

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: SB418

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

2. Patron: Vogel

3. Committee: Local Government

4. Title: **Virginia Infrastructure in Urban Development Areas Loan Fund.**

5. Summary: This bill creates the Virginia Infrastructure in Urban Development Areas Loan Fund. The fund would be administered by the Virginia Resources Authority (VRA) and moneys in the fund would be used exclusively for the financing of road, small water facility, and wastewater treatment facility projects located or to be located within an urban development area in the Commonwealth and undertaken by a local government. Priority for loans would be given to projects that will serve two or more local governments to encourage regional cooperation. The bill includes a liberal construction clause.

6. Fiscal Impact Estimates: Preliminary.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: This bill establishes the Virginia Infrastructure in Urban Development Areas Loan Fund as a set apart permanent and perpetual fund, “off the books” of the Commonwealth. This fund, to be administered by the Virginia Resources Authority (VRA), is to consist of such sums that may be appropriated by the General Assembly, all income from investment of moneys held in the fund, and any other sums designated for deposit to the fund. Should the General Assembly choose to make a general fund deposit to the fund, this bill may create a general fund obligation. VRA is granted the authority to disburse from the fund its reasonable costs and expenses incurred in the administration and management of the fund.

Moneys in the fund are to be used solely to make loans to local governments to finance or refinance the cost of any project. The bill defines “project” as: (i) the design or construction of roads and (ii) any small water facility located in an urban development area of the Commonwealth.

The bill also directs the Auditor of Public Accounts (APA) to annually audit the accounts of VRA; any costs of these audit services are to be borne by VRA and as such, this bill is not estimated to have an unfunded general fund impact on the APA.

9. Specific Agency or Political Subdivisions Affected: Virginia Resources Authority, Auditor of Public Accounts, local governments.

10. Technical Amendment Necessary: Yes, line 28, space needed after “§ 62.1-229”.

11. Other Comments: This bill is identical to the introduced version of HB1013.

Date: 1/29/2010 dpbaek

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