

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

House Bill 1389

(Wicomico County Delegation)

Appropriations

Budget and Taxation

**Wicomico County - Bonds - Limitation on Effect of Charter Provision Impairing
Obligation to Levy or Collect Taxes**

This bill authorizes Wicomico County to provide security for the payment of principal and interest on the county's borrowings by establishing sinking funds, debt service funds, debt service reserve funds, or other trust funds; pledging funds from general fund revenues; or pledging any of its revenues. The bill also prohibits any charter provision of Wicomico County from impairing the obligation of the county to levy and collect taxes to pay the principal and interest of bonds which are outstanding on the effective date of the charter provision to which the county has pledged its unlimited taxing power.

The bill is effective June 1, 2001.

Fiscal Summary

State Effect: None.

Local Effect: Wicomico County finances would not be directly affected by establishing various funds, pledging general fund revenues, or pledging revenues to provide for payment of principal and interest on the county's borrowings.

Small Business Effect: None.

Analysis

Current Law: None applicable.

Background: The voters of Wicomico County approved a referendum to cap county property tax revenue growth by the lesser of 2% or the change in CPI at the general election on November 7, 2000. This cap became effective on December 7, 2000. Only Anne Arundel and Prince George's counties have the authority granted by this bill.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader – March 19, 2001
ncs/hlb

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