

Department of Legislative Services

Maryland General Assembly

2001 Session

FISCAL NOTE

Senate Bill 103 (Senator Hoffman, *et al.*)

Budget and Taxation

Appropriations

Capital Debt Affordability Committee - Membership

This bill increases the membership of the Capital Debt Affordability Committee (CDAC) to include the Chairman of the Senate Budget and Taxation Committee and the Chairman of the House Appropriations Committee.

This bill takes effect July 1, 2001.

Fiscal Summary

State Effect: Altering the membership of the CDAC would not directly affect State finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The CDAC is comprised of five members: one individual appointed by the Governor, the Comptroller, the Treasurer, the Secretary of Budget and Management, and the Secretary of Transportation.

Background: The CDAC was established in 1978 in response to a dramatic increase in outstanding debt during the mid-1970s and the release of a two-year study of the State's debt by the then Department of Fiscal Services. The committee is required to review annually the size and condition of the State's debt and to submit to the Governor and the

General Assembly, by September 10 of each year, an estimate of the maximum amount of new general obligation debt that prudently may be authorized for the next fiscal year. The committee is also required to submit an estimate of the amount of new bonds for academic facilities that prudently may be authorized. While the committee's recommendations are not binding, the Governor is required to give due consideration to the committee's findings in determining the total authorization of new State debt and in preparing a preliminary allocation for the next fiscal year.

Additional Information

Prior Introductions: This bill was introduced in the 2000 session as SB 104 and was passed by the Senate; however, no action was taken on the bill by the House of Delegates.

Cross File: None.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader – January 22, 2001
ncs/jr

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