

Department of Planning and Budget 2007 Fiscal Impact Statement

1. Bill Number HB1940

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Purkey

3. Committee House Appropriations

4. Title Highway construction, new; designation of budget surplus.

5. Summary/Purpose: The proposed legislation would require any budget surplus remaining at the end of every two-year budget cycle to be designated for new highway construction by the Comptroller after certain other reserves and designations have been made.

6. Fiscal Impact Estimates are: Indeterminate. See Item 8.

7. Budget amendment necessary: None.

8. Fiscal implications: The implications of the bill are not known. The proposed legislation would direct all general fund surplus revenues to new highway construction if existing conditions in the Code of Virginia for surplus general funds have already been satisfied. The amount of general fund surplus revenue remaining at the end of each biennium after the other transfers have been made, if any, will fluctuate between biennial budgets.

9. Specific agency or political subdivisions affected: Department of Accounts, Department of Transportation

10. Technical amendment necessary: None.

11. Other comments: The proposed bill does not specify if the surplus funding for new highway construction is to be used for one-time expenses. Generally, current law requires that unreserved and undesignated balances be used to fund one-time, nonrecurring expenses. Given the uncertainty of general fund surpluses, the funding provided by the proposed legislation would not constitute a reliable funding source for on-going construction projects.

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cc: Secretary of Finance