

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 388
Appropriations

(Delegate Watson)

Budget and Taxation

Bond Sales - Notification of the Public

This bill authorizes the Board of Public Works (BPW) and the State Treasurer to give public notice of a State bonds sale through the Municipal Market Monitor (TM3) or a similar service or method as the State Treasurer deems appropriate. **The bill takes effect June 1, 2023.**

Fiscal Summary

State Effect: Potential minimal decrease in general fund expenditures as the bill will enable BPW and the State Treasurer to utilize less costly forms of notification. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: BPW must give public notice of the sale of State bonds at least 10 days prior to the public sale. The notice must state the date, time, and place of the public sale.

BPW must sell State bonds to the bidder who offers the lowest net interest cost to the State or meets the other terms or conditions of sale or issuance set by BPW. However, BPW may reject all bids if it determines that no bid is satisfactory and that it is in the best interest of the State to reject all bids.

By resolution, BPW may postpone the time for receipt of proposals for the bonds without republishing the form of advertisement for the bonds.

The State Treasurer must provide notice of the new date and time of sale at least 24 hours prior to the time proposals are to be submitted; however, the new date may not be more than 30 days after the originally scheduled date of sale. The public notice may be given by Munifacts News Service or a similar service or method the State Treasurer deems appropriate.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 152 (Senator Augustine)(By Request - Joint Committee on the Management of Public Funds) - Budget and Taxation.

Information Source(s): State Treasurer's Office; Board of Public Works; Department of Legislative Services

Fiscal Note History: First Reader - January 27, 2023
js/hlb Third Reader - March 3, 2023

Analysis by: Trevor S. Owen

Direct Inquiries to:
(410) 946-5510
(301) 970-5510