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HOUSE FISCAL AGENCY

124 N. Capitol Avenue
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HB4625 AS INTRODUCED

Sponsor: Rep. Bruce Patterson

Committee: COMMERCE

Analyst(s): Lindquist, Kirk

Completed: 2/4/02

State Fiscal Impact

Cost: Increase
Revenues: None

Local Fiscal Impact

Cost: None
Revenues: Increase

This bill would authorize the State to issue \$1.0 billion in general obligation bonds to finance water pollution control projects that prevent discharges of untreated or improperly treated sewage in the waters of the state. This bond program would be subject to voter approval at the next general election.

Debt service payments would be made from the State General Fund. The initial annual payment would be approximately \$12.1 million. This would increase to \$24.2 million as the next bond issue is sold.

If 5 separate bond sales of \$200.0 million were made every three years, the total debt service for this program would be \$2.1 billion (assumptions: 5% interest rate with a term of 35 years). It would take approximately 46 years to pay off these bonds. Annual debt service payments would range from the initial \$12.1 million level, to as much as \$60.6 million, beginning in the 12th year of the program.

This program would support local water pollution control projects.