

HOUSE BILL 1425

C8

9lr0199

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

Rules suspended

Introduced and read first time: March 6, 2019

Rules suspended

Assigned to: Appropriations

Committee Report: Favorable

House action: Adopted

Read second time: March 12, 2019

CHAPTER _____

1 AN ACT concerning

2 **Maryland Stadium Authority – Development of Supplemental Facilities to**
3 **Benefit Camden Yards**

4 FOR the purpose of authorizing the Maryland Stadium Authority to prepare certain studies
5 that relate to the development of certain supplemental facilities within Baltimore
6 City to benefit the sports facilities at Camden Yards; authorizing the Authority to
7 undertake certain activities that relate to the studies, solely or in cooperation with
8 certain other entities, and using certain money; authorizing the Authority, subject
9 to the approval of the Board of Public Works and review by the Legislative Policy
10 Committee, to develop certain supplemental facilities and supplemental facility sites
11 to directly or indirectly benefit the sports facilities at Camden Yards and specifying
12 certain powers included in the authorization; authorizing the Authority to acquire
13 certain property or a certain interest in property in a certain manner and subject to
14 annual appropriations and certain provisions of law; requiring the Authority to
15 notify the governing body of Baltimore City of the Authority's intent to acquire
16 certain property and to provide a certain comment period; establishing that certain
17 contracts require the prior approval of the Board of Public Works; authorizing the
18 Authority to issue certain bonds to finance site acquisition for and construction of
19 any portion of a certain supplemental facility, subject to certain limitations;
20 requiring the Authority to provide a certain financing plan to certain committees of
21 the General Assembly at least a certain amount of time before seeking approval of
22 the Board of Public Works for a certain bond issue or other borrowing; specifying

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.



1 that a certain bond issued to finance a supplemental facility is a limited obligation
2 of the Authority payable solely from certain pledged money and is not a debt,
3 liability, moral obligation, or pledge of the faith and credit or the taxing power of the
4 State, the Authority, or any other governmental unit; establishing the Supplemental
5 Facilities Fund as a continuing, nonlapsing fund; specifying the purpose and
6 contents of the Fund; specifying the purpose for which the Fund may be used;
7 exempting the Fund from a certain provision of law requiring interest earnings on
8 State money in special funds to accrue to the General Fund of the State; limiting the
9 amount of debt that may be issued by the Authority to finance certain supplemental
10 facilities; including nontax supported debt in a certain debt limit; defining certain
11 terms; and generally relating to the Maryland Stadium Authority and the
12 development of supplemental facilities to benefit Camden Yards.

13 BY repealing and reenacting, without amendments,
14 Article – Economic Development
15 Section 10–601(a), (b), (d), (m), (n), and (ee) and 10–628(a)
16 Annotated Code of Maryland
17 (2018 Replacement Volume)

18 BY adding to
19 Article – Economic Development
20 Section 10–601(ff), (gg), and (hh), 10–622.1 through 10–622.5, and 10–657.1
21 Annotated Code of Maryland
22 (2018 Replacement Volume)

23 BY repealing and reenacting, with amendments,
24 Article – Economic Development
25 Section 10–601(ff), 10–620(e), and 10–628(c)
26 Annotated Code of Maryland
27 (2018 Replacement Volume)

28 BY repealing and reenacting, without amendments,
29 Article – State Finance and Procurement
30 Section 6–226(a)(2)(i)
31 Annotated Code of Maryland
32 (2015 Replacement Volume and 2018 Supplement)

33 BY repealing and reenacting, with amendments,
34 Article – State Finance and Procurement
35 Section 6–226(a)(2)(ii)112. and 113.
36 Annotated Code of Maryland
37 (2015 Replacement Volume and 2018 Supplement)

38 BY adding to
39 Article – State Finance and Procurement
40 Section 6–226(a)(2)(ii)114.
41 Annotated Code of Maryland

1 (2015 Replacement Volume and 2018 Supplement)

2 Preamble

3 WHEREAS, Camden Yards, site of the home stadiums of the Orioles and the Ravens,
4 is vital to the State and Baltimore City; and

