

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE

Senate Bill 254

(Senators Baker and Hooper)

Budget and Taxation

Appropriations

Cecil County - Public Facilities Bonds

This bill authorizes the County Commissioners of Cecil County to issue up to \$5 million in general obligation bonds for the construction and improvement of public facilities in Cecil County. The date of maturity cannot exceed 30 years.

The bill is effective June 1, 2002.

Fiscal Summary

State Effect: None.

Local Effect: Cecil County could receive up to \$5 million in bond proceeds for capital projects. County debt service expenditures would increase by an estimated \$367,900 annually for the next 20 years.

Small Business Effect: Minimal.

Analysis

Background: Cecil County advises that the funds will be used for the improvement of county roads (\$1.35 million), emergency medical service projects (\$188,000), and public school buildings (\$3.46 million).

Local Fiscal Effect: Cecil County revenues could increase by up to \$5 million due to the bond proceeds. Annual debt service costs for the bonds would total approximately \$367,900. This estimate is based on a 4.0% annual interest rate over 20 years, which is the financing plan provided by the county. At the end of fiscal 2001, Cecil County had

approximately \$63.0 million in outstanding debt, which represents approximately 3.1% of the county's assessable base. The statewide average is 7.0%. The county currently has an A+ credit rating.

Additional Information

Prior Introductions: None.

Cross File: HB 417 (Cecil County Delegation) – Appropriations.

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

Fiscal Note History: First Reader - February 4, 2002
lsc/hlb

Analysis by: Christopher J. Kelter

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510