

Department of Planning and Budget

2022 Fiscal Impact Statement

1. Bill Number: SB473

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: McClellan

3. Committee: Finance and Appropriations

4. Title: Department of Education; School Construction Fund and Program; Gaming Proceeds Fund revenues.

5. Summary: Establishes the School Construction Fund as a special non-reverting fund in the state treasury and requires the Department of Education to establish the School Construction Program for the purpose of providing grants from the Fund, subject to certain conditions, to school boards that leverage federal, state, and local programs and resources to finance the design and construction of new school buildings and facilities or the modernization and maintenance of existing school buildings and facilities. The bill provides that three percent of any fiscal year's budget surplus shall be appropriated to the School Construction Fund and Program. The bill also provides that any remaining revenues not appropriated by the General Assembly from the Gaming Proceeds Fund shall be appropriated to the School Construction Fund and Program. Under current law, any remaining revenues in the Gaming Proceeds Fund not appropriated remain in the Fund until appropriated by the General Assembly for programs established to address public school construction, renovations, or upgrades.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary, see Item 8.

8. Fiscal Implications: This bill requires, for any fiscal year in which there is a general fund surplus and after satisfying other required deposits, the Governor's budget bill to appropriate three percent of such surplus for the School Construction Fund and Program; thus, the state general fund fiscal impact of this bill is equal to three percent of any future general fund surplus, as defined by the bill, and such amount is indeterminate.

This bill also provides that any remaining revenues not appropriated by the General Assembly from the Gaming Proceeds Fund shall be appropriated to the School Construction Fund and Program. Because present statute provides that such revenues shall be appropriated by the General Assembly for programs to address public school construction, renovations, or upgrades, depositing these revenues into the proposed School Construction Fund and Program appears consistent with this requirement.

The Department of Education (DOE) can absorb the cost of developing and implementing the School Construction Program but estimates it will require \$25,000 annually to support staff needed to administer the program.

9. Specific Agency or Political Subdivisions Affected: Department of Education, Department of Planning and Budget, local school divisions

10. Technical Amendment Necessary: No

11. Other Comments: This bill is identical to HB254.