5 WHEREAS, Since the late 1980s, the Maryland Stadium Authority has successfully
6 managed the development and operation of Camden Yards; and

7 WHEREAS, The Maryland Stadium Authority wants to ensure the continuing
8 location of the Orioles and the Ravens at Camden Yards, beyond the teams' current lease
9 terms that will expire after the next three seasons and nine seasons, respectively; and

10 WHEREAS, The State has made, and continues to make, significant investments of
11 financial resources in the development, maintenance, and improvement of Camden Yards;
12 and

13 WHEREAS, Other metropolitan areas where major league professional sports teams
14 are located have turned the urban environments surrounding their stadiums into
15 communities with thriving entertainment, sports, retail, and other mixed-use venues that
16 directly and indirectly support the professional sports teams and their state and local
17 economies; and

18 WHEREAS, The Maryland Stadium Authority can coordinate State, local, and
19 private development resources to plan and develop the area around Camden Yards to
20 further support the facilities at Camden Yards and the State and local economy; now,
21 therefore,

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

24 **Article – Economic Development**

25 10–601.

26 (a) In this subtitle the following words have the meanings indicated.

27 (b) “Authority” means the Maryland Stadium Authority.

28 (d) “Baltimore City” means, as the context requires:

29 (1) the geographic area of the City of Baltimore; or

30 (2) the Mayor and City Council of Baltimore.

31 (m) “Bond” includes a note, an interim certificate, refunding bond, and any other

1 evidence of obligation issued under this subtitle.

2 (n) “Camden Yards” means the area comprising approximately 85 acres in
3 Baltimore City bounded by Camden Street on the north, Russell Street on the west, Ostend
4 Street on the south, and Howard Street and Interstate 395 on the east.

5 (ee) (1) “Sports facility” means:

6 (i) a stadium primarily for professional football, major league
7 professional baseball, or both, in the Baltimore metropolitan region, as defined in § 13–301
8 of this article;

9 (ii) practice fields or other areas where professional football or major
10 league professional baseball teams practice or perform; and

11 (iii) offices for professional football and major league professional
12 baseball teams or franchises.

13 (2) “Sports facility” includes parking lots, garages, and any other property
14 adjacent and directly related to an item listed in paragraph (1) of this subsection.

15 **(FF) “SUPPLEMENTAL FACILITIES FUND” MEANS THE SUPPLEMENTAL**
16 **FACILITIES FUND ESTABLISHED UNDER § 10–657.1 OF THIS SUBTITLE.**

17 **(GG) (1) “SUPPLEMENTAL FACILITY” MEANS A STRUCTURE OR OTHER**
18 **IMPROVEMENT DEVELOPED IN BALTIMORE CITY OUTSIDE CAMDEN YARDS.**

19 **(2) “SUPPLEMENTAL FACILITY” DOES NOT INCLUDE THE BALTIMORE**
20 **CONVENTION FACILITY OR THE HIPPODROME PERFORMING ARTS FACILITY.**

21 **(HH) “SUPPLEMENTAL FACILITY SITE” MEANS THE SITE OF ANY**
22 **SUPPLEMENTAL FACILITY.**

23 **[(ff)] (II) “Tax supported debt” has the meaning stated in § 8–104 of the State**
24 **Finance and Procurement Article.**

25 10–620.

26 (e) (1) This subsection does not apply to the Camden Yards site, Baltimore
27 Convention site, Ocean City Convention site, Hippodrome Performing Arts site, [or] any
28 Baltimore City public school site, **OR ANY SUPPLEMENTAL FACILITY SITE.**

29 (2) The Authority and any Authority affiliate is subject to applicable
30 planning, zoning, and development regulations to the same extent as a private commercial
31 or industrial enterprise.

1 **10-622.1.**

2 (A) (1) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE AUTHORITY
3 MAY PREPARE STUDIES THAT RELATE TO THE DEVELOPMENT OF SUPPLEMENTAL
4 FACILITIES THAT DIRECTLY OR INDIRECTLY BENEFIT THE SPORTS FACILITIES AT
5 CAMDEN YARDS.

