

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: HB171

House of Origin X Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. Patron: Kilgore

3. Committee: General Laws

4. Title: Projects financed by the Virginia Resources Authority

5. Summary: The bill authorizes the Virginia Resources Authority (VRA) to finance local government energy efficiency projects.

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

7. Budget Amendment Necessary: No.

8. Fiscal Implications: While the bill would impact the types of projects that could be financed through VRA, it would not affect the total dollar amount of projects that could be financed. VRA's current moral obligation debt limit is \$900 million. VRA's moral obligation debt outstanding as of September 30, 2007 was approximately \$677 million. The bill would have no general fund or nongeneral fund fiscal impact because VRA, as established, is "off the books of the Commonwealth." VRA is totally self-sufficient and covers its expenses with administrative fees from the various programs it administers. VRA does not anticipate any significant changes to its workload as a result of this bill.

The Division of Energy within the Department of Mines, Minerals and Energy (DMME) provides general guidance to citizens of the Commonwealth on matters of energy efficiency. While this bill may result in an increased level of inquiries to the Division of Energy, DMME does not expect significant increases to its workload as a result.

9. Specific Agency or Political Subdivisions Affected: Virginia Resources Authority, Department of Mines, Minerals and Energy.

10. Technical Amendment Necessary: No.

11. Other Comments: If localities choose to finance construction of local government energy efficiency projects through VRA, they could benefit from reduced borrowing costs, thereby decreasing the financial burden to borrowers and local taxpayers.

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cc: Secretary of Commerce and Trade
Secretary of Finance