

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 702 (Senator Hafer)

Budget and Taxation

Garrett County - Purchase of Real Property and Capital Improvements - Financing

This bill authorizes the Garrett County Commissioners to finance up to \$1.5 million for the construction or renovation of any building for public purposes through a financial institution.

Under current law the commissioners are authorized to finance up to \$500,000 for the purchase of real property through a financial institution.

The commissioners must adopt a resolution to finance a capital project through a financial institution at a regular session of the commissioners. Public notice of the hearing must be published in at least one newspaper and the hearing must be scheduled at least 10 days after notice of the proposed financing is published.

The bill is effective July 1, 1998.

Fiscal Summary

State Effect: None.

Local Effect: Garrett County revenues could increase by \$1 million, depending on whether an agreement to finance capital improvements is entered into with a financial institution. Any increase in revenues would be offset by expenditures for debt service on loans.

Small Business Effect: Potential meaningful impact on small businesses.

Fiscal Analysis

Small Business Effect: To the extent that Garrett County finances capital improvements, small businesses could be significantly impacted. Capital improvements to public buildings could result in the generation of revenue and job growth for construction, plumbing, electrical, architecture, and design firms. The number of firms which would be considered small businesses is however unknown.

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

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