

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.

	<u>FY 01 Approp.</u>	<u>FY 02 Approp.</u>	<u>FY 01 Revenue</u>	<u>FY 02 Revenue</u>
General Fund	\$300,000	\$300,000	\$0	\$0
<b>TOTAL</b>	<u><u>\$300,000</u></u>	<u><u>\$300,000</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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**Individual and Business Impact**

No fiscal impact.

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