

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: HB1633

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: Edmunds

3. Committee: Education

4. Title: Board of Education; school modernization loan interest rate subsidy payments; eligibility.

5. Summary: Requires the Board of Education to use Literary Fund proceeds to subsidize interest payments on certain loans made by the Virginia Public School Authority to local governing bodies and school boards for the design and construction of new school buildings and facilities or the modernization and maintenance of existing school buildings and facilities as follows: for school divisions in localities determined to have above-average or high fiscal stress by the Commission on Local Government in its most recent version of such report, the Board shall subsidize up to 100 percent of the interest due on such loan. Under current law, eligibility for such interest rate subsidy payment is based on the local composite index of ability to pay.

6. Budget Amendment Necessary: No

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

8. Fiscal Implications: The Department of Education will need to revise its guidelines for the Literary Fund Subsidy Program, but the agency can absorb this cost with existing resources.

9. Specific Agency or Political Subdivisions Affected: Department of Education, Board of Education

10. Technical Amendment Necessary: No

11. Other Comments: None