

Department of Planning and Budget
2003 Fiscal Impact Statement

1. Bill Number SB1279

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Edwards

3. Committee Transportation

4. Title Rail Transportation Development Authority.

5. Summary/Purpose:

Establishes a five -member rail transportation authority to finance or assist in the financing of capital improvement to rail lines and associated facilities. The authority may borrow money and accept contributions, grants, and other financial assistance, and issue bonds, including projects undertaken by the Public -Private Transportation Act of 1995.

6. Fiscal Impact Estimates are: preliminary, see Item 8.

7. Budget amendment necessary: No.

8. Fiscal implications:

The bill is unclear on how the Authority will be financially supported, although it could be implied that funding from the Department of Rail and Transportation (DRPT) may be eligible since the proposed new Chapter 10.2 is included within that part of the Code of Virginia dealing with DRPT. The authority appears to have the power, without limitation, to assist in the financing of rail line capital improvement projects. The fiscal impact of this bill is not known since it would depend on the number of projects, overall cost, debt service conditions, and the source of the funding to pay for the projects would originate. However, if any funding for debt service comes from Transportation Trust Fund moneys or other related funding, then debt issued by this authority could impact the state's debt capacity.

9. Specific agency or political subdivisions affected: The Department of Rail and Public Transportation and the Department of Treasury.

10. Technical amendment necessary: No.

11. Other comments: The bill is unclear whether projects could be initiated that are beyond Virginia's border.

Date: 01/29/03/jlm

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cc: Secretary of Transportation