

Council Bill 42-2026 Fiscal Analysis
Introduced: June 1, 2026
Fiscal Manager: Owen Kahn

Legislative Intent: This legislation authorizes the issuance of up to \$18.17 million in bonds through the Maryland Water Infrastructure Financing Administration to finance the construction of capital project C0337 Ellicott City Improvements and Enhancements.

ANALYSIS

Fiscal Impact:

This bond issuance authorization will allow the County to issue \$18.17 million in bonds through the Maryland Water Infrastructure Financing Administration (MWIFA). The MWIFA is a State administration within the Maryland Department of the Environment that provides financial assistance for local water infrastructure projects in the form of low interest loans.

The funds generated from this bond issuance will be used for capital project C0337 Ellicott City Improvements and Enhancements. According to the Administration, the specific use will be for construction of the Extended North Tunnel component of the project.

The specific terms of the bonds, including the interest rate, will be set at the time of issuance based on current market conditions. The fiscal impact of the debt service will be dependent on the actual amount of funds drawn and the specific terms of the issuance. According to the FY2027 Capital Budget, the total 20-year debt service for capital project C0337 Ellicott City Improvements and Enhancements is expected to total \$358 million, with annual debt service payments of \$1.57 million.

If the County performs all obligations of the agreement, including successfully financing the debt service, up to \$1 million of the bond amount can be forgiven.

Budget Implications:

- According to the Administration, this bond issuance is pursuant to the appropriation approved in the FY2026 Capital Budget. The FY2026 budget approved \$23.2 million for the MWIFA bonds. The Administration indicated that the long delay in issuing the bonds and the difference in the amount of the bonds is due to the timeline and application process established by MWIFA.
- The FY2027 Capital Budget approved an additional \$33 million in MWIFA loans, with \$18 million programmed in FY2028 and \$5.9 million programmed in FY2029.

Other Notes:

- Similar legislation was most recently adopted in [CB56-2024](#) for \$23.5 million in MWIFA bond funding.