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FISCAL NOTE(Form 1)
(Office of Fiscal Analysis)
Analyst: J 4-13-92
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Version:

BILL NUMBER: HB 5670
FILE NUMBER:
AMENDMENTS:

TITLE: "AN ACT CONCERNING CONTROL OF THE ISSUANCE OF TAX
EXEMPT STATE OBLIGATIONS"

FAVORABLY REPORTED BY Finance, Revenue and Bonding

EFFECTIVE DATE: Upon Passage

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FISCAL IMPACT STATEMENT - BILL NUMBER HB 5670

STATE IMPACT See explanation below
MUNICIPAL IMPACT None
STATE AGENCY(S) State Treasurer

EXPLANATION OF ESTIMATES:

Because the IRS and the Bond market do not distinguish between a compliance lapse by an individual agency or institution and a lapse by the State of Connecticut, loss of tax exemption anywhere in the system, could temporarily interrupt access to the bond market and negatively effect the State's bond rating, thus increasing the cost of borrowing. This bill would help ensure full compliance with the IRS code on all issues.