

## **GARVEE bonds sold yesterday**

Written by

Wednesday, 26 September 2007 19:00

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North Carolina sold its first batch of a new kind of road construction bond yesterday.

The Grant Anticipation Revenue Vehicle, or GARVEE bonds are designed to speed up the completion of transportation projects compared to those using conventional financing. The \$287.5 million in GARVEE bonds will be repaid with federal transportation money that North Carolina expects to receive in the years ahead, rather than through state tax revenues. The bonds have a true interest rate of 3.9 percent and were approved for use by the General Assembly in 2005. They will pay for federal road projects statewide, including repairs, resurfacing or safety improvements along several interstates.