

Passage of this bill will authorize the issuance of general obligation bonds up to \$6,000,000, for Highway Improvement Funding. The estimated annual interest payments of \$300,000 will be paid as a project cost within the \$6,000,000 bond limitation. The bonds may not be issued until a developer whose projects benefits from the improvements accepts liability for project costs and provides certainty that the new development will generate at least \$6,000,000 in new tax revenue. The new revenues will be used to repay the debt, rather than accrue to the General Fund. Based on the construction of a large sales tax generating development, the state can expect at least \$4.2 million in new sales tax revenue from construction. Additional sales tax revenue of at least \$2.1 million would arise from increased retail sales.

Individual and Business Impact

There could be significant positive economic impact from commercial development encouraged by this legislation.
