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FISCAL NOTE(Form 2)
(Office of Fiscal Analysis)
Analyst: AC 4/14/92
las
Version:

BILL NUMBER: HB 5884
FILE NUMBER:
AMENDMENTS:

TITLE: "AN ACT CONCERNING COURTHOUSE FACILITIES"

FAVORABLY REPORTED BY Judiciary

SUMMARY: This bill prohibits the expenditure of funds in SFY 1992-93 for any courthouse facility in Middletown that was not in use as a courthouse facility on July 1, 1991.

EFFECTIVE DATE: Upon Passage

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FISCAL IMPACT STATEMENT - BILL NUMBER HB 5884

STATE IMPACT	Savings, Potential Significant Cost, see explanation below
MUNICIPAL IMPACT	None
STATE AGENCY(S)	State Treasurer, Judicial Department, Department of Public Works

EXPLANATION OF ESTIMATES:

STATE IMPACT: The passage of the bill would result in short-term savings and potential significant cost to the State. Since the bill prohibits the expenditure of funds on new courthouse facilities in Middletown in SFY 1992-93, a savings of \$1,121,303 would accrue to the State Treasurer due to the elimination of lease payments for a planned facility on 1 Court Street, Middletown. The funds for the lease-purchase of the courthouse are supported through the sale of Certificates of Participation (COPS) issued by the Treasurer's Office. However, because the bill prohibits any payments for the facility (including debt service), the Treasurer's Office would default on the COPS and cause an almost certain decline in the State's credit rating.