 5. The cost of financing charges and interest prior to construction, during construction, and for one year
85 after completion of construction;

86 6. The cost of traffic estimates and of engineering data;

87 7. The cost of engineering and legal expenses;

88 8. The cost of plans, specifications and surveys, estimates of cost and of revenues; and

89 9. Other expenses necessary or incident to determining the feasibility or practicability of the enterprise,
90 administrative expenses, and such other expenses as may be necessary or incident to the financing authorized
91 in this chapter, the construction of the project, the placing of the project in operation, and the condemnation
92 of property necessary for such construction and operation.

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

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

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

100 1. The York River Bridges, extending from a point within Yorktown in York County or within York
101 County across the York River to Gloucester Point or some point in Gloucester County.

102 2. The Rappahannock River Bridge, extending from Greys Point, or its vicinity, in Middlesex County,
103 across the Rappahannock River to a point in the vicinity of White Stone, in Lancaster County, or at some
104 other feasible point in the general vicinity of the two respective points.

105 3. The James River Bridge, from a point at or near Jamestown, in James City County, across the James
106 River to a point in Surry County.

107 4. The James River, Chuckatuck, and Nansemond River Bridges, together with necessary connecting
108 roads, in the Cities of Newport News and Suffolk and the County of Isle of Wight.

109 5. The Hampton Roads Bridge-Tunnel or Bridge and Tunnel System, extending from a point or points in
110 the Cities of Newport News and Hampton on the northwest shore of Hampton Roads across Hampton Roads
111 to a point or points in the City of Norfolk or Suffolk on the southeast shore of Hampton Roads.

112 6. Interstate 264, extending from a point in the vicinity of the intersection of Interstate 64 and U.S. Route
113 58 at Norfolk to some feasible point between London Bridge and U.S. Route 60.

114 7. The Henrico-James River Bridge, extending from a point on the eastern shore of the James River in
115 Henrico County to a point on the western shore, between Falling Creek and Bells Road interchanges of
116 Interstate 95; however, the project shall be deemed to include all property, rights, easements, and franchises
117 relating to this project and deemed necessary or convenient for its operation, including its approaches.

118 8. The limited access highway between the Newport News/Williamsburg International Airport area and
119 the Newport News downtown area, which generally runs parallel to tracks of the Chesapeake and Ohio
120 Railroad.

121 9. Transportation improvements in the Dulles Corridor, with an eastern terminus of the East Falls Church

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

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

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

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

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

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

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

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

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

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

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

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

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

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

161 **§ 33.2-1701. General powers of Commonwealth Transportation Board.**

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

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

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

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

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

183 legally available funds that have been appropriated by the General Assembly;

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

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

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

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

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

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

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

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

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

238 14. Construct grade separations at intersections of any projects with public highways, railways, or streets
239 and adjust the lines and grades thereof so as to accommodate the same to the design of such grade
240 separations, the cost of such grade separations and any damage incurred in adjusting the lines and grades of
241 such highways, railways, or streets to be ascertained and paid by the Board as a part of the cost of the project;

242 15. Vacate or change the location of any portion of any public highway and reconstruct the same at such
243 new location as the Board deems most favorable for the project and of substantially the same type and in as

244 good condition as the original highway, the cost of such reconstruction and any damage incurred in vacating
 245 or changing the location thereof to be ascertained and paid by the Board as a part of the cost of the project.
 246 Any public highway vacated or relocated by the Board shall be vacated or relocated in the manner provided
 247 by law for the vacation or relocation of public highways, and any damages awarded on account thereof may
 248 be paid by the Board as a part of the cost of the project;

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

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

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

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

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

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

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

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

296 **§ 33.2-1708. Revenue bonds.**

297 The Board may provide by resolution, at one time or from time to time, for the issuance of revenue bonds,
 298 notes, or other revenue obligations of the Commonwealth for the purpose of paying all or any part of the cost,
 299 as defined in § 33.2-1700, of any one or more projects, as defined in § 33.2-1700. The principal or purchase
 300 price of, and redemption premium, if any, and interest on such obligations shall be payable solely from the
 301 special funds herein provided for such payment. For the purposes of this section, "special funds" includes any
 302 funds established for Commonwealth of Virginia Toll Revenue Bonds, Commonwealth of Virginia
 303 Transportation Contract Revenue Bonds, Commonwealth of Virginia Transportation Revenue Bonds,
 304 Commonwealth of Virginia Interstate 81 Program Revenue Bonds, Commonwealth of Virginia Federal

305 Highway Reimbursement Anticipation Notes, or Commonwealth of Virginia Federal Transportation Grant
306 Anticipation Revenue Notes, ~~or~~ Commonwealth of Virginia Passenger Rail Facilities Bonds, *or*
307 *Commonwealth of Virginia Special Structures Program Revenue Bonds.*

