

Department of Planning and Budget 2021 Fiscal Impact Statement

1. Bill Number: HB2178

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: Torian

3. Committee: Appropriations

4. Title: Bonds for public institutions of higher learning; emergency.

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 \$34,136,000 plus financing costs to finance revenue-producing capital projects at Virginia Polytechnic Institute and State University.

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. See Item 8.

8. Fiscal Implications: It is expected that these projects will generate sufficient nongeneral fund revenues to pay operating expenses and debt service, negating any impact to the state's debt capacity. In future budgets, 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: Virginia Polytechnic Institute and State University

10. Technical Amendment Necessary: Yes. Line 46, strike "18142" and insert "18412".

11. Other Comments: This bill is identical to SB 1145.