

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: SB1121-ER

Patron: Lucas

Bill Title: Commonwealth of Virginia Higher Educational Institutions Bond Act of 2025; created.

Bill Summary: Authorizes issuance of bonds in an amount up to \$206,085,243 for revenue-producing capital projects at James Madison University and The College of William and Mary in Virginia. The bill contains an emergency clause.

Budget Amendment Necessary: No

Items Impacted: Items C-4.10, C-7.20, C-58

Explanation: No amendment is necessary, as the bonds authorized in the bill are consistent with the bond appropriation included in the introduced budget.

Fiscal Summary: See below.

Fiscal Analysis: It is expected that the capital projects for which bonds are authorized will generate sufficient nongeneral fund revenues to pay associated operating expenses and debt service, offsetting 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.

Other: This bill is a companion to HB 2359.