6 (2) THE STUDIES MAY INCLUDE SITE STUDIES, FEASIBILITY STUDIES,
7 ARCHITECTURAL PROGRAMS AND DESIGN, BUDGET ESTIMATES, VALUE
8 ENGINEERING, AND ESTIMATED PROJECT SCHEDULES.

9 (B) THE ACTIVITIES AUTHORIZED UNDER THIS SECTION:

10 (1) ARE LIMITED TO SITES WITHIN BALTIMORE CITY; AND

11 (2) MAY BE UNDERTAKEN SOLELY BY THE AUTHORITY OR BY THE
12 AUTHORITY IN COOPERATION WITH BALTIMORE CITY, OTHER UNITS OF THE STATE,
13 THE PROFESSIONAL FOOTBALL OR MAJOR LEAGUE BASEBALL FRANCHISES AT
14 CAMDEN YARDS, OR OTHER ENTITIES;

15 (C) THE AUTHORITY MAY ENTER INTO CONTRACTS, AGREEMENTS, AND
16 MEMORANDA, RETAIN CONSULTANTS, AND MAKE RECOMMENDATIONS RELATING TO
17 ACTIVITIES AUTHORIZED UNDER THIS SECTION.

18 (D) FOR ACTIVITIES AUTHORIZED UNDER THIS SECTION, THE AUTHORITY
19 SHALL USE MONEY THAT IS:

20 (1) APPROPRIATED FOR THE PARTICULAR PURPOSE;

21 (2) PROVIDED BY PUBLIC OR PRIVATE ENTITIES; OR

22 (3) WITH APPROVAL FROM THE BUDGET COMMITTEES, UP TO
23 \$1,000,000 OF THE AUTHORITY'S AVAILABLE NONBUDGETED MONEY IN EACH
24 FISCAL YEAR.

25 **10-622.2.**

26 (A) SUBJECT TO THE APPROVAL OF THE BOARD OF PUBLIC WORKS AND
27 REVIEW BY THE LEGISLATIVE POLICY COMMITTEE, THE AUTHORITY MAY DEVELOP
28 SUPPLEMENTAL FACILITIES AND SUPPLEMENTAL FACILITY SITES TO DIRECTLY OR
29 INDIRECTLY BENEFIT THE SPORTS FACILITIES AT CAMDEN YARDS.

30 (B) THE AUTHORITY GRANTED UNDER SUBSECTION (A) OF THIS SECTION

1 INCLUDES THE POWER TO:

2 (1) DEVELOP, ESTABLISH, ACQUIRE, OWN, LEASE, IMPROVE,
3 OPERATE AS LANDLORD, REGULATE, MAINTAIN, SELL, TRANSFER, OR OTHERWISE
4 DISPOSE OF PROPERTY ACQUIRED UNDER THIS SECTION; AND

5 (2) ENTER INTO PARTNERSHIPS WITH BALTIMORE CITY, UNITS OF
6 THE STATE OR LOCAL GOVERNMENT, OR PRIVATE DEVELOPERS.

7 **10-622.3.**

8 (A) SUBJECT TO ANNUAL APPROPRIATIONS AND THIS SUBTITLE, THE
9 AUTHORITY MAY ACQUIRE IN ITS OWN NAME, BY GIFT OR PURCHASE, ANY PROPERTY
10 OR INTEREST IN PROPERTY NECESSARY OR CONVENIENT TO DEVELOP
11 SUPPLEMENTAL FACILITIES AND SUPPLEMENTAL FACILITY SITES TO DIRECTLY OR
12 INDIRECTLY BENEFIT CAMDEN YARDS.

13 (B) THE AUTHORITY SHALL NOTIFY BALTIMORE CITY OF THE AUTHORITY'S
14 INTENT TO ACQUIRE PROPERTY UNDER THIS SECTION AND PROVIDE BALTIMORE
15 CITY AT LEAST 30 DAYS IN WHICH TO SUBMIT COMMENTS ON THE PROPOSED
16 ACQUISITION.

