1lr2765CF SB 926

By: Delegate Thiam

Introduced and read first time: February 8, 2021

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

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Economic Development – Maryland Stadium Authority – Hagerstown Multi-Use Sports and Events Facility

FOR the purpose of authorizing the Maryland Stadium Authority to review certain matters and make certain recommendations relating to the Hagerstown Multi-Use Sports and Events Facility; authorizing the Authority to acquire by certain means a Hagerstown Multi-Use Sports and Events Facility site or an interest in the site; requiring the Authority to transfer certain lease payments to the Hagerstown Multi-Use Sports and Events Facility Fund under certain circumstances; requiring the Authority to submit a certain annual report, prepared in cooperation with the Office of the Comptroller and the Department of Budget and Management, to the Governor and the General Assembly; prohibiting the Board of Public Works from approving an issuance by the Authority of certain bonds under certain circumstances; requiring the Authority, with certain exceptions, to comply with certain requirements to finance certain site acquisition and construction activities; requiring the Authority to obtain the approval of the Board of Public Works for certain matters; requiring the Comptroller to pay a certain amount from the State Lottery Fund each year until certain bonds are no longer outstanding and unpaid; requiring the Authority or an affiliate of the Authority to carry out certain tasks and secure certain agreements with certain parties containing certain terms to carry out the Authority's duties under this Act; establishing the Hagerstown Multi-Use Sports and Events Facility Fund as a continuing, nonlapsing fund; specifying the purpose of the Fund; requiring the Authority to administer the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purpose for which the Fund may be used; providing for the investment of money in and expenditures from the Fund; requiring interest earnings of the Fund to be credited to the Fund; defining certain terms; and generally relating to the financing and construction of the Hagerstown Multi-Use Sports and Events Facility.

BY renumbering

2 3 4 5	Section 10–601(s) through (tt), respectively to be Section 10–601(v) through (ww), respectively Annotated Code of Maryland (2018 Replacement Volume and 2020 Supplement) BY repealing and reenacting, without amendments,
4	Annotated Code of Maryland (2018 Replacement Volume and 2020 Supplement) BY repealing and reenacting, without amendments,
	(2018 Replacement Volume and 2020 Supplement) BY repealing and reenacting, without amendments,
5	BY repealing and reenacting, without amendments,
6	A 11 1 D 1 D 1
7	Article – Economic Development
8	Section 10–601(a) and (b), 10–620(a)(1), and 10–628(a)
9	Annotated Code of Maryland
10	(2018 Replacement Volume and 2020 Supplement)
11	BY repealing and reenacting, with amendments,
12	Article – Economic Development
13	Section 10-601(q), 10-613(a)(14) and (b), 10-618, 10-620(d) and (e), 10-625, and
14	10–628(c)
15	Annotated Code of Maryland
16	(2018 Replacement Volume and 2020 Supplement)
17	BY adding to
18	Article – Economic Development
19	Section 10–601(s), (t), and (u), 10–646.2, and 10–657.4
20	Annotated Code of Maryland
21	(2018 Replacement Volume and 2020 Supplement)
22	BY repealing and reenacting, without amendments,
23	Article – State Finance and Procurement
24	Section $6-226(a)(2)(i)$
25	Annotated Code of Maryland
26	(2015 Replacement Volume and 2020 Supplement)
27	BY repealing and reenacting, with amendments,
28	Article – State Finance and Procurement
29	Section 6–226(a)(2)(ii)122. and 123.
30	Annotated Code of Maryland
31	(2015 Replacement Volume and 2020 Supplement)
32	BY adding to
33	Article – State Finance and Procurement
34	Section 6–226(a)(2)(ii)124.
35	Annotated Code of Maryland
36	(2015 Replacement Volume and 2020 Supplement)
37	BY repealing and reenacting, with amendments,
38	Article – State Government
39	Section 9–120
40	Annotated Code of Maryland

