

## Chapter 575

## (House Bill 1619)

AN ACT concerning

**Maryland Stadium Authority – Maryland Sports and Affiliated Foundations – Establishment**

FOR the purpose of establishing an office known as Maryland Sports in the Maryland Stadium Authority; requiring Maryland Sports to implement a program to bring certain sporting events to the State for certain purposes; requiring Maryland Sports to act as the State's sports commission for the purpose of the National Association of Sports Commissions; authorizing Maryland Sports to request certain assistance and information from any State or local governmental entity, to accept a certain gift, bequest, or grant, to spend certain funds, to act as a host committee for certain sporting events, and to perform certain other tasks; encouraging Maryland Sports to promote private fund-raising by maintaining certain relationships with a certain affiliated foundation; authorizing the Authority to establish one or more affiliated foundations to work with Maryland Sports; establishing the purposes of an affiliated foundation; requiring the Authority to develop policies for the operation of each affiliated foundation the Authority establishes; requiring the Attorney General to review certain policies for form and legal sufficiency and, if appropriate, to approve the policies; requiring the State Ethics Commission to review certain policies that pertain to conflicts of interest and, if appropriate, to approve the policies; allowing an affiliated foundation to solicit and receive certain contributions; providing that an affiliated foundation may not be considered an agency or instrumentality of the State or a unit of the Executive Branch for any purpose; providing that a financial obligation or liability of an affiliated foundation may not be considered a debt or an obligation of the State, the Authority, or Maryland Sports; ~~providing that the Public Ethics Law does not prohibit an Authority official or employee from working in certain capacities for an affiliated foundation requiring the Authority, in consultation with the State Ethics Commission, to adopt regulations to govern conflicts of interest regarding an official or employee of the Authority becoming employed by an affiliated foundation~~ providing that the Public Ethics Law does not prohibit an Authority official or employee from working in certain capacities for an affiliated foundation; prohibiting an official or employee of the Authority who serves in certain capacities for an affiliated foundation from being compensated by the affiliated foundation; authorizing an official or employee of the Authority who serves in certain capacities for an affiliated foundation to be reimbursed for certain expenses incurred in serving in certain capacities for an affiliated foundation; requiring the Authority to notify the Commission in a certain manner whenever the Authority permits an official or employee of the Authority to serve in certain capacities for an affiliated foundation; requiring the Commission to notify the Authority within a certain time of any objections or concerns pertaining to a certain notice; requiring the Authority to reexamine a certain matter on receipt of a certain notice; requiring the Authority to report annually to the Governor, the Legislative Policy Committee, and

*the Commission on certain information*; requiring an affiliated foundation to undergo a certain audit each year; authorizing the Authority to grant certain funds under certain circumstances; and generally relating to the establishment of Maryland Sports and affiliated foundations.

BY repealing and reenacting, without amendments,

Article – Economic Development  
 Section 10–604  
 Annotated Code of Maryland  
 (2008 Volume and 2016 Supplement)

BY adding to

Article – Economic Development  
 Section 10–611 and 10–612  
 Annotated Code of Maryland  
 (2008 Volume and 2016 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
 That the Laws of Maryland read as follows:

### **Article – Economic Development**

10–604.

(a) There is a Maryland Stadium Authority.

(b) (1) The Authority is a body politic and corporate and is an instrumentality of the State.

(2) The Authority is an independent unit in the Executive Branch of State government.

(3) The exercise by the Authority of its powers under this subtitle is an essential governmental function.

(c) The Authority is a public body under Title 5, Subtitle 4 of this article, the Maryland Industrial Development Financing Authority Act, for purposes of applying for, receiving, and making agreements in connection with:

(1) a loan;

(2) a grant;

(3) insurance; or

(4) any other form of financial assistance.

**10-611.**

**(A) THERE IS AN OFFICE KNOWN AS MARYLAND SPORTS IN THE AUTHORITY.**

**(B) MARYLAND SPORTS SHALL IMPLEMENT A PROGRAM TO BRING REGIONAL, NATIONAL, AND INTERNATIONAL SPORTING EVENTS AT ALL LEVELS OF COMPETITION TO THE STATE FOR THE PURPOSES OF:**

