

# Virginia Passenger Rail Authority

# Agency Roles

	RAIL		TRANSIT	COMMUTER PROGRAMS
	FREIGHT	PASSENGER		
Funding Administration	DRPT	TO VPRA	DRPT	DRPT
Corridor Planning	DRPT	TO VPRA	DRPT	
Statewide Planning	DRPT		DRPT	DRPT
Programming / SYIP	DRPT	TO VPRA	DRPT	DRPT
Policy Setting	DRPT	TO VPRA	DRPT	
Design / Construction		NEW VPRA		
ROW / 3 <sup>rd</sup> Party		NEW VPRA		
Operations Oversight		NEW VPRA		

SUPPORT FUNCTIONS NEW TO VPRA / BORROWED INITIALLY FROM DRPT

Communications

Administration

Legal (AG)

Finance / Procurement

Human Resources

Code of Virginia

Title 33.2. Highways and Other Surface Transportation Systems

Chapter 2. Transportation Entities

## Article 6. Virginia Passenger Rail Authority Act

### § 33.2-287. Definitions.

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

"Authority" means the Virginia Passenger Rail Authority.

"Board" means the Board of Directors of the Authority.

"Bonds" means the revenue notes, bonds, certificates, and other evidences of indebtedness or obligations of the Authority.

"Cost" means, as applied to rail facilities, (i) the cost of construction; (ii) the cost of acquisition of all lands, structures, fixtures, rights-of-way, franchises, easements, and other property rights and interests; (iii) the cost of demolishing, removing, or relocating any buildings, structures, or fixtures on lands acquired, including the cost of acquiring any lands to which such buildings, structures, or fixtures may be moved or relocated; (iv) the cost of all labor, materials, machinery, and equipment; (v) financing charges and interest on all bonds prior to and during construction and for one year after completion of construction; (vi) the cost of engineering, financial, and legal services, plans, specifications, studies, surveys, estimates of cost and of revenues, and other expenses incidental to determining the feasibility of acquiring, constructing, operating, or maintaining rail facilities; (vii) administrative expenses, provisions for working capital, and reserves for interest and for extensions, enlargements, additions, and improvements; and (viii) such other expenses as may be necessary or incidental to the acquisition, construction, financing, operations, and maintenance of rail facilities. Any obligation or expense incurred by the Commonwealth or any agency thereof for studies, surveys, borings, preparation of plans, and specification or other work or materials in the acquisition or construction of rail facilities may be regarded as a part of the cost of rail facilities and may be reimbursed to the Commonwealth or any agency thereof out of the proceeds of the bonds issued for such rail facilities as herein authorized.

"Department" means the Department of Rail and Public Transportation.

"Rail facilities" means the assets consisting of the real, personal, or mixed property, or any interest in that property, whether tangible or intangible, that are determined to be necessary or convenient for the provision of passenger rail service. "Rail facilities" includes all property or interests necessary or convenient for the acquiring, providing, using, equipping, or maintaining of a rail facility or system, including right-of-way, trackwork, train controls, stations, and maintenance facilities.

"Transportation Board" means the Commonwealth Transportation Board.

2020, cc. [1230](#), [1275](#).

### § 33.2-288. Declaration of public purpose; Virginia Passenger Rail Authority.

A. The General Assembly finds and determines that (i) it is the policy of the Commonwealth to improve, identify, encourage, and promote new approaches to economic development throughout the Commonwealth; (ii) passenger rail travel and services are integral to the

economic development and expansion of the Commonwealth's economy; and (iii) there exists in the Commonwealth a need to increase passenger rail capacity in the Commonwealth and improve passenger rail services.

B. In order to increase passenger rail capacity, improve passenger rail services, ameliorate current and future traffic congestion on Virginia highways, and promote the industrial and economic development of the Commonwealth, there is hereby created a body corporate and political subdivision of the Commonwealth to be known as the Virginia Passenger Rail Authority. The Authority is hereby constituted as a public instrumentality exercising public and essential governmental functions, and the exercise of powers conferred by this article shall be deemed to be the performance of an essential governmental function and matters of public necessity for which public moneys may be spent and private property acquired.

C. The purpose of the Authority shall be to promote, sustain, and expand the availability of passenger and commuter rail service in the Commonwealth and to increase ridership of such service by connecting population centers with passenger and commuter rail service and increasing availability of such service.

2020, cc. [1230](#), [1275](#).

