

Department of Planning and Budget 2012 Fiscal Impact Statement

1. Bill Number: SB220

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

2. Patron: Black

3. Committee: Finance

4. Title: Assignment of year-end surplus.

5. Summary: Assignment of year-end surplus. Changes the priority for assigning any year-end surplus by requiring that of any general fund balance remaining after funds are set aside for required deposits to the Revenue Stabilization Fund, 50 percent would be assigned for deposit into the Transportation Trust Fund. If any surplus remains after such assignments, the remainder would be assigned to the Virginia Water Quality Improvement Fund and other commitments, including certain commitments to public institutions of higher education.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Indeterminate

8. Fiscal Implications:

The bill changes the priorities for the distribution of any available year-end surplus from the priority set out in the current law. The total remaining general fund balance does not change, but the designated funds are allocated in a new priority system. This would increase funding for the Transportation Trust Fund. If balances are available after deposits to the revenue stabilization fund 50 percent will go to the Transportation Trust Fund. The remainder will go to the following list: i) Water Quality Improvement Fund, ii) capital outlay reappropriations, iii) operating expense reappropriations, iv) rebate payments to higher education institutions, v) the unappropriated balance anticipated in the general appropriation act for the end of such fiscal year, and vi) interest payments on deposits for higher education institutions. Any remaining balance goes to nonrecurring expenses.

This bill may to create a conflict with §10.1-2128 pertaining to the required deposits to the Virginia Water Quality Improvement Fund (fund). Specifically, the component of §10.1-2128 that requires 10% of any revenue surplus to be deposited to the fund may not be available as required by law under the assignment priority order specified in the bill.

9. Specific Agency or Political Subdivisions Affected: All state agencies, especially the Department of Accounts (DOA) and the Department of Planning and Budget (DPB).

10. Technical Amendment Necessary: No

11. Other Comments: None

Date:

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