**(1) UTILIZING SPORTS FACILITIES IN THE STATE;**

**(2) ENHANCING THE ECONOMIC DEVELOPMENT OF THE STATE; AND**

**(3) PROMOTING THE STATE AS A DESTINATION FOR AMATEUR AND PROFESSIONAL SPORTING EVENTS.**

**(C) MARYLAND SPORTS SHALL ACT AS THE STATE'S SPORTS COMMISSION FOR THE PURPOSE OF THE NATIONAL ASSOCIATION OF SPORTS COMMISSIONS.**

**(D) TO CARRY OUT THE PURPOSES OF THIS SECTION, MARYLAND SPORTS MAY:**

**(1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, REQUEST ANY STATE OR LOCAL GOVERNMENT BODY TO PROVIDE INFORMATION AND ASSISTANCE;**

**(2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ACCEPT A GIFT, BEQUEST, OR GRANT FROM A PUBLIC OR PRIVATE SOURCE;**

**(3) SPEND FUNDS MADE AVAILABLE IN THE STATE BUDGET;**

**(4) ACT AS THE HOST COMMITTEE FOR REGIONAL, NATIONAL, AND INTERNATIONAL SPORTING EVENTS TO BE HELD IN WHOLE OR IN PART IN THE STATE; AND**

**(5) PERFORM ANY OTHER ACT NECESSARY.**

**(E) MARYLAND SPORTS IS ENCOURAGED TO PROMOTE PRIVATE FUND-RAISING BY MAINTAINING RELATIONSHIPS WITH EACH AFFILIATED FOUNDATION ESTABLISHED UNDER § 10-612 OF THIS SUBTITLE.**

**10-612.**

(A) THE AUTHORITY MAY ESTABLISH ONE OR MORE AFFILIATED FOUNDATIONS TO WORK WITH MARYLAND SPORTS, ESTABLISHED UNDER § 10-611 OF THIS SUBTITLE.

(B) THE PURPOSES OF AN AFFILIATED FOUNDATION ARE TO:

(1) SUPPORT THE STATE IN:

(I) SPORTS BID DEVELOPMENT;

(II) SPORTING EVENT RECRUITMENT AND RETENTION;

(III) ECONOMIC ANALYSIS AND RESEARCH RELATING TO SPORTING EVENTS;

(IV) SPONSORSHIP OF SPORTING EVENTS; AND

(V) DEVELOPMENT OF PARTNERSHIPS WITH PUBLIC AND PRIVATE ENTITIES DESIGNED TO SPONSOR SPORTING EVENTS;

(2) PROMOTE REGIONAL, NATIONAL, AND INTERNATIONAL SPORTING EVENTS TO BE HELD, IN WHOLE OR IN PART, IN THE STATE; AND

(3) RECRUIT, MARKET, PROMOTE, WORK TO RETAIN, AND MANAGE SPORTING EVENTS THAT HAVE A POSITIVE ECONOMIC OR CULTURAL IMPACT, OR OTHERWISE ENHANCE THE QUALITY OF LIFE OF THE STATE'S CITIZENS.

(C) (1) THE AUTHORITY SHALL DEVELOP POLICIES FOR THE OPERATION OF EACH AFFILIATED FOUNDATION THE AUTHORITY ESTABLISHES.

(2) THE ATTORNEY GENERAL SHALL REVIEW THE POLICIES THE AUTHORITY DEVELOPS UNDER PARAGRAPH (1) OF THIS SUBSECTION FOR FORM AND LEGAL SUFFICIENCY AND, IF APPROPRIATE, APPROVE THEM TO GOVERN THE AFFILIATED FOUNDATION.

(3) THE STATE ETHICS COMMISSION SHALL REVIEW THE POLICIES THE AUTHORITY DEVELOPS UNDER PARAGRAPH (1) OF THIS SUBSECTION THAT PERTAIN TO CONFLICTS OF INTEREST AND, IF APPROPRIATE, APPROVE THEM TO GOVERN AN OFFICIAL OR EMPLOYEE OF THE AUTHORITY ALSO SERVING AS A DIRECTOR OR OFFICIAL OF AN AFFILIATED FOUNDATION.

(D) AN AFFILIATED FOUNDATION MAY SOLICIT AND RECEIVE CONTRIBUTIONS FROM BUSINESSES, GOVERNMENTAL ENTITIES, NONPROFIT

ORGANIZATIONS, AND INDIVIDUALS INTERESTED IN THE PROMOTION OF SPORTS IN THE STATE.

(E) (1) AN AFFILIATED FOUNDATION ESTABLISHED UNDER THIS SECTION MAY NOT BE CONSIDERED AN AGENCY OR INSTRUMENTALITY OF THE STATE OR A UNIT OF THE EXECUTIVE BRANCH FOR ANY PURPOSE.