### **§ 33.2-289. Board of Directors.**

A. The Authority shall be governed by the Board of Directors of the Authority consisting of 15 members as follows: (i) 12 nonlegislative citizen members, appointed by the Governor, who shall serve with voting privileges; (ii) a designee of the President and Chief Executive Officer of the National Passenger Rail Corporation, who shall serve without voting privileges; (iii) the chief executive officer of a commuter rail service jointly operated by the Northern Virginia Transportation District established pursuant to § [33.2-1904](#) and the Potomac and Rappahannock Transportation District established pursuant to the Transportation District Act (§ [33.2-1900](#) et seq.), who shall serve ex officio without voting privileges; and (iv) the Director of the Department, who shall serve ex officio and shall have voting privileges only in the event of a tie. Of the 12 nonlegislative citizen members with voting privileges:

1. Three members shall reside within the boundaries of the Northern Virginia Transportation District established pursuant to § [33.2-1904](#). Such members may be selected from a list recommended by the Northern Virginia Transportation Commission, after due consideration of such list by the Governor;
2. Three members shall reside within the boundaries of the Potomac-Rappahannock Transportation District established pursuant to the Transportation District Act of 1964 (§ [33.2-1900](#) et seq.). Such members may be selected from a list recommended by the Potomac and Rappahannock Transportation Commission, after due consideration of such list by the Governor;
3. Two members shall reside within the boundaries of the Richmond Metropolitan Transportation Authority established pursuant to Chapter 29 (§ [33.2-2900](#) et seq.);
4. Two members shall reside within the boundaries of the Hampton Roads Transportation Accountability Commission established pursuant to Chapter 26 (§ [33.2-2600](#) et seq.); and
5. Two members shall reside within the boundaries of Planning District 5, 9, 10, or 11.

B. The nonlegislative citizen members appointed by the Governor shall be subject to

confirmation by the General Assembly. Vacancies shall be filled by appointment by the Governor for the unexpired term and shall be effective until 30 days after the next meeting of the ensuing General Assembly and, if confirmed, thereafter for the remainder of the term. No member shall be eligible to serve more than two consecutive four-year terms. The remainder of any term for which a member is appointed to fill a vacancy shall not constitute a term in determining that member's eligibility for reappointment. No member of a governing body of a locality shall be eligible, during the term of office for which he was elected or appointed, to serve as an appointed member of the Board. The Director shall serve terms coincident with his term of office.

C. The Director of the Department shall serve as chairman of the Board. The Board shall annually elect from among its members a vice-chairman and a secretary. The Board shall also annually elect a treasurer, who need not be a member of the Board, and may also elect other subordinate officers who need not be a member of the Board, as it deems proper. The chairman or, in his absence, the vice-chairman shall preside at all meetings of the Board. In the absence of both the chairman and vice-chairman, the Board shall appoint a chairman pro tempore, who shall preside at such meetings.

D. Seven members shall constitute a quorum for the transaction of the Authority's business, and no vacancy in the membership shall impair the right of a quorum to exercise all the rights and perform all the duties of the Authority. All actions of the Board shall require the affirmative vote of a majority of the members present and voting, except that the sale of land or issuance of bonds shall require an affirmative vote of nine members present and voting.

E. The Board shall meet at least once quarterly. The Board shall determine the times and places of its regular meetings. Special meetings of the Board shall be held when requested by three or more members of the Board. Any such request for a special meeting shall be in writing, and the request shall specify the time and place of the meeting and the matters to be considered at the meeting. A reasonable effort shall be made to provide each member with notice of any special meeting. No matter not specified in the notice shall be considered at such special meeting unless all members of the Board are present.

F. The members of the Board shall be entitled to reimbursement for their reasonable travel, meal, and lodging expenses incurred in attending the meetings of the Board or while otherwise engaged in the discharge of their duties. Such expenses shall be paid out of the treasury of the Authority upon vouchers signed by the chairman of the Board or by such other person or persons as may be designated by the Board for this purpose.

2020, cc. [1230](#), [1275](#).

### **§ 33.2-290. Executive Director; agents and employees.**

A. The Board shall employ an Executive Director of the Authority, who shall not be a member of the Board and who shall serve at the pleasure of the Board, to direct the day-to-day operations and activities of the Authority and carry out the powers and duties conferred upon him as may be delegated to him by the Board. The Executive Director's compensation from the Commonwealth shall be fixed by the Board in accordance with law. This compensation shall be established at a level that will enable the Authority to attract and retain a capable Executive Director.

