

## House Republican Press Release

September 21, 2007  
Press Office: 860-240-8700

### **Reps Hamzy, Burns Oppose Majority Democrats' \$3.1 Billion Bond Bill; Support Leaner Republican Package**



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#### ***Both Packages Include Funding for Bristol Projects***

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State representatives William A. Hamzy and Ron Burns opposed a \$3.1 billion bonding measure drafted by the General Assembly's majority Democrats that was approved on a party line vote Thursday, saying the extravagant package, which Governor Rell has said she will veto, would have jeopardized the state's credit rating, inflated the state debt, and increased the burden on Connecticut taxpayers.

The legislators instead opted for a leaner alternative bond package developed by House Republicans, which would have saved taxpayers more than \$275 million, mostly achieved by limiting pet projects, the majority of which are earmarked for large urban areas represented by the state legislature's Democrats. The House Republican proposal also would have preserved funding for several critical Bristol projects.

"As a fiscal conservative, I simply could not support the Democrats' bonding bill," said Representative Hamzy, R-78<sup>th</sup> District. "The agencies that determine Connecticut's credit rating have told us that the state's currently favorable rating would be jeopardized if we borrow more than \$1.25 billion through the sale of state bonds over the next two years. Even the Democrats have acknowledged that our credit rating would suffer if all of the earmark projects they included in their bill are approved by the State Bond Commission, which has the final say on which projects are funded. If the state's credit rating is downgraded by the rating agencies, it would mean we would have to pay higher interest rates on the bonds we sell, which would further inflate the state debt and mean higher costs to taxpayers as the bonds are paid off."

"Clearly, some major projects need to be funded with the sale of state bonds that are paid off over a period of years to reduce the impact on taxpayers. They include school construction, improvements to our transportation infrastructure, maintaining our bridges, and helping to fund truly critical local projects. Our alternative bond package preserved funding for projects like these - and even provided \$60 million for badly needed local projects. Our proposal would have significantly reduced wasteful pork barrel spending and limited growth in the state debt to a sustainable level that would have been affordable to Connecticut's overburdened taxpayers," Representative Hamzy said.

"Currently, 11 cents of every tax dollar the state collects is used to help pay off our bonded indebtedness. If every item authorized in the Democrats' bonding package receives final approval and is allocated by the State Bond Commission, it would mean

about 18 cents of every tax dollar would have to be dedicated to servicing the state debt,” said Representative Burns, R-77<sup>th</sup> District, who serves on the General Assembly’s Appropriations Committee.

“Bristol has some very worthwhile projects that were included in the bonding package approved Thursday,” Representative Burns said. “Our alternative budget, which was offered as an amendment to the Democrats’ bill, would have preserved funding for those projects and other wise investments while limiting the state’s borrowing to levels that would not jeopardize our credit rating. Unfortunately, our Democratic colleagues refused to support our proposal.”

Grants authorized for Bristol projects under both the Democrat and Republican bonding packages include:

- \$3,500,000 for a public works project to relocate Mount Vernon Road, which would allow Lake Compounce to expand.
- \$425,000 for the Bristol Community Organization, Inc., to purchase a building for the expansion of the Head Start program.
- \$200,000 to the Environmental Learning Center for infrastructure improvements at Indian Rock Nature Preserve in Bristol.

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