

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: SB580

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: Howell

3. Committee: Finance and Appropriations

4. Title: Commonwealth of Virginia Institutions of Higher Education Bond Act of 2020

5. Summary: Authorizes the Treasury Board to issue bonds pursuant to Article X, Section 9(c) of the Constitution of Virginia in an amount up to \$279,470,000 plus financing costs to finance revenue-producing capital projects at the College of William and Mary, Radford University, Virginia Polytechnic Institute and State University and James Madison University.

In addition, the legislation includes a change in the project title for a College of William and Mary project originally authorized in Chapters 285 and 358 of the 2018 Acts of Assembly.

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 Estimates: Preliminary. It is expected that these projects will generate sufficient nongeneral fund revenues to pay operating expenses and debt service.

8. Fiscal Implications: The affected institutions will need a nongeneral fund appropriation for debt service once the projects are complete and 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:

The College of William and Mary
Virginia Polytechnic Institute and State University
Department of the Treasury

Radford University
James Madison University

10. Technical Amendment Necessary: No.

11. Other Comments: House Bill 1246 is identical to Senate Bill 580.