B. The Executive Director shall employ or retain such other agents or employees subordinate to the Executive Director as may be necessary, subject to the Board's approval.

C. Employees of the Authority shall be employed on such terms and conditions as established by

the Authority and shall be considered employees of the Commonwealth. Employees of the Authority shall be eligible for membership in the Virginia Retirement System or other retirement plans authorized by Article 4 (§ 51.1-125 et seq.) of Chapter 1 of Title 51.1 and participation in all health and related insurance and other benefits, including premium coverage and flexible benefits, available to state employees and provided by law. The Board shall develop and adopt personnel rules, policies, and procedures to give its employees grievance rights, ensure that employment decisions shall be based upon merit and fitness of applicants, and prohibit discrimination on the basis of race, religion, color, national origin, sex, pregnancy, childbirth or related medical conditions, age, sexual orientation, marital status, or disability. Notwithstanding any other provision of law, the Board shall develop, implement, and administer a paid leave program, which may include annual, personal, and sick leave or any combination thereof. All other leave benefits shall be administered in accordance with Chapter 11 (§ 51.1-1100 et seq.) or Chapter 11.1 (§ 51.1-1150 et seq.) of Title 51.1, except as otherwise provided in this section.

2020, cc. 1230, 1275.

**§ 33.2-291. Local authorities subordinate to Authority.**

Any conflict between any authority granted to localities or other entities of the Commonwealth, other than the Transportation Board and the Department, with respect to the ownership or use of rail facilities or the provision of passenger rail service, or the exercise of that authority, and the exercise of the authority granted by the Board under this article shall be resolved in favor of the exercise of such authority by the Board. Rights-of-way transferred to the Authority from a railroad shall not be subject to the requirements of any local ordinances enacted pursuant to Chapter 22 (§ 15.2-2200 et seq.) of Title 15.2.

2020, cc. 1230, 1275.

**§ 33.2-292. Powers of the Authority.**

A. The Authority, in addition to other powers enumerated in this article, is hereby granted and shall have and may exercise all powers necessary or convenient for the carrying out of its statutory purposes, including, but without limiting the generality of the foregoing, the power to:

1. Make and adopt bylaws, rules, and regulations;
2. Adopt, use, and alter at will a common seal;
3. Maintain offices;
4. Sue and be sued, implead and be impleaded, complain, and defend in all courts in its own name; however, this shall not be deemed a waiver or relinquishment of any sovereign immunity to which the Authority or its officers, directors, employees, or agents are otherwise entitled;
5. Grant others the privilege to design, build, finance, operate, and maintain rail facilities;
6. Grant others the privilege to operate concessions, leases, and franchises, including but not limited to the accommodation and comfort of persons using rail facilities and the provision of ground transportation services and parking facilities for such persons;
7. Borrow money and issue bonds to finance and refinance rail facilities pursuant to § 33.2-294; and pledge or otherwise encumber all or any of the revenues or receipts of the Authority as security for all or any of the obligations of the Authority, subject to the limitations in subsection J of § 33.2-294;

