

Department of Planning and Budget 2011 Fiscal Impact Statement

1. Bill Number: SB1385

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: Colgan

3. Committee: Senate Finance

4. Title: Year-end surplus of general fund balance; changes assignments.

5. Summary: The proposed legislation would amend the provision of the Code which direct the allocation of surplus general fund balances. Currently, two-thirds of such balances are deposited into the Transportation Trust Fund and the remaining one-third is appropriated to nonrecurring expenditures. The proposed legislation would reduce the amount identified for nonrecurring expenditures to 23 percent and provide the remaining 10 percent as funding for the Department of Veterans Services.

The bill amends §2.2-1514, which is set out twice in the Code of Virginia. This Code section was amended by Chapter 896 of the 2007 Acts of Assembly (HB3202) which contains an enactment clause expiring the provisions of the bill if transportation funds are used for non-transportation related purposes. Therefore, all Code sections amended by the provisions of Chapter 896 are set out twice, first with the current law and second with the law as it stood prior to the passage of Chapter 896. The proposed legislation amends both pieces of §2.2-1514 to provide the 10 percent funding to the Department of Veterans Services in the event Chapter 896 expires.

6. Budget Amendment Necessary: None.

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

8. Fiscal Implications: In the Governor's proposed amendments to the budget, \$16.3 million is appropriated to nonrecurring expenditures. If the provisions of the proposed bill were in effect, \$11.4 million would have been directed to nonrecurring expenditures and \$4.9 million would have been appropriated to the Department of Veterans Services. These amounts are based upon last fiscal year's ending balance. The amounts would change in future years based upon the actual ending balance at that time.

9. Specific Agency or Political Subdivisions Affected: Department of Veterans Services

10. Technical Amendment Necessary: None.

11. Other Comments: The bill does not specify the uses of this funding within the Department of Veterans Services.

Date: 1/18/2011 dpb/smc

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