

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 551 (St. Mary's County Delegation)

Appropriations

St. Mary's County - Public Facilities Bonds

This bill authorizes the St. Mary's County Commissioners to issue up to \$20 million in general obligation bonds for construction, improvement, or development of public facilities. The date of maturity cannot exceed 30 years.

The bill is effective June 1, 1998.

Fiscal Summary

State Effect: None.

Local Effect: St. Mary's County would receive up to \$20 million in bond proceeds for capital projects. County debt service expenditures would increase by a maximum of \$2 million annually.

Small Business Effect: Minimal impact on small businesses.

Fiscal Analysis

Local Effect: St. Mary's County revenues could increase by up to \$20 million due to the bond proceeds. As of June 30, 1997, the county had \$72.5 million in outstanding debt. The county currently has an A+\A1 credit rating. The interest rate for A rated 15-year bonds is estimated to be 5.25%. Assuming the county issues \$20 million in bonds, the county's annual debt service costs on these bonds would be \$2 million.

Information Source(s): St. Mary's County, Department of Legislative Services

Fiscal Note History:

First Reader - March 3, 1998

Inc

Analysis by: Thomas Hickey

Direct Inquiries to:

Reviewed by: John Rixey

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710