

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE  
Revised

House Bill 1328 (Cecil County Delegation)  
Appropriations

Referred to Budget and Taxation

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**Cecil County - Public School and Community College Bonds**

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This enrolled bill authorizes the Cecil County Commissioners to issue general obligation bonds in an amount not exceeding \$9 million for public school facilities and the Cecil County Community College. The maturity date of the bonds must not exceed 15 years. The bill is effective June 1, 1996.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Cecil County would receive up to \$9.0 million in bond proceeds for public school and community college projects. County debt service expenditures would increase by a maximum of \$0.9 million annually.

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**Fiscal Analysis**

**Local Effect:** Cecil County revenues could increase by an amount not exceeding \$9.0 million due to the bond proceeds. As of June 30, 1994, the county had \$49.1 million of outstanding debt. Cecil County currently has an A/A+ credit rating. The interest rate for A rated 15-year bonds is 5.5%. Assuming the county issues bonds of \$9.0 million, the county's annual debt service costs on these issues would be \$0.9 million. One cent on the county's property tax rate yields approximately \$172,300 in fiscal 1997. As a result, this expenditure increase is equivalent to \$0.0535 on the county's property tax rate.

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**Information Source(s):** State Treasurer's Office, Cecil County, Department of Fiscal Services

**Fiscal Note History:** First Reader - March 5, 1996  
ncs Revised - House Third Reader - March 29, 1996  
Revised - Enrolled Bill - April 23, 1996

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