

**Department of Legislative Services**  
Maryland General Assembly  
2021 Session

**FISCAL AND POLICY NOTE**  
**Enrolled**

Senate Bill 612

(Carroll County Senators)

Budget and Taxation

Appropriations

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**Carroll County - Public Facilities Bond**

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This bill authorizes the Carroll County Commissioners to issue up to \$48.45 million in general obligation bonds for the acquisition, construction, improvement, or renovation of public buildings, facilities, and public works projects. The date of maturity of the bonds cannot exceed 30 years. **The bill takes effect June 1, 2021.**

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Carroll County receives up to \$48.45 million in bond proceeds. County debt service expenditures increase by an estimated \$2.7 million annually over a 20-year period.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** Commission counties do not have the legislative power to create debt; General Assembly authorization is required before any bonds can be sold. Carroll County is one of six counties that still operates under the commission form of government.

**Local Fiscal Effect:** Since 2011, Carroll County has received authorization by the General Assembly to issue up to \$248.5 million in general obligation bonds for public facilities, as shown in **Exhibit 1**. **Exhibit 2** shows the planned capital projects in Carroll County for fiscal 2022.

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**Exhibit 1**  
**Bond Authorizations for Carroll County**  
(\$ in Millions)

<u>Session</u>	<u>Chapter Number</u>	<u>Authorized Amount</u>
2011	Ch. 117	\$16.0
2013	Ch. 63	40.0
2014	Ch. 63	20.0
2015	Ch. 84	17.0
2016	Ch. 254	31.0
2017	Ch. 435	25.0
2018	Ch. 89	32.7
2019	Ch. 184	28.5
2020	Ch. 285	38.3
<b>Total</b>		<b>\$248.5</b>

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Carroll County revenues increase by up to \$48.45 million from bond proceeds. Annual debt service costs for the bonds total approximately \$2.7 million. This estimate is based on a 1.17% interest rate and a 20-year term of maturity. To the extent that the bond issuance, interest rate, or term of maturity deviate from this assumption, debt service expenditures would adjust accordingly.

At the end of fiscal 2019, Carroll County had approximately \$287.4 million in total outstanding debt, which represents approximately 1.4% of the county’s assessable base and \$1,708 on a per capita basis. The county currently has an AAA credit rating from Standard & Poor’s, an Aaa credit rating from Moody’s Investors Service, and an AAA credit rating from Fitch Ratings.

Information on local debt measures for Maryland counties and Baltimore City can be found in the [Local Government Overview](#) report. A copy of the 2021 report can be found on the Department of Legislative Services [website](#).

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**Exhibit 2**  
**Carroll County Bond Authorization Request**  
**Fiscal 2022**

<b><u>Project Description</u></b>	<b><u>Project Amount</u></b>
Public Schools	
East Middle School	\$31,389,800
<b>Total Public Schools</b>	<b>\$31,389,800</b>
<b>Conservation and Open Space</b>	
Agricultural Land – Maryland Ag. Land Preservation Program	\$1,333,000
Stormwater Facility Renovation	300,000
Watershed Assessment and Improvement (NPDES)	2,600,000
<b>Total Conservation and Open Space</b>	<b>\$4,233,000</b>
<b>Public Works</b>	
Pavement Management Program	\$10,280,000
Ramp and Sidewalk Upgrades	85,000
Small Drainage Structures	253,000
Storm Drain Rehabilitation	253,000
Gaither Road over South Branch Patapsco	411,700
Hawks Hill Road over Little Pipe Creek Tributary	255,000
<b>Total Public Works</b>	<b>\$11,537,700</b>
<b>General Government</b>	
County Building Systemic Renovations	\$788,500
Fleet Lift Replacements	212,000
Generator Replacements	139,000
Public Safety Regional Water Supply	150,000
<b>Total General Government</b>	<b>\$1,289,500</b>
<b>Grand Total</b>	<b>\$48,450,000</b>

NPDES: National Pollutant Discharge Elimination System

Source: Carroll County Government

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## **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** HB 1131 (Carroll County Delegation) - Appropriations.

**Information Source(s):** Carroll County; Department of Legislative Services

**Fiscal Note History:** First Reader - February 11, 2021  
rh/hlb Third Reader - March 16, 2021  
Enrolled - May 7, 2021

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Analysis by: Trevor S. Owen

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510