308 **§ 33.2-1709. Credit of Commonwealth not pledged.**

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

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

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

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

357 E. Commonwealth of Virginia Transportation Program Revenue Bonds issued under this chapter for
358 projects defined in subdivision 13 of the definition of "project" in § 33.2-1700 shall not be deemed to
359 constitute a debt of the Commonwealth or a pledge of the full faith and credit of the Commonwealth. Such
360 bonds shall be payable solely, subject to their appropriation by the General Assembly, (i) first from any
361 revenues received from any Set-aside Fund established by the General Assembly pursuant to § 58.1-816.1;
362 (ii) to the extent required, from revenues received pursuant to any contract with a locality or any alternative
363 mechanism for generation of local revenues for specific funding of a project satisfactory to the Board; (iii) to
364 the extent required, from funds appropriated and allocated, pursuant to the highway allocation formula as
365 provided by law, to the highway construction district in which the project to be financed is located or to the

city or county in which the project to be financed is located; (iv) to the extent required, from legally available revenues from the Transportation Trust Fund; and (v) from such other funds that may be appropriated by the General Assembly.

F. Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes issued under this chapter shall not be deemed to constitute a debt of the Commonwealth 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 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, that are designated by the General Assembly for such purpose.

G. Commonwealth of Virginia Transportation Credit Assistance Revenue Bonds issued under the provisions of this chapter shall not be deemed to constitute a debt of the Commonwealth 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 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 by the U.S. Department of Transportation.

H. Commonwealth of Virginia Transportation Capital Projects Revenue Bonds issued under the provisions of this chapter for projects as provided in subdivision 15 of the definition of "project" in § 33.2-1700 shall not be deemed to constitute a debt of the Commonwealth 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 § 33.2-1527; (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.

I. Commonwealth of Virginia Federal Transportation Grant Anticipation Revenue Notes issued under the provisions of Article 4 (§ 33.2-1511 et seq.) of Chapter 15 and this chapter shall not be deemed to constitute a debt of the Commonwealth or a pledge of the full faith and credit of the Commonwealth, but such notes shall be payable solely, subject to their appropriation by the General Assembly, (i) first from the project-specific reimbursements pursuant to § 33.2-1520; (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, that are designated by the General Assembly for such purpose.

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

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

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

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

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

§ 2. *Definitions.*

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

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

"Bond" means a bond, a note, a credit facility, an anticipatory borrowing, and any other evidence of

428 *indebtedness issued pursuant to the provisions of the Act. A bond may contain any designation appropriate to*
 429 *the debt instrument.*

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

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

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

435 *"Program" means the Special Structure Program established in accordance with § 33.2-374 of the Code*
 436 *of Virginia.*

437 *§ 3. Authorization of bonds and bond anticipation notes.*

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

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

452 *1. Environmental and engineering studies;*

453 *2. Acquisition of rights-of-way;*

454 *3. Maintenance, rehabilitation, and replacement of special structures in the Commonwealth;*

455 *4. Acquisition of real and personal property;*

456 *5. Contributions to reserve funds;*

457 *6. Any financing expenses; and*

458 *7. Any purpose the Board deems necessary to implement the Plan and the Program.*

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

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

470 *1. Be dated;*

471 *2. Be issued in a principal amount subject to the limitations identified in § 3;*

472 *3. Bear interest at a rate or rates, which may be fixed, adjustable, variable, or a combination thereof and*
 473 *which may be determined according to a formula or other method;*

474 *4. Mature at a time or times not exceeding 25 years from the date of issue, except as provided in*
 475 *subsection D; and*

476 *5. If directed by the Board, be issued under a system of book entry for recording the ownership and*
 477 *transfer of ownership of rights to receive payments of principal or purchase price and redemption premium,*
 478 *if any, and interest on such bonds.*

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

482 *1. Determine the form of the bonds;*

483 *2. Determine whether the bonds are certificated or uncertificated;*

484 *3. Fix the authorized denomination of the bonds, provided that interest on the bonds shall be made*
 485 *payable in lawful money of the United States; and*

486 *4. Fix the place or places of payment of the bonds' principal, purchase price, redemption premium, if any,*
 487 *and interest, provided that such place may be the office of the State Treasurer or any bank or trust company*
 488 *in the United States.*

489 *C. All bonds issued under this Act shall have, as between successive holders, all the qualities and*

490 incidents of negotiable instruments under the Commonwealth's negotiable instruments laws.

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

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

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

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

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

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

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

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

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

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

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

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

551 § 15. If any provision of this Act conflicts with a provision of the Bond Act, the provision of this Act shall

552 *control.*

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

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