

PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2024 Legislative Session

Reference No.: CB-108-2024

Draft No.: 1

Committee: GOFP

Date: November 4, 2024

Action: FAV

REPORT: Committee Vote: Favorable with amendments 3-0 (Council Members Watson, Hawkins, and Dernoga)

The Prince George's County Council's Government Operations and Fiscal Policy Committee convened on November 4, 2024, to consider CB-108-2024 is a Bill regarding the Issuance and Sale of General Obligation and Stormwater Management Bonds. Enactment of this legislation would authorize Prince George's County, Maryland to issue and sell an amount not to exceed seven hundred three million fifty-five thousand dollars (\$703,055,000) in aggregate principal amount of general obligation bonds and one hundred three million two hundred ninety-one thousand dollars (\$103,291,000) in aggregate principal amount of general obligation stormwater management Bonds for a variety of projects approved in the capital budget for this fiscal year. A favorable vote would allow this matter to be referred to the voters.

Council staff provided an overview of the legislation which would authorize the County to issue and sell up to \$703,055,000 in aggregate principal amount of general obligation bonds and \$103,291,000 in aggregate principal amount of general obligation stormwater management bonds to finance the planning, acquisition, construction, reconstruction, establishment, extension, enlargement, demolition or improvement of various County capital projects approved in the capital budget of the County for the fiscal year ending June 30, 2025.

The additional debt and related interest and issuance costs associated with the proposed general obligation bonds, or bond anticipation notes, when issued will have an adverse fiscal impact on the County to the extent of the total multi-year debt service costs. The amount of the adverse fiscal impact is contingent upon the bond interest rate and the term of the bonds. The fiscal impact on the County for any refunding bonds should be favorable if, and when, such refunding bonds are sold. The bonds sold for stormwater management projects (\$103,291,000 of the total) will be supported with revenues generated by the Stormwater Management Fund and not by General Fund revenues.

Ms. Sakinda Skinner representing the Office of the County Executive requested a favorable report.

The Office of Law has reviewed this legislation and finds it to be in proper legislative form with no legal impediments to its enactment.

Council member Dernoga, inquired about the bill going to the voters. This bill does not go to the voters. Legislation was adopted earlier this year that requires a referendum.

After discussion, The Prince George's County Council Government Operations and Fiscal Policy Committee voted favorably 3-0.