

# Department of Planning and Budget

## 2002 Fiscal Impact Statement

**1. Bill Number** SB32

**House of Origin** ☐ Introduced ☐ Substitute ☐ Engrossed  
**Second House** ☐ In Committee ☐ Substitute ☒ Enrolled

**2. Patron** Chichester

**3. Committee** Passed Both Houses

**4. Title** Higher Education 9(c) Bond Bill

**5. Summary/Purpose:** The enrolled bill authorizes the issuance of general obligation bonds subject to the provisions of Article X, Section 9(c) of the Constitution of Virginia in an amount not to exceed \$149,505,400 plus financing costs for revenue -producing capital projects at institutions of higher education of the Commonwealth. The bonds are backed by the full faith and credit of the Commonwealth and therefore constitute tax -supported debt. In addition, the bill includes an emergency clause and repeals Chapters 220 and 244 of the 2000 Acts of Assembly.

**6. No Fiscal Impact.** It is expected that the projects included in the bill will generate sufficient non-general fund revenues to pay operating expenses and debt service.

**7. Budget amendment necessary :** Yes. Capital authorization(s) and debt service have been included in the budget bill. Therefore, the Central Appropriations language for the project reference in House Bill/Senate Bill 29 should also be omitted (Page 516, STRIKE lines 43 through 46.)

**8. Fiscal implications:** As currently written, capital financing will be provided for eleven new projects and nine carryover projects. Institutions will need non-general fund appropriations for debt service once the projects are complete. Institutions of higher education affected by the bill must set rates, fees, and/or charges at levels that will generate sufficient net revenues to retire the debt and cover operating and maintenance expenses.

**9. Specific agency or political subdivisions affected:**

Treasury Board  
University of Virginia  
Virginia Commonwealth University  
Christopher Newport University  
Virginia Community College System  
Virginia State University  
Virginia Polytechnic Institute and State University

Department of the Treasury  
College of William and Mary  
George Mason University  
James Madison University  
Mary Washington College  
Old Dominion University  
Virginia Military Institute

**10. Technical amendment necessary :** (See #7.)

**11. Other comments:** House Bill 100 is identical to Senate Bill 32.

**Date:** 3/6/02/aps

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cc: Secretary of Finance  
Secretary of Education