

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE  
Bond Bill

Senate Bill 322 (Senator Forehand)

Budget and Taxation

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**Creation of a State Debt - Montgomery County - Kentlands Cultural  
Arts Center**

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This bill provides \$750,000 in State bond proceeds as a grant to the Mayor and City Council of Gaithersburg for the repair, renovation, expansion, reconstruction, construction, and capital equipping of the Kentlands Barn, located on the Kentland Mansion property, to be known as the Kentlands Cultural Arts Center.

The City of Gaithersburg must provide matching funds by June 1, 2000.

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**Fiscal Summary**

**State Effect:** This \$750,000 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:** Gaithersburg grant revenue would increase by \$750,000 and expenditures would increase by \$1.5 million.

**Small Business Effect:** Minimal.

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**Information Source(s):** Department of Legislative Services

**Fiscal Note History:** First Reader - March 10, 1998

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