

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 309 (Calvert County Delegation)
Commerce and Government Matters

Referred to Budget and Taxation

Calvert County - Economic Development Loan Fund

This enrolled bill authorizes the Calvert County Commissioners to establish, by ordinance, an Economic Development Loan Fund to offer direct loans and guarantees of loans to certain businesses. The county commissioners may authorize, by ordinance, the Calvert County Industrial Park Authority to administer the fund and the county Department of Finance to manage the funds disbursed by the fund. Any loans issued must be used for businesses that expand their existing operations, establish new operations or facilities in the county, and may potentially increase the tax base and create new employment opportunities in the county.

The bill is effective July 1, 1996.

Fiscal Summary

State Effect: None.

Local Effect: Calvert County revenues and expenditures could increase by an indeterminate amount as discussed below.

Fiscal Analysis

Local Effect: If Calvert County establishes an Economic Development Loan Fund to offer direct loans and guarantees of loans made by banks to businesses, county expenditures could increase depending upon the scope of the loan program. At this time, the number of loans and their amounts cannot be determined. The county, however, would receive loan repayments, including interest, from the loan recipients.

Before establishing the fund, the county must hold a public hearing on the matter. It is assumed that the cost of conducting the hearing would be minimal and absorbable within the

county's existing resources.

Any costs associated with administering the fund would be minimal and could be handled with the county's existing resources.

Information Source(s): Calvert County, Department of Fiscal Services

Fiscal Note History: First Reader - February 1, 1996
ncs Revised - Enrolled Bill - April 22, 1996

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