8. Fix, alter, charge, and collect fees, rates, rentals, and other charges for the use of rail facilities, the sale of products, or services rendered by the Authority at rates to be determined by it for the purpose of providing for the payment of (i) expenses of the Authority; (ii) the costs of planning, development, construction, improvement, rehabilitation, repair, furnishing, maintenance, and operation of its rail facilities and properties; (iii) the costs of accomplishing its purposes set forth in § 33.2-288; and (iv) the principal of and interest on its obligations, and the funding of reserves for such purposes, and the costs of maintaining, repairing, and operating any rail facilities and fulfilling the terms and provisions of any agreement made with the purchasers or holders of any such obligations;
9. Make and enter into all contracts and agreements necessary or incidental to the performance of its duties, the furtherance of its purposes, and the execution of its powers under this article, including agreements with any person, federal agency, other state, or political subdivision of the Commonwealth;
10. Employ, in its discretion, consultants, attorneys, architects, engineers, accountants, financial experts, investment bankers, superintendents, managers, and such other employees and agents as may be necessary and fix their compensation to be payable from funds lawfully available to the Authority;
11. Appoint advisory committees as may be necessary for the performance of its duties, the furtherance of its purposes, and the execution of its powers under this article;
12. Vacate or change location of any portion of any public highway, street, public way, public utility, sewer, pipe, main, conduit, cable, wire, tower pole, or other equipment of the Commonwealth and its political subdivisions and reconnect the same in a new location;
13. Enter upon lands, waters, and premises for surveys, soundings, borings, examinations, and other activities as may be necessary for the performance of its duties;
14. Receive and accept from any federal or private agency, foundation, corporation, association, or person grants, donations of money or real or personal property for the benefit of the Authority and receive and accept from the Commonwealth or any state, and any municipality, county, or other political subdivision thereof and from any other source, aid or contributions of either money, property, or other things of value to be held, used, and applied for the purposes for which such grants and contributions may be made, provided that any federal moneys so received and accepted shall be accepted and expended by the Authority upon such terms and conditions as are prescribed by the United States and as are consistent with the laws of the Commonwealth and any state moneys so received shall be accepted and expended by the Authority upon such terms and conditions as are prescribed by the Commonwealth;
15. Accept loans from the federal government, the state government, regional authorities, localities, and private sources, provided that any federal moneys so accepted shall be accepted and expended by the Authority upon such terms and conditions as are prescribed by the United States and as are consistent with laws of the Commonwealth and any state moneys so accepted shall be accepted and expended by the Authority upon such terms and conditions as are prescribed by the Commonwealth;
16. Lease or sell and convey the airspace superadjacent or subadjacent to any rail facility owned by the Authority;

17. Pledge or otherwise encumber all or any of the revenues or receipts of the Authority as security for all or any of the obligations of the Authority;
  18. Participate in joint ventures with individuals, domestic or foreign stock and nonstock corporations, limited liability companies, partnerships, limited partnerships, associations, foundations, or other supporting organizations or other entities for providing passenger rail or related services or other activities that the Authority may undertake to the extent that such undertakings assist the Authority in carrying out the purposes and intent of this article;
  19. Act as a "responsible public entity" for the purposes of the acquisition, construction, improvement, maintenance, or operation, or any combination thereof, of a "qualifying transportation facility" under the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.); and
  20. Undertake all actions necessary and convenient to carry out the powers granted herein.
- B. Notwithstanding the provisions of this section, the Authority shall not directly operate any passenger, commuter, or other rail service.

2020, cc. 1230, 1275.

**§ 33.2-293. Acquisition, possession, and disposition of rail facilities; eminent domain.**

- A. The Authority shall have the right to acquire by purchase, lease, or grant rail facilities and other lands, structures, property, both real and personal, tangible and intangible, rights, rights-of-way, franchises, easements, and other interests therein, whether located within or not within the geographic boundaries of the Commonwealth, for the construction, operation, maintenance, and use of rail facilities.
- B. The Authority shall have the right to hold and dispose of rail facilities and other lands, structures, property, both real and personal, tangible and intangible, rights, rights-of-way, franchises, easements, and other interests therein in the exercise of its powers and the performance of its duties under this article, including but not limited to the sale, exchange, lease, mortgage, or pledge of such property or interest therein, provided that any such disposition that involves property or interests with a fair market value in excess of \$5 million shall require the consent of the Transportation Board.
- C. The Commonwealth and any agencies or political subdivisions thereof may provide services, donate, lease, sell, convey, or otherwise transfer, with or without consideration or for minimal consideration, real or personal property and make appropriations to the Authority for the design, acquisition, construction, equipping, maintenance, and operation of rail facilities and may issue bonds in the manner provided in the Public Finance Act (§ 15.2-2600 et seq.) or in its municipal charter for the purpose of providing funds to be appropriated to the Authority; the Authority may agree to assume, or reimburse such a political subdivision for, any indebtedness incurred by such political subdivision with respect to facilities conveyed by it to the Authority.
- D. The Authority is authorized to acquire by the exercise of the power of eminent domain any lands, property rights, rights-of-way, franchises, easements, and other property, including public lands, parks, playgrounds, reservations, highways, or parkways, or parts thereof or rights therein, of any person, partnership, association, railroad, public service, public utility, or other corporation, or of any municipality, county, or other political subdivision, deemed necessary for the construction or the efficient operation of rail facilities or necessary in the restoration,



