



HOUSE COMMITTEE ON APPROPRIATIONS
2009-10 Legislative Session

FISCAL NOTE

HOUSE BILL: 2290

PRINTER'S NO: 4090

PRIME SPONSOR: D. Evans

FISCAL IMPACT SUMMARY	Current	Proposed
Limit on Redevelopment Assistance Projects	\$3,450,000,000	\$4,050,000,000

OVERVIEW:

House Bill 2290 amends the Capital Facilities Debt Enabling Act (Act 1 of 1999) increasing the commonwealth's General Obligation borrowing authority for Redevelopment Assistance Capital Projects.

This act shall take effect immediately.

ANALYSIS:

House Bill 2290 increases the commonwealth's General Obligation borrowing authority from \$3.45 billion to \$4.05 billion for the Redevelopment Assistance Capital Program, giving the commonwealth the authority to invest at least an additional \$600 million in Redevelopment Assistance Capital Projects.

In addition, the bill provides that no more than \$25 million of the authorized amount may be used for the construction of housing units.

The Commonwealth will incur additional cost to cover principal and interest payments as bonds are sold. For every \$100 million of bonds issued, it will cost approximately \$8.024 million per year for twenty (20) years assuming a rate of five (5) percent using a level-debt service methodology. The actual cost will depend on the amount of bonds sold and the interest rate(s) at the time of sale.

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House Appropriations Committee, (D)

DATE: July 3, 2010

General Note and Disclaimer: *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*