

Department of Planning and Budget 2011 Fiscal Impact Statement

1. Bill Number: HB1582

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Cosgrove

3. Committee: Appropriations

4. Title: Virginia Transportation Infrastructure Bank; created.

5. Summary: The proposed legislation would create the Virginia Transportation Infrastructure Bank (VTIB) as a special fund to provide loans and grants to public and private entities to fund transportation projects in the Commonwealth. The special fund shall consist of revenues generated through the privatization of the Commonwealth's ABC stores and revenues generated through a one-time drawing down of construction cash reserves by the Virginia Department of Transportation. An audit released in September 2010 identified the reserve funding. VTIB is authorized to issue bonds, not to exceed \$4 billion, to provide additional funding.

The VTIB will use the available funding to make loans to eligible recipients at the direction of the Board of Directors, which shall consist of the Secretary of Transportation, the Secretary of Finance, two VDOT employees, and one DRPT employee. The Treasurer shall serve ex-officio and vote only to break ties. The Board of Directors is to set the interest rate and repayment schedule for the loans.

6. Budget Amendment Necessary: None.

7. Fiscal Impact Estimates: Preliminary. See Item 8.

8. Fiscal Implications: The proposed legislation would create a revolving loan program to fund transportation infrastructure projects undertaken by public and private entities. If the loans are utilized to construct transportation projects currently in VDOT's six-year construction program, state funds may be freed to be redirected towards other priorities. Any bonds issued by the VTIB will impact the Commonwealth's debt capacity.

9. Specific Agency or Political Subdivisions Affected: Department of Transportation, Department of Rail and Public Transportation, Department of Treasury, local governments

10. Technical Amendment Necessary: Line 60, strike 24.4 and insert 23.8. Line 64, strike 24.4 and insert 23.8.

11. Other Comments: None.

Date: 1/27/2011 dpb/smc

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