

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE
Bond Bill

Senate Bill 740 (Senator Baker)

Budget and Taxation

Creation of a State Debt - Cecil County - The Town of North East - Bulkheading

This bill provides \$200,000 in State bond proceeds as a grant to the Mayor and Commissioners of the Town of North East for the planning, design, and construction of bulkheading to repair the shoreline.

The Mayor and Commissioners of the Town of North East must provide matching funds by June 1, 2000. The fund may consist of real property, in kind contributions, or funds expended prior to the effective date of the bill.

Fiscal Summary

State Effect: This \$200,000 grant would be part of the total \$430 million general obligation debt authorization for FY 1999 as recommended by the Capital Debt Affordability Committee. State debt service costs on the \$430 million would be a maximum of \$44.2 million annually based on the 4.34% interest rate realized at the February 18, 1998 bond sale.

Local Effect: Grant revenue of the Town of North East would increase by \$200,000 and expenditures would increase by up to \$400,000.

Small Business Effect: Minimal.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader - March 5, 1998

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