



General Assembly

January Session, 2007

Proposed Bill No. 370

LCO No. 2568

Referred to Committee on Finance, Revenue and Bonding

Introduced by:
SEN. HERLIHY, 8th Dist.

**AN ACT CONCERNING ESTABLISHMENT OF A STATE DEBT
POLICY.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 That the state establish a debt policy that includes a debt cap to be
- 2 phased in over the next few years and that once such cap is phased in,
- 3 the state's debt service may never exceed ten per cent of the state's
- 4 expenditures unless authorized by a vote of three-fifths of the
- 5 members of each house of the General Assembly.

Statement of Purpose:

To establish a state debt policy to reduce budgetary pressures caused by our escalating debt service.