

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 420 (Senators Haines and Ferguson) (Carroll County Senators)

Budget and Taxation

Carroll County - Public Facilities Bonds

This bill authorizes the Carroll County Commissioners to issue up to \$30.39 million in general obligation bonds to finance: (1) the construction, improvement, or development of public facilities (up to \$22.49 million); (2) water and sewer projects (up to \$2.9 million); (3) loans for fire and emergency equipment and buildings or other facilities of volunteer fire departments in the county (up to \$2.5 million); and (4) loans to the Carroll County Agricultural Center, Inc. (up to \$2.5 million). The date of maturity of such bonds may not exceed 30 years.

The bill is effective June 1, 1998.

Fiscal Summary

State Effect: None.

Local Effect: Carroll County would receive up to \$30.39 million in bond proceeds for public facility projects. County debt service expenditures would increase by a maximum of \$2.5 million annually. If the county makes loans to volunteer fire departments or the Carroll County Agricultural Center, it would receive loan payments from the organizations.

Small Business Effect: Minimal.

Fiscal Analysis

Local Effect: Carroll County revenues could increase by up to \$30,390,000 due to the bond proceeds. As of June 30, 1997 the county had \$164.1 million in outstanding debt. The county currently has an AA credit rating. The interest rate for AA rated 20-year bonds is estimated to be 5.25%. Assuming the county issues \$30,390,000 in bonds, the county's annual debt service costs on these bonds would be \$2.5 million.

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

Fiscal Note History: First Reader - March 2, 1998

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