

Department of Planning and Budget
2003 Fiscal Impact Statement

1. Bill Number HB1536ER

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron Callahan

3. Committee Finance

4. Title Higher Education 9(c) Bond Bill

5. Summary/Purpose: This bill authorizes the issuance of general obligation bonds under the provisions of Article X, Section 9(c) of the *Constitution of Virginia* in the amount of \$10,500,000 associated with the cost of renovating housing facilities at Longwood College. The bonds are backed by the full faith and credit of the Commonwealth and therefore, constitute tax -supported debt. However, project revenues are expected to provide for the payment of debt service. This is the only project contained in the bill.

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

7. Budget amendment necessary: No. Capital authorization and debt service has been included in the 2002 -04 proposed budget bill.

8. Fiscal implications: It is expected that the financed project will generate sufficient non-general fund revenues to provide for debt service on the bonds. Longwood University must set rates, fees, and/or charges at levels that will generate sufficient net revenues to retire the debt. No additional financial or personnel resources are needed in conjunction with this bill.

9. Specific agency or political subdivisions affected: Treasury Board, Department of the Treasury, and Longwood University

10. Technical amendment necessary : No

11. Other comments: None.

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cc: Secretary of Finance