

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

Senate Bill 645 (Senators Ferguson and Moonev)
(Frederick County Senators)

Budget and Taxation

Frederick County - Public Facilities Bonds

This bill authorizes the Frederick County Commissioners to issue up to \$90.0 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, 1999.

Fiscal Summary

State Effect: None.

Local Effect: Frederick County would receive up to \$90.0 million in bond proceeds for capital projects. County debt service expenditures would increase by an estimated \$7.2 million annually.

Small Business Effect: Minimal.

Fiscal Analysis

Local Effect: Frederick County revenues could increase by up to \$90.0 million due to the bond proceeds. As of June 30, 1998, the county had \$223.3 million in outstanding debt. The county currently has an AA\Aa2 credit rating. The interest rate for AA rated 20-year bonds is estimated at 4.95%. Assuming the county issues \$90.0 million in bonds, the county's annual debt service costs on these bonds would be \$7.2 million.

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

Fiscal Note History: First Reader - March 17, 1999

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