

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE
Bond Bill

Senate Bill 718 (Senator Ruben)

Budget and Taxation

Creation of a State Debt - Montgomery County - Takoma Park

This bill provides \$500,000 in State bond proceeds as a grant to the Mayor and City Council of Takoma Park for the planning, design, renovation, landscaping, and renovation of street lighting, streets, and sidewalks in the City of Takoma Park.

The Mayor and City Council must provide matching funds by June 1, 2000.

Fiscal Summary

State Effect: This \$500,000 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: City of Takoma Park grant revenue will increase by \$500,000 and expenditures will increase by at least \$1 million.

Small Business Effect: Minimal.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader - March 11, 1998

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