



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 1054

PRINTERS NO. 1190

PRIME SPONSOR: Corman

CATEGORY	FY 2010-2011	FY 2011-2012	INC/(DEC)
Public Improvement Projects— Buildings & Structures	\$890,000,000	\$935,000,000	\$45,000,000
Public Improvement Projects— Furniture & Equipment	\$25,000,000	\$10,000,000	(\$15,000,000)
Transportation Assistance	\$212,000,000	\$212,000,000	\$0
Redevelopment Assistance	\$225,000,000	\$270,000,000	\$45,000,000
Flood Control Projects	\$35,000,000	\$35,000,000	\$0
Bridge Projects	\$200,000,000	\$200,000,000	\$0
TOTAL	\$1,587,000,000	\$1,662,000,000	\$75,000,000

SUMMARY: Senate Bill 1054, printer's number 1190, provides for the Capital Budget Act of 2011-12. This legislation would take effect July 1, 2011, or immediately, whichever is later.

ANALYSIS: The bill specifies the maximum principal amount of additional debt to be incurred during the 2011-12 fiscal year for capital projects itemized in a capital projects itemization bill.

FISCAL IMPACT: In addition to the amortization of the bonds, the Commonwealth will incur the additional cost for the interest on the bonds that are sold. While the exact costs cannot be determined since costs will be dependent upon the timing of bond sales and interest rate(s) set at the time of the sale, estimated debt service on each \$100,000,000 of bonds sold, assuming level annual debt service and an interest rate of 3.35%, is \$6,941,000 annually or \$138,819,000 over 20 years. Estimated debt service on the full capital bond authorization of \$1,662,000,000, using the same set of assumptions as stated previously, is \$115,359,000 annually or \$2,307,171,000 over the 20-year life of the bonds.

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House Appropriations Committee (R)

DATE: December 12, 2011

Estimates are calculated using the best information available. Actual costs and revenue impact may vary from estimates.