

Department of Legislative Services  
Maryland General Assembly  
1999 Session

FISCAL NOTE

House Bill 1057 (Delegate Eckardt. *et al.*)

Appropriations

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**Dorchester County - Public School Capital Improvement Bonds**

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This bill authorizes the Dorchester County Commissioners to issue up to \$2.8 million in general obligation bonds in order to finance the costs of public school capital improvements.

The bill is effective June 1, 1999.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Dorchester County would receive up to \$2.8 million in bond proceeds for public school capital improvement projects. County debt service expenditures could increase by an estimated \$267,938 annually.

**Small Business Effect:** Minimal.

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**Fiscal Analysis**

**Local Effect:** Dorchester County revenues could increase by up to \$2.8 million due to the bond proceeds. As of June 30, 1998, the county had \$21.0 million in outstanding debt. The county currently has an AA2 credit rating. The interest rate for A rated 15-year bonds is estimated at 4.9%. Assuming the county issues \$2.8 million in bonds, the county's annual debt service costs on these bonds would be \$267,938.

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

**Fiscal Note History:** First Reader - March 5, 1999

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