replacement, or relocation of public or private property damaged or destroyed whenever a reasonable price cannot be agreed upon with the governing body of such municipality, county, or other political subdivision as to such property owned by it or whenever the Authority cannot agree on the terms of purchase or settlement with the other owners because of the incapacity of such owners, because of the inability to agree on the compensation to be paid or other terms of settlement or purchase, or because such owners are nonresidents of the Commonwealth, are unknown, or are unable to convey valid title to such property. Such proceedings shall be in accordance with and subject to the provisions of any and all laws of the Commonwealth applicable to the exercise of the power of eminent domain and subject to the provisions of Chapter 2 (§ 25.1-200 et seq.) of Title 25.1. Title to any property condemned by the Authority shall immediately vest in the Authority, and the Authority shall be entitled to the immediate possession of such property upon the deposit with the clerk of the court in which such condemnation proceedings are originated of the total amount of the appraised price of the property and court costs and fees as provided by law, notwithstanding that any of the parties to such proceedings may appeal from any decision in such condemnation proceedings. Whenever the Authority makes such deposit in connection with any condemnation proceedings, the making of such deposit shall not preclude the Authority from appealing any decision rendered in such proceedings. Upon the deposit with the clerk of the court of the appraised price, any person entitled thereto may, upon petition to the court, be paid his or their pro rata share of 100 percent of such appraised price. The acceptance of such payment shall not preclude such person from appealing any decision rendered in such proceedings. If the appraisal is greater or less than the amount finally determined by the decision in such proceedings or by an appeal, the amount of the increase or decrease shall be paid or refunded to the Authority.

E. The acquisition of any such property by condemnation or by the exercise of the power of eminent domain for the purposes provided herein shall be and is declared to be a public use of such property.

F. For purposes of this section, the terms "appraised price" and "appraisal" mean the value determined by two competent real estate appraisers appointed by the Authority for such purposes.

2020, cc. [1230](#), [1275](#).

### **§ 33.2-294. Issuance of bonds.**

A. The Authority may issue bonds from time to time in its discretion, for any of its purposes, including the payment of all or any part of the cost of rail facilities. Notwithstanding the foregoing, any bonds issued to pay for the initial funding of capital projects shall be limited to financing capital expenditures and projects submitted for approval by the Transportation Board as set forth in § [33.2-298](#).

B. The Authority may issue refunding bonds for the purpose of refunding any bonds then outstanding that shall have been issued under the provisions of this article, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date fixed for redemption of such bonds. The issuance of such bonds, the maturities and other details thereof, the rights of the holders thereof, and the rights, duties, and obligations of the Authority in respect of the same shall be governed by the provisions of this article insofar as the same may be applicable.

C. The bonds of each issue shall be dated such date as may be determined by the Authority; shall

bear interest at such rate or rates as shall be fixed by the Authority, or as may be determined in such manner as the Authority may provide, including the determination by agents designated by the Authority under guidelines established by the Authority; shall mature at such time or times not exceeding 40 years from their date or dates, as may be determined by the Authority; and may be made redeemable before maturity, at the option of the Authority, at such price or prices and under such terms and conditions as may be fixed by the Authority prior to the issuance of the bonds.

D. The Authority shall determine the form of the bonds and manner of execution of the bonds and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or outside the Commonwealth. The bonds shall be signed by the chairman or vice-chairman of the Authority or, if so authorized by the Authority, shall bear his facsimile signature and the official seal of the Authority, or, if so authorized by the Authority, a facsimile thereof shall be impressed or imprinted thereon and attested by the secretary or any assistant secretary of the Authority, or, if so authorized by the Authority, with the facsimile signature of such secretary or assistant secretary. Any coupons attached to bonds issued by the Authority shall bear the signature of the chairman or vice-chairman of the Authority or a facsimile thereof. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery, and any bonds may bear the facsimile signature of, or may be signed by, such persons as at the actual time of the execution of such bonds shall be the proper officers to sign such bonds although at the date of such bonds such persons may not have been such officers.

E. The bonds may be issued in coupon or in registered form, or both, as the Authority may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both principal and interest, and for the interchange of registered and coupon bonds. Bonds issued in registered form may be issued under a system of book-entry for recording the ownership and transfer of ownership of rights to receive payment of principal of, and premium on, if any, and interest on such bonds. The Authority may contract for the services of one or more banks, trust companies, financial institutions, or other entities or persons, within or outside the Commonwealth, for the authentication, registration, transfer, exchange, and payment of the bonds or may provide such services itself. The Authority may sell such bonds in such manner, either at public or private sale, and for such price as it may determine will best effect the purposes of this article.

