

**Department of Planning and Budget**  
**2003 Fiscal Impact Statement**

**1. Bill Number** SB746

**House of Origin**     ☒ Introduced     ☐ Substitute     ☐ Engrossed

**Second House**     ☐ In Committee     ☐ Substitute     ☐ Enrolled

**2. Patron** Chichester

**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 revenue 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:** House Bill 1536 is identical to Senate Bill 746.

**Date:** 01/09/03/SLE

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cc: Secretary of Finance