

VIRGINIA ACTS OF ASSEMBLY -- 1994 SESSION

CHAPTER 43

An Act to amend and reenact § 9-6.25:1 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 17 of Title 2.1 an article numbered 1.1, consisting of sections numbered 2.1-304.2 through 2.1-304.7, relating to the Debt Capacity Advisory Committee.

[H 264]

Approved March 7, 1994

Be it enacted by the General Assembly of Virginia:

1. That § 9-6.25:1 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Chapter 17 of Title 2.1 an article numbered 1.1, consisting of sections numbered 2.1-304.2 through 2.1-304.7, as follows:

Article 1.1.

Debt Capacity Advisory Committee.

§ 2.1-304.2. Debt Capacity Advisory Committee created; membership.

The Debt Capacity Advisory Committee is hereby created. The membership shall consist of the Secretary of Finance; the State Treasurer; the Director of the Department of Planning and Budget; the Auditor of Public Accounts; the Director of the Joint Legislative Audit and Review Commission; and two citizen members who have expertise in financial matters to be appointed by the Governor.

The Secretary of Finance shall be the chairperson of the Committee. The Department of Treasury shall serve as staff to the Committee.

Of the citizen members appointed for terms beginning July 1, 1994, one shall be appointed for an initial term of three years and the other for an initial term of five years. Successors shall be appointed to serve for terms of four years each. Vacancies occurring other than by expiration of term shall be filled by appointment of the Governor for the remainder of the unexpired term. All appointments shall be subject to confirmation by the General Assembly. Members shall continue to hold office until their successors have been appointed and qualified.

All members of the Debt Capacity Advisory Committee shall serve without compensation. Citizen members shall receive necessary and reasonable expenses incurred in performing their duties as members of the Debt Capacity Advisory Committee.

§ 2.1-304.3. Powers and duties.

The Committee shall have the power and duty to:

1. Annually review the size and condition of the Commonwealth's tax-supported debt and submit to the Governor and to the General Assembly an estimate of the maximum amount of new tax-supported debt that prudently may be authorized for the next biennium. The estimate shall be advisory and in no way bind the Governor or the General Assembly; and

2. Conduct ongoing reviews of the amount and condition of bonds, notes, and other security obligations of the Commonwealth's agencies, institutions, boards, and authorities (i) not secured by the full faith and credit of the Commonwealth or for which the General Assembly is not permitted to replenish reserve funds, (ii) for which the Commonwealth has a contingent or limited liability or for which the General Assembly is permitted to replenish reserve funds if deficiencies occur, and (iii) when appropriate, shall recommend limits on such additional obligations to the Governor and to the General Assembly.

§ 2.1-304.4. Estimated amount of prudent tax-supported debt; affordability considerations.

Before December 15 of each year, the Committee shall submit to the Governor and to the General Assembly the Committee's estimate of tax-supported debt which prudently may be authorized for the next fiscal year, together with a report explaining the basis for the estimate. In developing its annual estimate and in preparing its annual report, the Committee shall, at a minimum, consider:

1. The amount of tax-supported debt that, during the next fiscal year and annually for the following nine fiscal years (i) will be outstanding and (ii) has been authorized but not yet issued;

2. A projected schedule of affordable, state tax-supported debt authorizations for the next biennium. The assessment of the affordability of the projected authorizations shall include but not be limited to the considerations specified in this section;

3. Projected debt-service requirements during the next fiscal year and annually for the following nine fiscal years based upon (i) existing outstanding debt, (ii) previously authorized but unissued debt, and (iii) projected bond authorizations;

4. The criteria that recognized bond rating agencies use to judge the quality of issues of Commonwealth bonds;

5. Any other factor that is relevant to (i) the ability of the Commonwealth to meet its projected debt service requirements for the next two fiscal years; (ii) the ability of the Commonwealth to support additional debt service in the upcoming biennium; (iii) the requirements of the statewide capital plan;

and (iv) the interest rate to be borne by, the credit rating on, or any other factor affecting the marketability of such bonds; and

6. The effect of authorizations of new tax-supported debt on each of the considerations of this section.

§ 2.1-304.5. Governor's consideration of tax-supported debt.

Prior to the Governor recommending any new tax-supported debt, which is defined as debt for which the debt service payments are expected to be made, in whole or in part, from appropriations of the Commonwealth, the Governor shall consider the maximum amount of debt recommended as prudent for the subject biennium by the Committee.

§ 2.1-304.6. Cooperation of the Commonwealth's instrumentalities.

All Commonwealth debt-issuing agencies, institutions, boards, and authorities shall quarterly provide the State Treasurer with all information which the Committee deems necessary for it to carry out the requirements of this article. The Departments of Accounts, Planning and Budget, and Taxation and other state agencies shall also provide the State Treasurer with the information and assistance the Committee deems necessary.

§ 2.1-304.7. Limitation of article.

This article shall not limit or alter the rights of the Commonwealth or any of its instrumentalities to fulfill the terms of any agreements made with the holders of any bonds, notes, or other obligations of the Commonwealth or such instrumentality issued and outstanding prior to July 1, 1994, or to in any way impair the rights and remedies of such holders.

§ 9-6.25:1. Advisory boards, commissions and councils.

