

**Department of Legislative Services**  
Maryland General Assembly  
1999 Session

**FISCAL NOTE**

House Bill 1011 (Chairman, Appropriations Committee)  
(Departmental - University System of Maryland)

Appropriations

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**Academic Facilities Bonding Authority**

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This departmental bill authorizes the University System of Maryland to sell a total of \$25.0 million of academic facilities bonds to finance the acquisition, development, and improvement of specified academic facilities.

The bill is effective July 1, 1999.

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**Fiscal Summary**

**State Effect:** The University System of Maryland would receive a total of \$25.0 million in bond proceeds for academic facilities projects at various campuses. The system's debt service cost would be approximately \$2.1 million each year.

**Local Effect:** None.

**Small Business Effect:** The University System of Maryland has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

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**Fiscal Analysis**

**State Revenues:** The \$25.0 million in bond proceeds from the sale of the bonds would be revenue for the University System of Maryland to use for academic facilities projects.

**State Expenditures:** The University System of Maryland's Auxiliary and Academic

Facilities Bonding Authority has an AA credit rating and currently has approximately \$650 million of debt outstanding against a total authorization of \$750 million. The annual debt service costs for 20 years at 5 1/2% on the bonds authorized by this bill would be approximately \$2.1 million.

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**Information Source(s):** University System of Maryland, Department of Legislative Services

**Fiscal Note History:** First Reader - March 2, 1999

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