F. The proceeds of the bonds of each issue shall be used solely for the purposes, and in furtherance of the powers, of the Authority as may be provided in the resolution authorizing the issuance of such bonds or in the trust agreement hereinafter mentioned securing the same.

G. In addition to the above powers, the Authority shall have the authority to issue interim receipts or temporary bonds as provided in § 15.2-2616 and to execute and deliver new bonds in place of bonds mutilated, lost, or destroyed as provided in § 15.2-2621.

H. All expenses incurred in carrying out the provisions of this article shall be payable solely from funds available pursuant to the provisions of this article, and no liability shall be incurred by the Authority hereunder beyond the extent to which moneys shall have been provided or received under the provisions of this article.

I. At the discretion of the Authority, any bonds issued under the provisions of this article may be secured by a trust indenture or agreement by and between the Authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside the Commonwealth. Such trust indenture or agreement or the resolution providing for the issuance of such bonds may pledge or assign the revenues to be received and provide for the mortgage of any rail facilities or property or any part thereof. Such trust indenture or agreement or resolution providing for the issuance of such bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants providing for the repossession and sale by the Authority or any trustees under any trust indenture or agreement of any rail facilities, or part thereof, upon any default under the lease or sale of such rail facilities, setting forth the duties of the Authority in relation to the acquisition of property and the planning, development, acquisition, construction, rehabilitation, establishment, improvement, extension, enlargement, maintenance, repair, operation, and insurance of the rail facilities in connection with which such bonds shall have been authorized; the amounts of rates, rents, fees, and other charges to be charged; the collection of such rates, rents, fees, and other charges; the custody, safeguarding, and application of all moneys; and conditions or limitations with respect to the issuance of additional bonds. It is lawful for any national bank with its main office in the Commonwealth or any other state or any bank or trust company incorporated under the laws of the Commonwealth or another state that may act as depository of the proceeds of bonds or of revenues to furnish such indemnifying bonds or to pledge such securities as may be required by the Authority. Any such trust indenture or agreement or resolution may set forth the rights of action by bondholders. In addition to the foregoing, any such trust indenture or agreement or resolution may contain such other provisions as the Authority may deem reasonable and proper for the security of the bondholders, including, without limitation, provisions for the assignment to a corporate trustee or escrow agent of any rights of the Authority in any project owned by, or leases or sales of any rail facilities made by, the Authority. All expenses incurred in carrying out the provisions of such trust indenture or agreement or resolution or other agreements relating to any rail facilities, including those to which the Authority may not be a party, may be treated as a part of the cost of the operation of the rail facilities.

J. No obligation of the Authority shall be deemed to constitute a debt, or pledge of the faith and credit, of the Commonwealth or of any other political subdivision thereof but shall be payable solely from the revenues and other funds of the Authority pledged thereto, excluding revenues provided from the Commonwealth Rail Fund pursuant to § 33.2-1526.4. All such obligations shall contain on the face thereof a statement to the effect that the Commonwealth, any political subdivision thereof, and the Authority shall not be obligated to pay the same or the interest thereon except from revenues and other funds of the Authority pledged thereto, and that neither the faith and credit nor the taxing power of the Commonwealth or of any political subdivision thereof is pledged to the payment of the principal of or the interest on such obligations.

K. Any bonds or refunding bonds issued under the provisions of this article and any transfer of such bonds shall at all times be free from Commonwealth and local taxation. The interest on the bonds and any refunding bonds or bond anticipation notes shall at all times be exempt from taxation by the Commonwealth and by any political subdivision thereof.

L. Neither the directors of the Board nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof.

M. Any holder of bonds issued under the provisions of this article or any of the coupons appertaining thereto, and the trustee under any trust indenture or agreement or resolution, except to the extent the rights herein given may be restricted by such trust indenture or agreement or resolution authorizing the issuance of such bonds, may either at law or in equity, by suit, action, mandamus, or other proceeding, protect and enforce any and all rights under the laws of the Commonwealth or granted hereunder or under such trust indenture or agreement or resolution and may enforce and compel the performance of all duties required by this article or by such trust indenture or agreement or resolution to be performed by the Authority or by any officer thereof, including the fixing, charging, and collecting of rates, rentals, fees, and other charges.

N. Provision may be made in the proceedings authorizing refunding bonds for the purchase of the refunded bonds in the open market or pursuant to tenders made from time to time where there is available in the escrow or sinking fund for the payment of the refunded bonds a surplus in an amount to be fixed in such proceedings.

