

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 1401 (Dorchester County Delegation)

Appropriations

Dorchester County - Eastern Shore Hospital Center Redevelopment Bonds

This bill authorizes the County Commissioners of Dorchester County to issue up to \$3.0 million in general obligation bonds for construction and improvement of the Eastern Shore Hospital Center site for economic redevelopment. The date of maturity cannot exceed 30 years.

The bill is effective June 1, 1998.

Fiscal Summary

State Effect: None.

Local Effect: Dorchester County would receive up to \$3.0 million in bond proceeds for economic redevelopment of the Eastern Shore Hospital Center site. County debt service expenditures would increase by a maximum of \$293,931 annually.

Small Business Effect: Minimal.

Fiscal Analysis

Local Effect: Dorchester County revenues could increase by up to \$3.0 million due to the bond proceeds. As of June 30, 1997 the county had \$21.5 million in outstanding debt. The county currently has an A credit rating. The interest rate for A rated bonds is estimated to be 5.25%. Assuming the county issues \$3.0 million in bonds, the county's annual debt service costs on these bonds would be \$293,931.

Information Source(s): Dorchester County, Department of Legislative Services

Fiscal Note History: First Reader - March 16, 1998

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Analysis by: Thomas Hickey
Reviewed by: Paul Ballou

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 841-3710
(301) 858-3710