

HOUSE BILL 1433

C8

8lr0270

By: **Chair, Appropriations Committee (By Request – Departmental – Stadium Authority)**

Introduced and read first time: February 11, 2008

Assigned to: Rules and Executive Nominations

Re-referred to: Appropriations, February 25, 2008

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 18, 2008

CHAPTER _____

1 AN ACT concerning

2 **Maryland Stadium Authority – Baltimore Convention Center**

3 FOR the purpose of extending the date by which the Maryland Stadium Authority and
4 Baltimore City are obligated to contribute to pay a certain percentage of the
5 operating deficits of the Baltimore Convention Center and to pay a certain
6 amount to a certain capital improvement reserve fund for a certain period;
7 extending the date after which Baltimore City is to be solely responsible for all
8 operating deficits and capital improvements for the Baltimore Convention
9 Center; providing for the effective date of certain provisions of this Act;
10 providing for the termination of certain provisions of this Act; and generally
11 relating to the financing and payment of certain costs associated with the
12 Baltimore Convention Center.

13 BY repealing and reenacting, with amendments,
14 Article – Financial Institutions
15 Section 13–712(a)(1)(iii) and 13–712.1(5)(iii)2B
16 Annotated Code of Maryland
17 (2003 Replacement Volume and 2007 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – Economic Development
20 Section 10–628(c) and 10–640(f)(2)(ii)
21 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



(As enacted by Chapter ___ (~~H.B. 1050~~) (~~81-0698~~) (H.B. 1050) of the Acts of the General Assembly of 2008)

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

Article – Financial Institutions

13–712.

(a) (1) (iii) Unless authorized by the General Assembly, the Board of Public Works may not give approval to an issuance by the Authority of bonds which constitute tax supported debt of the State for Baltimore Convention Center facilities if, after issuance, there would be outstanding and unpaid more than \$55 million face amount of such bonds, whether taxable or tax exempt, for the purpose of financing acquisition, construction, renovation, and related expenses for construction management, professional fees, and contingencies of Baltimore Convention Center facilities. **THE LIMITATION IN THIS SUBPARAGRAPH APPLIES TO THE AGGREGATE PRINCIPAL AMOUNT OF BONDS OUTSTANDING AS OF JUNE 30 OF ANY YEAR. REFUNDED BONDS MAY NOT BE INCLUDED IN THE DETERMINATION OF AN OUTSTANDING AGGREGATE AMOUNT UNDER THIS SUBPARAGRAPH.**

13–712.1.

The Authority may not close on the sale of bonds which constitute tax supported debt of the State, and may not otherwise borrow money in amounts exceeding \$35,000 per year, to finance any segment of a facility unless the Authority:

(5) With respect to site acquisition and construction of a Baltimore Convention Center facility, has secured, as approved by the Board of Public Works:

(iii) A written agreement with Baltimore City:

2. That includes provisions that:

B. Require the Authority and Baltimore City to each contribute to operating deficits and a capital improvement reserve fund, for the period beginning upon the completion of the expanded and renovated Baltimore Convention Center facility and ending on [June 30, 2008] **DECEMBER 31, 2014**, as follows:

I. The Authority shall contribute two-thirds and Baltimore City shall contribute one-third to annual operating deficits;

II. The Authority and Baltimore City shall each annually contribute \$200,000 to the Capital Improvement Reserve Fund; and

1 III. Baltimore City shall be solely responsible for all
2 operating deficits and capital improvements:

3 1. Prior to completion of the expanded and renovated
4 Baltimore Convention Center facility; and

5 2. After [June 30, 2008] **DECEMBER 31, 2014**; and

6 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
7 read as follows:

8 **Article - Economic Development**

9 10-628.

10 (c) (1) Unless authorized by the General Assembly, the Board of Public
11 Works may not approve an issuance by the Authority of bonds, whether taxable or tax
12 exempt, that constitute tax supported debt if, after issuance, there would be
13 outstanding and unpaid more than the following face amounts of the bonds for the
14 purpose of financing acquisition, construction, renovation, and related expenses for
15 construction management, professional fees, and contingencies in connection with:

16 [(1)] (I) the Baltimore Convention facility – \$55,000,000;

17 [(2)] (II) the Hippodrome Performing Arts facility – \$20,250,000;

18 [(3)] (III) the Montgomery County Conference facility – \$23,185,000;

19 and

20 [(4)] (IV) the Ocean City Convention facility – \$17,340,000.

21 (2) (I) **THE LIMITATION UNDER PARAGRAPH (1)(I) OF THIS**
22 **SUBSECTION APPLIES TO ~~ADDITIONAL BONDS ISSUED IN AN AGGREGATE~~**
23 **~~AMOUNT~~ THE AGGREGATE PRINCIPAL AMOUNT OF BONDS OUTSTANDING AS OF**
24 **JUNE 30 OF ANY YEAR.**

25 (II) **REFUNDED BONDS MAY NOT BE INCLUDED IN THE**
26 **DETERMINATION OF AN OUTSTANDING AGGREGATE AMOUNT UNDER THIS**
27 **PARAGRAPH.**

28 10-640.

29 (f) The Authority shall secure a written agreement with Baltimore City, as
30 approved by the Board of Public Works:

31 (2) that includes provisions that:

1 (ii) require:

2 1. for the period beginning on the completion of the
3 expanded and renovated Baltimore Convention facility and ending on [June 30, 2008]
4 **DECEMBER 31, 2014:**

5 A. the Authority to contribute two-thirds and Baltimore
6 City to contribute one-third to annual operating deficits; and

7 B. the Authority and Baltimore City each to contribute
8 \$200,000 each year to a capital improvement reserve fund; and

9 2. Baltimore City to be solely responsible for all
10 operating deficits and capital improvements:

11 A. before the completion of the expanded and renovated
12 Baltimore Convention facility; and

13 B. after [June 30, 2008] **DECEMBER 31, 2014;** and

14 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall
15 take effect on the taking effect of Chapter (H.B. 1050) of the Acts of the General
16 Assembly of 2008. If Section 2 of this Act takes effect, Section 1 of this Act shall be
17 abrogated and of no further force and effect.

18 SECTION ~~2~~ 4. AND BE IT FURTHER ENACTED, That, subject to the
19 provisions of Section 3 of this Act, this Act shall take effect ~~July~~ June 1, 2008.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.