

Department of Planning and Budget 2014 Fiscal Impact Statement

1. Bill Number: HB869

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

2. Patron: Jones

3. Committee: Finance

4. Title: Higher Educational Institutions Bond Act of 2014

5. Summary: Authorizes the Treasury Board to issue bonds pursuant to Article X, Section 9 (c) of the Constitution of Virginia in an amount up to \$245,020,705 plus financing costs to finance revenue-producing capital projects at four institutions of higher education.

The bonds are backed by the full faith and credit of the Commonwealth and therefore, constitute tax-supported debt. The bill also declares that an emergency exists and that the bill is effective upon passage.

6. Budget Amendment Necessary: No.

7. Fiscal Impact. Preliminary. The projects listed in this bill are included in House Bill 30, with the exception of the new projects at Christopher Newport University and James Madison University. The two new projects should be included in House Bill 30. It is expected that these projects will generate sufficient nongeneral fund revenues to pay operating expenses and debt service.

8. Fiscal Implications: The engrossed bill adds two projects, one at Christopher Newport University and one at James Madison University, which increase the total amount to be issued by \$90,236,705 to the introduced bill. 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:

Christopher Newport University
College of William and Mary
James Madison University

Old Dominion University
Virginia Commonwealth University

10. Technical Amendment Necessary: No

11. Other Comments: Senate Bill 394 is similar to House Bill 869.

Date: 02/7/14