

Department of Planning and Budget 2012 Fiscal Impact Statement

1. Bill Number: HB54

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

2. Patron: Putney

3. Committee: Passed Both Houses

4. Title: Higher Educational Institutions Bond Act of 2012

5. Summary: The bill authorizes the Treasury Board to issue bonds pursuant to Article X, Section 9 (c) of the Constitution of Virginia in an amount up to \$125,594,000 plus financing costs to finance revenue-producing capital projects at five institutions of higher education.

The bonds are backed by the full faith and credit of the Commonwealth and therefore, constitute tax-supported debt. The bill also declares that an emergency exists and that the bill is effective upon passage.

6. Budget Amendment Necessary: No.

7. Fiscal Impact: Final. See Line 8.

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:

George Mason University
Radford University
College of William and Mary
Department of the Treasury

James Madison University
Old Dominion University
Treasury Board

10. Technical Amendment Necessary: Adjust the spacing for project 17808 on page 2 of the substitute bill.

11. Other Comments: House Bill 54 as enrolled is similar to the substitute for Senate Bill 31. The House enrolled bill includes supplemental funding (\$1,000,000) for a project for the College of William and Mary.

Date: 02/28/12

Document: g:\aps\legislation\2012\HB54ER.doc