17 **10-622.4.**

18 A CONTRACT TO ACQUIRE ANY PROPERTY OR DEMOLISH AN EXISTING
19 STRUCTURE THAT RELATES TO THE DEVELOPMENT OF A SUPPLEMENTAL FACILITY
20 SITE OR A CONTRACT FOR THE CONSTRUCTION OF A SUPPLEMENTAL FACILITY
21 REQUIRES THE PRIOR APPROVAL OF THE BOARD OF PUBLIC WORKS.

22 **10-622.5.**

23 (A) EXCEPT AS ALLOWED BY § 10-639 OF THIS SUBTITLE, THE AUTHORITY
24 MAY ISSUE BONDS SUBJECT TO §§ 10-628(A) AND (C) AND 10-629 THROUGH
25 10-636 OF THIS SUBTITLE TO FINANCE SITE ACQUISITION FOR AND CONSTRUCTION
26 OF ANY PORTION OF A SUPPLEMENTAL FACILITY.

27 (B) THE AUTHORITY SHALL PROVIDE TO THE FISCAL COMMITTEES OF THE
28 GENERAL ASSEMBLY, AT LEAST 45 DAYS BEFORE SEEKING APPROVAL OF THE
29 BOARD OF PUBLIC WORKS FOR EACH BOND ISSUE OR OTHER BORROWING, A
30 COMPREHENSIVE FINANCING PLAN FOR THE RELEVANT SEGMENT OF A
31 SUPPLEMENTAL FACILITY, INCLUDING THE EFFECT OF THE FINANCING PLAN ON
32 FINANCING OPTIONS FOR OTHER SEGMENTS OF THE SUPPLEMENTAL FACILITY.

1 **(C) (1) A BOND ISSUED TO FINANCE A SUPPLEMENTAL FACILITY:**

2 **(I) IS A LIMITED OBLIGATION OF THE AUTHORITY PAYABLE**
3 **SOLELY FROM MONEY PLEDGED BY THE AUTHORITY TO THE PAYMENT OF THE**
4 **PRINCIPAL OF AND THE PREMIUM AND INTEREST ON THE BOND OR MONEY MADE**
5 **AVAILABLE TO THE AUTHORITY FOR THAT PURPOSE;**

6 **(II) IS NOT A DEBT, LIABILITY, OR PLEDGE OF THE FAITH AND**
7 **CREDIT OR THE TAXING POWER OF THE STATE, THE AUTHORITY, OR ANY OTHER**
8 **GOVERNMENTAL UNIT; AND**

9 **(III) MAY NOT GIVE RISE TO ANY PECUNIARY LIABILITY OF THE**
10 **STATE, THE AUTHORITY, OR ANY OTHER GOVERNMENTAL UNIT.**

11 **(2) THE ISSUANCE OF A BOND TO FINANCE A SUPPLEMENTAL**
12 **FACILITY IS NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY A MORAL OR OTHER**
13 **OBLIGATION OF THE STATE, THE AUTHORITY, OR ANY OTHER GOVERNMENTAL UNIT**
14 **TO LEVY OR PLEDGE ANY TAX OR TO MAKE AN APPROPRIATION TO PAY THE BOND.**

15 **(3) EACH BOND SHALL STATE ON ITS FACE THE PROVISIONS OF**
16 **PARAGRAPHS (1) AND (2) OF THIS SUBSECTION.**

17 10-628.

18 (a) Except as provided in subsections (b) and (c) of this section and subject to the
19 prior approval of the Board of Public Works, the Authority may issue bonds at any time for
20 any corporate purpose of the Authority, including the establishment of reserves and the
21 payment of interest.

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

28 (i) the Baltimore Convention facility – \$55,000,000;

29 (ii) the Hippodrome Performing Arts facility – \$20,250,000;

30 (iii) the Montgomery County Conference facility – \$23,185,000;

31 (iv) the Ocean City Convention facility – \$17,340,000; [and]

32 (v) Baltimore City public school facilities – \$1,100,000,000; AND

1 **(VI) SUPPLEMENTAL FACILITIES – \$25,000,000.**

2 (2) (i) The limitation under paragraph (1)(i) of this subsection applies
3 to the aggregate principal amount of bonds outstanding as of June 30 of any year.

