

## Department of Planning and Budget 2016 Fiscal Impact Statement

**1. Bill Number:** SB61

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

**2. Patron:** Hanger

**3. Committee:** Appropriations

**4. Title:** Commonwealth of Virginia Institutions of Higher Education Bond Act of 2016

**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 \$40,987,000 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:** Yes. All but one project listed in this bill is included in House Bill 30/Senate Bill 30. The James Madison University – Renovate Phillips Hall project was added in the Senate substitute and should be included in any capital amendments to the budget bill.

**7. Fiscal Impact.** Preliminary. It is expected that all projects listed in the legislation will generate sufficient nongeneral fund revenues to pay operating expenses and debt service.

**8. Fiscal Implications:** The affected institutions will need nongeneral fund appropriations for debt service once the project is complete and 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:**

Norfolk State University  
Richard Bland College  
College of William and Mary  
James Madison University

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** House Bill 1063 and Senate Bill 61 are similar.