O. 1. The Authority is hereby authorized to apply for, execute, and/or endorse applications submitted by private entities or political subdivisions of the Commonwealth to obtain federal credit assistance for one or more qualifying transportation infrastructure projects or facilities to be developed pursuant to the Public-Private Transportation Act of 1995 (§ [33.2-1800](#) et seq.). Any such application, agreement, and/or endorsement shall not financially obligate the Commonwealth or be construed to implicate the credit of the Commonwealth as security for any such federal credit assistance.

2. The Authority is hereby authorized to pursue or otherwise apply for, and execute, an agreement to obtain financing using a federal credit instrument for project financings otherwise authorized by this article or other acts of assembly.

2020, cc. [1230](#), [1275](#).

### **§ 33.2-295. Deposit and investment of funds.**

Bonds issued by the Authority under the provisions of this article are hereby made securities in which all public officers and public bodies of the Commonwealth and its political subdivisions, and all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities that may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or obligations of the Commonwealth is now or may hereafter be authorized by law.

2020, cc. [1230](#), [1275](#).

### **§ 33.2-296. Revenues of the Authority.**

All moneys received by the Authority pursuant to this article including, without limitation, moneys received from the Commonwealth Rail Fund established pursuant to § [33.2-1526.4](#), whether as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in this article. The resolution authorizing the bonds of any issue or the trust indenture or agreement or resolution securing such bonds shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as a trustee of such moneys and shall hold and apply the same for the purposes hereof,

subject to such regulations as this article and such trust indenture or agreement or resolution may provide.

2020, cc. [1230](#), [1275](#).

**§ 33.2-297. Moneys of Authority.**

All moneys of the Authority, from whatever source derived, shall be paid to the treasurer of the Authority. Such moneys shall be deposited in the first instance by the treasurer in one or more banks or trust companies, in one or more special accounts. All banks and trust companies are authorized to give such security for such deposits, if required by the Authority. The moneys in such accounts shall be paid out on the warrant or other order of such person or persons as the Authority may authorize to execute such warrants or orders.

2020, cc. [1230](#), [1275](#).

**§ 33.2-298. Annual budget.**

The Authority shall prepare and submit a detailed annual operating plan and budget to the Transportation Board by February 1 of each fiscal year. The Authority shall also prepare and submit for approval any proposed capital expenditures and projects for the following fiscal year to the Transportation Board by February 1. The Transportation Board shall have until May 30 to approve or deny any capital expenditures, and, in the event the Transportation Board has not approved or denied the Authority's proposed capital expenditures by such deadline, such expenditures shall be deemed approved. The operating plan and budget shall be in a form prescribed by the Transportation Board and shall include information on expenditures, indebtedness, and other information as prescribed by the Transportation Board.

2020, cc. [1230](#), [1275](#).

**§ 33.2-299. Recordkeeping; audits.**

A. The accounts and records of the Authority showing the receipt and disbursement of funds from whatever source derived shall be in a form prescribed by governmental generally accepted accounting principles. Such accounts shall correspond as nearly as possible to the accounts and records for such matters maintained by enterprises.

B. The accounts of the Authority shall be audited annually by a certified public accounting firm selected by the Auditor of Public Accounts with the assistance of the Authority through a process of competitive negotiation. The cost of such audit and review shall be borne by the Authority.

C. The Authority shall submit an annual report to the Governor and the General Assembly on or before November 1 of each year. Such report shall contain the audited financial statements of the Authority for the fiscal year ending the preceding June 30.

D. The Board, the General Assembly, or the Governor may at any time request that the Office of the State Inspector General, created pursuant to § [2.2-308](#), review any area of the Authority's finances or operations.

2020, cc. [1230](#), [1275](#).

**§ 33.2-299.1. Exemption of Authority from personnel and procurement procedures.**

The provisions of the Virginia Personnel Act (§ [2.2-2900](#) et seq.) and the Virginia Public Procurement Act (§ [2.2-4300](#) et seq.) shall not apply to the Authority in the exercise of any power

conferred under this article. The Authority shall develop and adopt rules governing their procurement procedures. However, such rules adopted for the procurement of professional services with a cost expected to exceed \$80,000 shall be consistent with the provisions of §§ [2.2-4302.2](#), [2.2-4303.1](#) and [2.2-4303.2](#). The initial rules shall be adopted by the Board no later than six months after the first meeting of the Board.

2020, cc. [1230](#), [1275](#).