(2) A FINANCIAL OBLIGATION OR LIABILITY OF AN AFFILIATED FOUNDATION ESTABLISHED AND OPERATED UNDER THIS SECTION MAY NOT BE CONSIDERED A DEBT OR AN OBLIGATION OF THE STATE, THE AUTHORITY, OR MARYLAND SPORTS.

(F) ~~(1) SECTIONS 5-501 THROUGH 5-504 OF THE GENERAL PROVISIONS ARTICLE DO NOT PROHIBIT AN OFFICIAL OR EMPLOYEE OF THE AUTHORITY FROM THE AUTHORITY, IN CONSULTATION WITH THE STATE ETHICS COMMISSION, SHALL ADOPT REGULATIONS TO GOVERN CONFLICTS OF INTEREST WITH RESPECT TO AN OFFICIAL OR EMPLOYEE OF THE AUTHORITY~~ SECTIONS 5-501 THROUGH 5-504 OF THE GENERAL PROVISIONS ARTICLE DO NOT PROHIBIT AN OFFICIAL OR EMPLOYEE OF THE AUTHORITY FROM ALSO BECOMING A DIRECTOR, OR AN OFFICIAL, OR AN EMPLOYEE OF AN AFFILIATED FOUNDATION ORGANIZED UNDER THIS SECTION.

(2) AN OFFICIAL OR EMPLOYEE OF THE AUTHORITY WHO SERVES AS A DIRECTOR OR OFFICIAL OF AN AFFILIATED FOUNDATION ORGANIZED UNDER THIS SECTION:

(I) MAY NOT BE COMPENSATED, DIRECTLY OR INDIRECTLY, BY THE AFFILIATED FOUNDATION; AND

(II) MAY BE REIMBURSED FOR BONA FIDE EXPENSES INCURRED IN THE PERFORMANCE OF ACTIVITIES UNDERTAKEN ON BEHALF OF THE AFFILIATED FOUNDATION AS AUTHORIZED BY THE BOARD OF DIRECTORS OF THAT AFFILIATED FOUNDATION AND BY THE AUTHORITY.

(3) (I) THE AUTHORITY SHALL NOTIFY THE STATE ETHICS COMMISSION IN WRITING WHENEVER THE AUTHORITY PERMITS AN OFFICIAL OR EMPLOYEE OF THE AUTHORITY TO SERVE AS A DIRECTOR OR OFFICIAL OF AN AFFILIATED FOUNDATION.

(II) WITHIN 30 DAYS AFTER RECEIPT OF THE NOTICE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE STATE ETHICS COMMISSION SHALL NOTIFY THE AUTHORITY OF ANY OBJECTIONS OR CONCERNS PERTAINING TO THE JOINT SERVICE IDENTIFIED IN THE NOTICE.

**(III) ON RECEIPT OF A NOTICE FROM THE STATE ETHICS COMMISSION UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE AUTHORITY SHALL REEXAMINE THE MATTER.**

**(4) THE AUTHORITY SHALL REPORT ANNUALLY TO THE GOVERNOR, THE LEGISLATIVE POLICY COMMITTEE OF THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, AND THE STATE ETHICS COMMISSION:**

**(I) THE NAMES OF THE OFFICIALS AND EMPLOYEES SERVING AS A DIRECTOR OR OFFICIAL OF AN AFFILIATED FOUNDATION; AND**

**(II) HOW THE POLICIES AND PROCEDURES ADOPTED UNDER SUBSECTION (C) OF THIS SECTION HAVE BEEN IMPLEMENTED IN THE PRECEDING YEAR.**

**(G) AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HIRED AND PAID BY THE AUTHORITY SHALL AUDIT AN AFFILIATED FOUNDATION ESTABLISHED UNDER THIS SECTION EACH YEAR.**

**(H) IN ANY FISCAL YEAR, AFTER ~~THE APPROVAL OF~~ PROVIDING THE BUDGET COMMITTEES OF THE GENERAL ASSEMBLY AN OPPORTUNITY FOR REVIEW AND COMMENT, THE AUTHORITY MAY GRANT UP TO \$500,000 OF THE AUTHORITY'S AVAILABLE NONBUDGETED MONEY TO AFFILIATED FOUNDATIONS ESTABLISHED UNDER THIS SECTION.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

**Approved by the Governor, May 25, 2017.**