4 (ii) Refunded bonds may not be included in the determination of an
5 outstanding aggregate amount under this paragraph.

6 **10-657.1.**

7 **(A) THERE IS A SUPPLEMENTAL FACILITIES FUND.**

8 **(B) (1) THE SUPPLEMENTAL FACILITIES FUND IS A CONTINUING,
9 NONLAPSING FUND THAT SHALL BE AVAILABLE IN PERPETUITY TO IMPLEMENT THIS
10 SUBTITLE CONCERNING SUPPLEMENTAL FACILITIES.**

11 **(2) THE AUTHORITY SHALL:**

12 **(I) USE THE SUPPLEMENTAL FACILITIES FUND AS A
13 REVOLVING FUND FOR CARRYING OUT THE PROVISIONS OF THIS SUBTITLE
14 CONCERNING SUPPLEMENTAL FACILITIES; AND**

15 **(II) PAY ANY AND ALL EXPENSES FROM THE SUPPLEMENTAL
16 FACILITIES FUND THAT ARE INCURRED BY THE AUTHORITY RELATED TO A
17 SUPPLEMENTAL FACILITY.**

18 **(C) (1) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY,
19 THE RECEIPTS OF A SUPPLEMENTAL FACILITY SHALL BE PLEDGED TO AND
20 CHARGED WITH THE FOLLOWING RELATING TO THE SUPPLEMENTAL FACILITY:**

21 **(I) THE PAYMENT OF DEBT SERVICE ON AUTHORITY BONDS;**

22 **(II) ALL REASONABLE CHARGES AND EXPENSES RELATED TO
23 AUTHORITY BORROWING; AND**

24 **(III) THE MANAGEMENT OF AUTHORITY OBLIGATIONS.**

25 **(2) THE PLEDGE SHALL BE EFFECTIVE AS PROVIDED IN § 10-634 OF
26 THIS SUBTITLE AND ANY APPLICABLE AUTHORITY RESOLUTION.**

27 **(D) THE SUPPLEMENTAL FACILITIES FUND CONSISTS OF:**

28 **(1) FUNDS APPROPRIATED FOR DEPOSIT TO THE SUPPLEMENTAL**

1 **FACILITIES FUND;**

2 **(2) PROCEEDS FROM THE SALE OF BONDS CONCERNING**
3 **SUPPLEMENTAL FACILITIES;**

4 **(3) REVENUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER**
5 **THIS SUBTITLE RELATED TO SUPPLEMENTAL FACILITIES; AND**

6 **(4) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC OR**
7 **PRIVATE SOURCE FOR THE PURPOSES ESTABLISHED FOR THE SUPPLEMENTAL**
8 **FACILITIES FUND.**

9 **(E) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE**
10 **SUPPLEMENTAL FACILITIES FUND IN THE SAME MANNER AS OTHER STATE FUNDS.**

11 **(2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE**
12 **SUPPLEMENTAL FACILITIES FUND.**

13 **(3) NO PART OF THE SUPPLEMENTAL FACILITIES FUND MAY REVERT**
14 **OR BE CREDITED TO THE GENERAL FUND OR ANY SPECIAL FUND OF THE STATE.**

15 **Article – State Finance and Procurement**

16 6–226.

17 (a) (2) (i) Notwithstanding any other provision of law, and unless
18 inconsistent with a federal law, grant agreement, or other federal requirement or with the
19 terms of a gift or settlement agreement, net interest on all State money allocated by the
20 State Treasurer under this section to special funds or accounts, and otherwise entitled to
21 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
22 Fund of the State.

23 (ii) The provisions of subparagraph (i) of this paragraph do not apply
24 to the following funds:

25 112. the Pretrial Services Program Grant Fund; [and]

26 113. the Veteran Employment and Transition Success Fund;

27 **AND**

28 **114. THE SUPPLEMENTAL FACILITIES FUND.**

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
30 1, 2019.