**§ 33.2-299.2. Police powers; Authority rules and regulations.**

The Authority is empowered to adopt and enforce reasonable rules and regulations governing any and all activities using Authority property. Such rules and regulations shall have the force and effect of law after publication one time in full in a newspaper of general circulation in the county or city where the affected property is located.

2020, cc. [1230](#), [1275](#).

**§ 33.2-299.3. Governmental function; exemption from taxation.**

The exercise of the powers granted by this article will be in all respects for the benefit of the people of the Commonwealth, for the increase of their commerce and prosperity, and for the improvement of their health and living conditions, and as the operation and maintenance of rail facilities by the Authority and the undertaking of activities in the furtherance of the purposes of the Authority will constitute the performance of the essential governmental functions, the Authority shall not be required to pay any taxes or assessments upon any rail facilities or any property acquired or used by the Authority under the provisions of this article or upon the income therefrom, including sales and use taxes on the tangible personal property used in the operations of the Authority. The exemption hereby granted shall not be construed to extend to persons conducting on the premises of any rail facility businesses for which local or state taxes would otherwise be required.

2020, cc. [1230](#), [1275](#).

**§ 33.2-299.4. Cooperation with federal agencies.**

The Authority is empowered to cooperate with, and act as an agent for, the United States or any agency, department, corporation, or instrumentality thereof in the maintenance, development, improvement, and use of rail facilities of the Commonwealth and in any other matter within the purposes, duties, and powers of the Authority.

2020, cc. [1230](#), [1275](#).

**§ 33.2-299.5. Continuing responsibilities of the Transportation Board and the Department.**

The Transportation Board and the Department shall cooperate and assist the Authority in the accomplishment of its purposes as set forth in § [33.2-288](#).

2020, cc. [1230](#), [1275](#).

**§ 33.2-299.6. Dissolution of Authority.**

Whenever the Board determines that the purposes for which it was created have been substantially fulfilled or are impractical or impossible to accomplish and that all bonds theretofore issued and all other obligations therefore incurred by the Authority have been paid or that cash or a sufficient amount of United States government securities has been deposited for their payment, and upon the approval of the Governor and the General Assembly, the Board may

adopt resolutions or ordinances declaring and finding that the Authority should be dissolved and that appropriate articles of dissolution shall be filed with the State Corporation Commission. Upon the filing of such articles of dissolution by the Authority, such dissolution shall become effective and the title to all funds and other property owned by the Authority at the time of such filing shall vest in the Department.

2020, cc. [1230](#), [1275](#).

**§ 33.2-299.7. Exclusions from the Virginia Freedom of Information Act; proprietary records and trade secrets.**

A. Notwithstanding the provisions of the Virginia Freedom of Information Act (§ [2.2-3700](#) et seq.), the Authority shall keep confidential trade secrets or confidential proprietary information, not publicly available, provided by a private person or entity pursuant to a promise of confidentiality where if such information were made public, the financial interest of the private person or entity could be adversely affected. In order for trade secrets or proprietary information to be excluded from the provisions of the Virginia Freedom of Information Act, the private person or entity shall (i) invoke such exclusion upon submission of the data or other materials for which protection from disclosure is sought, (ii) identify the data or other materials for which protection is sought, and (iii) state the reason why protection is necessary.

B. Notwithstanding the provisions of the Virginia Freedom of Information Act, the Authority shall keep confidential information submitted by a private person, entity, or other party in negotiations with the Authority, where if such information was made public prior to the execution of a business arrangement, the financial interests of bargaining positions of the public or private entity would be adversely affected.

2020, cc. [1230](#), [1275](#).

**§ 33.2-299.8. Liberal construction.**

Neither this article nor anything herein contained is or shall be construed as a restriction or limitation upon any powers that the Authority might otherwise have under any laws of the Commonwealth, and this article is cumulative to any such powers. This article does and shall be construed to provide a complete, additional, and alternative method for the doing of things authorized thereby and shall be regarded as supplemental and additional to power conferred by other laws. However, except as otherwise explicitly provided herein, the issuance of bonds, notes, and other obligations and refunding bonds under the provisions of this article need not comply with the requirements of any other law of the Commonwealth applicable to the issuance of bonds, notes, and other obligations. No proceedings, notice, or approval shall be required for the issuance of any bonds, notes, and other obligations or any instrument as security therefor, except as is provided in this article.

2020, cc. [1230](#), [1275](#).