Fiscal Note & Local Impact Statement

122 nd General Assembly of Ohio

BILL:	**S.B. 24**	DATE:	**April 9, 1997**
STATUS:	**As Passed by the House**	SPONSOR:	**Sen. Ray**

LOCAL IMPACT STATEMENT REQUIRED: **No — Permissive**

CONTENTS: **To extend the period for which notes may be issued in anticipation of revenue from a library tax levy**

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- By allowing library districts to increase borrowing, expenditures could increase for projects and for debt service.

Detailed Fiscal Analysis

Provisions of the Bill

Under current law, if the voters in a library district pass a tax levy, notes or bonds issued in anticipation of tax revenue may only be issued for up to five years. S.B 24 would extend the period for which notes may be issued from five to ten years.

Effects of the Bill

The bill is permissive and allows a library district to extend the period for which tax anticipation notes may be issued in anticipation of tax revenue. This would allow library districts to have more flexibility in funding projects for which voters have approved a tax levy. The cumulative amount borrowed may be increased, enabling a library district to undertake larger projects. Depending upon short and long term interest rates, annual debt service payments could decrease. However, cumulative debt service payments will increase.

❑ *LBO staff: Alexander C. Heckman, Graduate Researcher*
Allan Lundell, Economist

sb0024hp