

SENATE BILL NO. 1106

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Transportation

on January 26, 2023)

(Patron Prior to Substitute--Senator Newman)

A BILL to amend and reenact § 33.2-1529.1 of the Code of Virginia and to repeal the seventh enactment of Chapter 726 of the Acts of Assembly of 2014, relating to Transportation Partnership Opportunity Fund.

Be it enacted by the General Assembly of Virginia:

1. That § 33.2-1529.1 of the Code of Virginia is amended and reenacted as follows:

§ 33.2-1529.1. Transportation Partnership Opportunity Fund.

A. There is hereby created the Transportation Partnership Opportunity Fund (the Fund) to be used by the Governor to provide funds to address the transportation aspects of economic development opportunities or to enhance the economic development opportunities of the Commonwealth's transportation programs. The Fund shall consist of (i) funds pursuant to subdivision B 3 of § 33.2-1524 and (ii) any funds appropriated to it by the general appropriation act and revenue from any other source, public or private. The Fund shall be established on the books of the Comptroller, and any funds remaining in the Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. All interest and dividends that are earned on the Fund shall be credited to the Fund. The Governor shall report to the Chairmen of the House Committees on Appropriations, Finance, and Transportation and the Senate Committees on Finance and Appropriations and on Transportation as funds are awarded in accordance with this section.

B. The Fund shall be a subfund of the Transportation Trust Fund. Provisions of this title and Title 58.1 relating to the allocations or disbursements of proceeds of the Commonwealth Transportation Fund, the Transportation Trust Fund, or the Highway Maintenance and Operating Fund shall not apply to the Fund.

27 C. 1. Funds shall be awarded from the Fund by the Governor as grants, revolving loans, or other
28 financing tools and equity contributions to an agency or political subdivision of the Commonwealth. Loans
29 shall be approved by the Governor and made in accordance with procedures established by the Board and
30 approved by the Comptroller. Loans shall be interest-free and shall be repaid to the Fund. The Governor
31 may establish the duration of any loan, but such term shall not exceed seven years. The Department shall
32 be responsible for monitoring repayment of such loans and reporting the receivables to the Comptroller
33 as required.

34 2. The Governor may direct funds from the Fund to the Board for transportation projects
35 determined to be necessary to support major economic development initiatives or to enhance the economic
36 development opportunities of the Commonwealth's transportation programs when recommended by the
37 Secretary of Transportation and Secretary of Commerce and Trade.

38 D. Grants, funds directed to the Board, or revolving loans may be used for transportation capacity
39 development on and off site; road, rail, mass transit, or other transportation access costs beyond the
40 funding capability of existing programs; studies of transportation projects, including environmental
41 analysis, geotechnical assessment, survey, design and engineering, advance right-of-way acquisition,
42 traffic analysis, toll sensitivity studies, and financial analysis; property acquisition and new or improved
43 infrastructure to support economic development opportunities of the Commonwealth's transportation
44 programs; or anything else permitted by law. Funds may be used for any transportation project or any
45 transportation facility. Any transportation infrastructure completed with moneys from the Fund shall not
46 become private property, and the results of any studies or analysis completed as a result of a grant or loan
47 from the Fund shall be property of the Commonwealth.

48 E. The Board, in consultation with the Secretary of Transportation and the Secretary of Commerce
49 and Trade, shall develop guidelines and criteria that shall be used in awarding grants or making loans from
50 the Fund; however, no grant provided pursuant to subdivision C 1 shall exceed \$5 million and no loan
51 provided pursuant to subdivision C 1 shall exceed \$30 million. No grant or loan shall be awarded until the
52 Governor has provided copies of the guidelines and criteria to the Chairmen of the House Committees on
53 Appropriations, Finance, and Transportation and the Senate Committees on Finance and Appropriations

54 and on Transportation. The guidelines and criteria shall include provisions including the number of jobs
55 and amounts of investment that must be committed in the event moneys are being used for an economic
56 development project, a statement of how the studies and analysis to be completed using moneys from the
57 Fund will advance the development of a transportation facility, a process for the application for and review
58 of grant and loan requests, a timeframe for completion of any work, the comparative benefit resulting from
59 the development of a transportation project, assessment of the ability of the recipient to repay any loan
60 funds, and other criteria as necessary to support the timely development of transportation projects. The
61 criteria shall also include incentives to encourage matching funds from any other local, federal, or private
62 source.

63 F. Within 30 days of each six-month period ending June 30 and December 31, the Governor shall
64 provide a report to the Chairmen of the House Committees on Appropriations, Finance, and Transportation
65 and the Senate Committees on Finance and Appropriations and on Transportation that shall include the
66 following information: the locality in which the project is being developed, the amount of the grant or
67 loan made or committed from the Fund and the purpose for which it will be used, the number of jobs
68 created or projected to be created, and the amount of a company's investment in the Commonwealth if the
69 project is part of an economic development opportunity.

70 G. The Governor shall provide grants and commitments from the Fund in an amount not to exceed
71 the total value of the moneys contained in the Fund. If the Governor commits funds for years beyond the
72 fiscal years covered under the existing appropriation act, the State Treasurer shall set aside and reserve
73 the funds the Governor has committed, and the funds set aside and reserved shall remain in the Fund for
74 those future fiscal years. No grant or loan shall be payable in the years beyond the existing appropriation
75 act unless the funds are currently available in the Fund.

76 **2. That the seventh enactment of Chapter 726 of the Acts of Assembly of 2014 is repealed.**

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