

## Department of Planning and Budget 2010 Fiscal Impact Statement

**1. Bill Number:** SB15

House of Origin    ☐   Introduced        ☐   Substitute        ☐   Engrossed  
Second House       ☐   In Committee    ☐   Substitute        ☒   Enrolled

**2. Patron:**        Colgan

**3. Committee:** Passed Both Houses

**4. Title:**        **Higher Education 9(c) Issuance Bill**

**5. Summary/Purpose:** This bill authorizes the issuance of general obligation bonds subject to the provisions of Article X, Section 9(c) of the Constitution of Virginia in an amount not to exceed \$206,870,000 plus financing costs for revenue-producing capital projects. Of this amount, \$750,000 relates to a supplement for a previously authorized project. The remaining \$206,120,000 is for new capital projects.

The bonds are backed by the full faith and credit of the Commonwealth and therefore, constitute tax-supported debt. The bill also states that an emergency exists and that the bill is in force from its passage.

**6. No Fiscal Impact: Final.** It is expected that the projects, included in the bill, will generate sufficient nongeneral fund revenues to pay operating expenses and debt service.

**7. Budget Amendment Necessary:** No.

**8. Fiscal implications:** Institutions will need nongeneral fund appropriations for debt service once the projects are complete. Institutions of higher education affected by the bill 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:**

Christopher Newport University  
Norfolk State University  
Virginia Commonwealth University  
Department of the Treasury

George Mason University  
College of William and Mary  
Virginia Tech  
Treasury Board

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

**11. Other Comments:** Senate Bill 15 is identical to House Bill 41.

**Date:** 3/5/10/aps

**Document:** g:\aps\legislation\2010\SB15ER.doc