

Department of Planning and Budget 2005 Fiscal Impact Statement

1. Bill Number HB1650

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Orrock

3. Committee Committee Referral Pending.

4. Title Transportation bonds; use of surplus revenues to pay debt service.

5. Summary/Purpose: Requires surplus revenue collections, after deposits are made to the Revenue Stabilization Fund and the Water Quality Improvement Fund, to be deposited in the Transportation Trust Fund and used to pay debt service on previously issued transportation bonds.

6. Fiscal Impact Estimate: Final, see Item 8.

7. Budget amendment necessary: Yes, passage of this bill would affect any initiatives that receive funding from unanticipated surpluses.

8. Fiscal implications: In FY 2004 the fiscal impact of this bill would have been approximately \$233.8 million. Virginia ended FY2004 with a net surplus of \$495.6 million; of this \$229.4 million is committed to the revenue stabilization fund, while \$32.2 million is committed to the Water Quality Improvement Fund. Under the provisions of this bill, the \$233.8 million available balance would be transferred to the transportation fund. Currently of the \$233.8 million, \$198.2 million is proposed to repay Transportation and other non-General Fund transfers from prior years, lottery payments to public schools, natural disaster costs, and other capital and operating needs. It is impossible to predict future fiscal implications. The bill affects surpluses beyond official estimates and it would be speculative and potentially circular to predict revenue surpluses beyond the official estimates in the budget bill.

9. Specific agency or political subdivisions affected: Any state agencies included in the Budget.

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 01/10/05 / rtb

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cc: Secretary of Finance
Secretary of Transportation