There shall be, in addition to such others as may be designated in accordance with § 9-6.25, the following advisory boards, commissions and councils within the executive branch:

Advisory Board for the Department for the Deaf and Hard-of-Hearing

Advisory Board for the Department for the Aging

Advisory Board on Child Abuse and Neglect

Advisory Board on Medicare and Medicaid

Advisory Board on Occupational Therapy

Advisory Board on Physical Therapy to the Board of Medicine

Advisory Board on Respiratory Therapy to the Board of Medicine

Advisory Board on Teacher Education and Licensure

Advisory Council on Revenue Estimates

Advisory Council on the Virginia Business-Education Partnership Program

Appomattox State Scenic River Advisory Board

Aquaculture Advisory Board

Art and Architectural Review Board

(Effective until July 1, 1994) Board for the Visually Handicapped

Board of Directors, Virginia Truck and Ornaments Research Station

Board of Forestry

Board of Military Affairs

Board of Rehabilitative Services

Board of Transportation Safety

Board of Trustees of the Family and Children's Trust Fund

Board of Visitors, Gunston Hall Plantation

Board on Veterans' Affairs

Catoctin Creek State Scenic River Advisory Board

Cave Board

Chickahominy State Scenic River Advisory Board

Clinch Scenic River Advisory Board

Coal Surface Mining Reclamation Fund Advisory Board

Council on Indians

Council on the Status of Women

Debt Capacity Advisory Committee

Emergency Medical Services Advisory Board

Falls of the James Committee

Film Office Advisory Board

Forensic Science Advisory Board

Goose Creek Scenic River Advisory Board

Governor's Council on Alcohol and Drug Abuse Problems

Governor's Mined Land Reclamation Advisory Committee

Hemophilia Advisory Board

Human Services Information and Referral Advisory Council

Industrial Development Services Advisory Board

Interagency Coordinating Council on Housing for the Disabled

Interdepartmental Board of the State Department of Minority Business Enterprise
Laboratory Services Advisory Board
Local Advisory Board to the Blue Ridge Community College
Local Advisory Board to the Central Virginia Community College
Local Advisory Board to the Dabney S. Lancaster Community College
Local Advisory Board to the Danville Community College
Local Advisory Board to the Eastern Shore Community College
Local Advisory Board to the Germanna Community College
Local Advisory Board to the J. Sargeant Reynolds Community College
Local Advisory Board to the John Tyler Community College
Local Advisory Board to the Lord Fairfax Community College
Local Advisory Board to the Mountain Empire Community College
Local Advisory Board to the New River Community College
Local Advisory Board to the Northern Virginia Community College
Local Advisory Board to the Patrick Henry Community College
Local Advisory Board to the Paul D. Camp Community College
Local Advisory Board to the Piedmont Virginia Community College
Local Advisory Board to the Rappahannock Community College
Local Advisory Board to the Southwest Virginia Community College
Local Advisory Board to the Thomas Nelson Community College
Local Advisory Board to the Tidewater Community College
Local Advisory Board to the Virginia Highlands Community College
Local Advisory Board to the Virginia Western Community College
Local Advisory Board to the Wytheville Community College
Long-Term Care Council
Maternal and Child Health Council
Medical Advisory Board, Department of Motor Vehicles
Medical Board of the Virginia Retirement System
Migrant and Seasonal Farmworkers Board
Motor Vehicle Dealer's Advisory Board
Nottoway State Scenic River Advisory Board
Personnel Advisory Board
Plant Pollination Advisory Board
Private College Advisory Board
Private Enterprise Commission
Private Security Services Advisory Board
Psychiatric Advisory Board
Radiation Advisory Board
Rappahannock Scenic River Advisory Board
Recreational Fishing Advisory Board, Virginia
Reforestation Board
Retirement System Review Board
Rockfish State Scenic River Advisory Board
Shenandoah State Scenic River Advisory Board
Small Business Advisory Board
Small Business Environmental Compliance Advisory Board
St. Mary's Scenic River Advisory Committee
State Advisory Board on Air Pollution
State Advisory Board for the Virginia Employment Commission
State Building Code Technical Review Board
State Council on Local Debt
State Health Benefits Advisory Council
State Insurance Advisory Board
State Land Evaluation Advisory Council
State Networking Users Advisory Board
State Public Records Advisory Council
Staunton Scenic River Advisory Committee
Telecommunications Relay Service Advisory Board
Tourism and Travel Services Advisory Board
Toxic Substances Advisory Board
Virginia Advisory Commission on Intergovernmental Relations
Virginia Advisory Council for Adult Education and Literacy
Virginia Board on Physical Fitness and Sports
Virginia Coal Research and Development Advisory Board

Virginia Commission for the Arts
Virginia Commission on the Bicentennial of the United States Constitution
Virginia Council on Coordinating Prevention
Virginia Equal Employment Opportunity Council
Virginia Interagency Coordinating Council
Virginia Military Advisory Council
Virginia Mine Safety Board
Virginia Public Buildings Board
Virginia Recycling Markets Development Council
Virginia Transplant Council
Virginia Water Resources Research Center, Statewide Advisory Board
Virginia Winegrowers Advisory Board.