

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 1422 (Delegate Schisler, *et al.*)

Appropriations

Referred to Budget and Taxation

Higher Education - Community Colleges - Authority to Borrow

This amended bill authorizes the Boards of Community College Trustees for Allegany County, Anne Arundel County, Baltimore County, Carroll County, Cecil County, Frederick County, and the Board of Trustees for Chesapeake College to borrow money to finance intermediate term lease purchase agreements for personal property, including fixtures, for the operation of the college. It provides that moneys borrowed do not create a debt or obligation of the State or any political subdivision of the State other than the community college. A lease purchase entered into by the boards before June 1, 1997 is deemed to be authorized under the provisions of this bill.

The bill takes effect June 1, 1997.

Fiscal Summary

State Effect: None. The bill would not directly affect governmental operations or finances.

Local Effect: Potential minimal expenditure savings. Revenues would not be affected.

Small Business Effect: Potential minimal effect on a limited number of small businesses as discussed below.

Fiscal Analysis

Local Expenditures: Expenditures could decrease by a minimal amount due to more efficient business practices allowed by the bill's lease purchase agreement provision.

Small Business Effect: Small businesses in the affected counties could be favorably affected to the extent that the community colleges make lease purchase arrangements with small

businesses in the area.

Information Source(s): Maryland Higher Education Commission, Department of Fiscal Services

Fiscal Note History: First Reader - March 10, 1997
mld Revised - House Third Reader - April 1, 1997

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