

Department of Planning and Budget 2014 Fiscal Impact Statement

1. Bill Number: HB1132

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

2. Patron: Lopez

3. Committee: Appropriations

4. Title: Virginia Housing Trust Fund.

5. Summary: This bill requires that two percent of any surplus in the general fund be deposited into the Virginia Housing Trust Fund. Specifically, the bill provides that two percent of the annual general fund revenues that are in excess of the official estimates, as well as two percent of any unrestricted and uncommitted general fund balance at the close of each fiscal year, not to exceed \$10.0 million annually, be deposited to the Virginia Housing Trust Fund.

6. Budget Amendment Necessary: Yes, Item 103 of the Introduced Budget Bill (HB30/SB30).

7. Fiscal Impact Estimates: Indeterminate, see item 8.

8. Fiscal Implications: The fiscal impact of this bill is indeterminate, as it is not possible to predict the extent to which general fund revenue collections may exceed the official forecast. The amount of any unrestricted and uncommitted general fund balance at the close of each fiscal year is also unpredictable. The provisions of this bill are similar to those currently provided for in statute for the Water Quality Improvement Fund, except at a two percent allocation rather than a 10 percent allocation. Based on the year-end balances from these sources in FY 2011, FY 2012, and FY 2013, the following amounts reflect the total deposits to the Virginia Housing Trust Fund that may have occurred if the bill had been in effect: in FY 2011, \$6.3 million; in FY 2012, \$3.4 million; and FY 2013, \$10.0 million. A provision of the bill limits the amount that shall be appropriated to the Fund from any excess or uncommitted general fund balance to \$10.0 million.

As any monies provided for the Fund will need to be appropriated to Department of Housing and Community Development, a budget amendment will be required to Item 103 of HB30/SB30.

9. Specific Agency or Political Subdivisions Affected: Department of Housing and Community Development

10. Technical Amendment Necessary: No.

11. Other Comments: The Introduced Budget Bill (HB30/SB30) includes a general fund appropriation of \$4.0 million in FY 2015 and FY 2016 for the Virginia Housing Trust Fund.