

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: SB473

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Hanger

3. Committee: Local Government

4. Title: Projects financed by the Virginia Resources Authority.

5. Summary: The bill authorizes the Virginia Resources Authority (VRA) to finance land for park and other recreational purposes, and park facilities.

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.

9. Specific Agency or Political Subdivisions Affected: Virginia Resources Authority.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is identical to HB723. If localities choose to finance land for park and recreational purposes through VRA, they could benefit from reduced borrowing costs, thereby decreasing the financial burden to borrowers and local taxpayers.

Date: 1/14/2008 dpbaek

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cc: Secretary of Commerce and Trade
Secretary of Finance