

Department of Planning and Budget 2009 Fiscal Impact Statement

1. Bill Number: SB1451

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Colgan

3. Committee: Finance

4. Title: **Virginia Resources Authority; debt capacity.**

5. Summary: This bill increases the Virginia Resources Authority's (VRA) debt ceiling from \$900 million to \$1.5 billion. VRA assists localities with financing infrastructure projects. The debt ceiling represents the total amount of bonds VRA may issue or local obligations they may guarantee without needing prior approval of the General Assembly.

6. Fiscal Impact Estimates: Preliminary.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: This bill increases the debt capacity for the Virginia Resources Authority (VRA) from its current moral obligation debt limit of \$900 million to \$1.5 billion. This bill would have no general fund or nongeneral fund fiscal impact because VRA, as established, is "off the books of the Commonwealth." VRA is self-sufficient and covers its expenses with administrative fees from the various programs it administers.

The Department of the Treasury confirms that this bill will not count against the Commonwealth's debt capacity unless VRA defaults.

9. Specific Agency or Political Subdivisions Affected: Virginia Resources Authority.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 1/23/2009 dpbaek

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cc: Secretary of Finance
Secretary of Commerce and Trade