

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Bond Bill

Senate Bill 766 (Senator Stoltzfus)
Budget and Taxation

Creation of a State Debt - Somerset County - J. Millard Tawes Library
(\$100,000)

This bill provides \$100,000 in State bond proceeds as a grant to the Board of Directors of the J. Millard Tawes Foundation, Inc. to acquire, repair, renovate, and reconstruct the childhood home of the late Governor J. Millard Tawes, located in the city of Crisfield, to be used as the J. Millard Tawes Library.

The board of directors must provide matching funds by June 1, 1999.

Fiscal Summary

State Effect: This \$100,000 bond authorization would be part of the total \$415 million general obligation debt authorization for FY 1998 as recommended by the Capital Debt Affordability Committee. State debt service costs on the \$415 million would be a maximum of \$43.9 million annually based on an interest rate of 4.90%.

Local Effect: None.

Small Business Effect: Minimal effect on small businesses as discussed below.

Fiscal Analysis

Small Business Effect: This bond bill would be part of the annual State capital program. Each year, the State approves a program of general obligation bond funded capital spending. The fiscal 1998 funding totals \$415 million, an amount consistent with the level of funding authorized in prior years. The State's capital program contributes to the construction industry in Maryland, which includes many small businesses. In 1995, the total value of non-residential building construction contracts in Maryland was \$1.8 billion. The fiscal 1998

capital program will continue the State's contribution to the construction industry in Maryland but because it is only \$15 million over the fiscal 1997 level, it will not add substantially to it.

Information Source(s): Department of Fiscal Services

Fiscal Note History: First Reader - March 7, 1997
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Analysis by: Lori Caldwell-Valentine
Reviewed by: John Rixey

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