

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE

House Bill 262
Appropriations

(Calvert County Delegation)

Budget and Taxation

Calvert County - Public Facilities Bonds

This bill authorizes the County Commissioners of Calvert County to issue up to \$25.7 million in general obligation bonds for improvement and development of the Prince Frederick Loop Road, the College of Southern Maryland, and the Prince Frederick Library in Calvert County. The date of maturity cannot exceed 30 years.

The bill is effective June 1, 2002.

Fiscal Summary

State Effect: None.

Local Effect: Calvert County would receive up to \$25.7 million in bond proceeds for capital projects. County debt service expenditures would increase by an estimated \$2.5 million annually for the next 15 years.

Small Business Effect: None.

Analysis

Background: Calvert County advises that \$25.7 million would be used to construct the Prince Frederick Loop Road, to construct new buildings at the College of Southern Maryland, and to renovate the Prince Frederick Library. Prince Frederick Loop Road will be constructed around the county seat of Prince Frederick to divert through-traffic off of Route 4 which serves as the town's main road. The College of Southern Maryland, which has one of its four campuses located in Prince Frederick, has approximately 1,250

enrolled students. The Prince Frederick Library is the main library of the Calvert County public library system handling over 380,000 inquiries annually.

Local Fiscal Effect: Calvert County revenues could increase by up to \$25.7 million due to the bond proceeds. Annual debt service costs for the bonds would total approximately \$2,492,761. This estimate is based on a 5.1% annual interest rate over 15 years, which is the financing plan provided by the county. At the end of fiscal 2001, Calvert County had approximately \$63 million in outstanding debt which represents approximately 2.15% of the county's assessable base. The statewide average is approximately 7%. The county currently has an AA- credit rating.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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mam/hlb

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