

## Department of Planning and Budget 2008 Fiscal Impact Statement

**1. Bill Number:** SB31

House of Origin    ☐    Introduced        ☐    Substitute        ☐    Engrossed  
Second House       ☐    In Committee    ☐    Substitute        ☒    Enrolled

**2. Patron:** Colgan

**3. Committee:** Passed Both Houses

**4. Title**            **Higher Education 9(c) Issuance Bill**

**5. Summary/Purpose:** This bill authorizes the issuance of general obligation bonds subject to the provisions of Article X, Section 9(c) of the Constitution of Virginia in an amount not to exceed \$350,565,000 plus financing costs for revenue-producing capital projects. Of this amount, \$45,630,000 relates to supplements for previously authorized projects. The remaining \$307,739,000 is for new capital projects.

The bonds are backed by the full faith and credit of the Commonwealth and therefore, constitute tax-supported debt. The bill also states that an emergency exists and that the bill is in force from its passage.

**6. No Fiscal Impact:** It is expected that the projects, included in the bill, will generate sufficient nongeneral fund revenues to pay operating expenses and debt service.

**7. Budget amendment necessary:** No.

**8. Fiscal implications:** Institutions will need nongeneral fund appropriations for debt service once the projects are complete. Institutions of higher education affected by the bill must set rates, fees, and/or charges at levels that will generate sufficient net revenues to retire the debt.

**9. Specific agency or political subdivisions affected:**

George Mason University	Radford University
The College of William and Mary	Old Dominion University
Virginia Polytechnic Institute and State University	Virginia State University
Treasury Board	Department of the Treasury

**10. Technical amendment necessary:** No.

**11. Other comments:** Senate Bill 31 is identical to House Bill 31.

**Date:** 03/4/08/aps

**Document:** g:\aps\legislation\2008\SB31ER.doc

cc: Secretary of Finance