1	(2014	Replacement Volume and 2020 Supplement)			
2 3 4 5	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 10–601(s) through (tt), respectively, of Article – Economic Development of the Annotated Code of Maryland be renumbered to be Section(s) 10–601(v) through (ww), respectively.				
6 7	SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:				
8	Article – Economic Development				
9	10–601.				
10	(a)	In this subtitle the following words have the meanings indicated.			
11	(b)	"Authority" means the Maryland Stadium Authority.			
12	(q)	"Facility" means:			
13		(1) a structure or other improvement developed at Camden Yards;			
14		(2) a convention facility;			
15		(3) the Hippodrome Performing Arts facility;			
16		(4) a sports facility;			
17		(5) a Baltimore City public school facility; [or]			
18		(6) a racing facility; OR			
19		(7) THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY.			
20 21 22 23	MEANS THE SPORTS AND EVENTS FACILITY LOCATED IN HAGERSTOWN, MARYLAND USED FOR MINOR LEAGUE BASEBALL GAMES, OTHER EVENTS, AND RELATED				
24 25	INCLUDES:	(2) "HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY"			
26		(I) FIELDS AND FIELD HOUSES;			
27		(II) OFFICES;			

1	(III) PARKING LOTS AND GARAGES;		
2	(IV) ACCESS ROADS;		
3	(V) FOOD SERVICE FACILITIES; AND		
4 5	(VI) OTHER FUNCTIONALLY RELATED STRUCTURES, IMPROVEMENTS, FURNISHINGS, OR EQUIPMENT.		
6 7 8	(T) "HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY FUND" MEANS THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY FUND ESTABLISHED UNDER § 10-657.4 OF THIS SUBTITLE.		
9 10 11 12	(U) "HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY SITE" MEANS THE SITE OF THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY IN HAGERSTOWN, MARYLAND, LOCATED AT THE INTERSECTION OF WEST BALTIMORE STREET AND SUMMIT AVENUE.		
13	10–613.		
14	(a) The Authority may:		
15 16 17	(14) with respect to site acquisition, construction, and development of the Hippodrome Performing Arts facility AND THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY, establish and participate in Authority affiliates;		
18 19 20 21 22 23 24 25 26	(b) The Authority may review and make recommendations on proposed convention center facilities [and], the Hippodrome Performing Arts facility, AND THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY, including the expansion and enhancement of the Baltimore City Convention Center and the Ocean City Convention Center and the development and construction of the Montgomery County Conference Center [and], the Hippodrome Performing Arts Center, AND THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY, with respect to location, purpose, design, function, capacity, parking, costs, funding mechanisms, and revenue alternatives, with specific recommendations on:		
27	(1) the level of support from the private sector;		
28	(2) the type of support from the private sector;		
29	(3) special taxing sources;		
30	(4) projected revenues;		
31	(5) bonding authority and the source of debt service; and		

(6) 1 the fiscal impact on the State of any revenue alternatives. 2 10-618.3 Contracts to acquire any facility site, to construct the facility, or for (a) construction on the facility site require the prior approval of the Board of Public Works. 4 (b) The Authority may: 5 6 (1) acquire by any of the means specified in § 10–620(a) of this subtitle: 7 (i) a site at Camden Yards for a facility; 8 (ii) a Baltimore Convention site or an interest in the site: 9 (iii) an Ocean City Convention site or an interest in the site; 10 a Montgomery County Conference site or an interest in the site: (iv) and 11 a Hippodrome Performing Arts site or an interest in the site; and 12 (v) 13 (VI) A HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY SITE OR AN INTEREST IN THE SITE; AND 14 15 (2)construct or enter into a contract to construct a facility on a site it acquires under this subsection. 16 17 10-620.18 Subject to annual appropriations and this subtitle, the Authority may 19 acquire in its own name, by gift, purchase, or condemnation, any property or interest in 20 property necessary or convenient to construct, improve, or operate a facility. 21The exercise of authority under this subsection is subject to the prior 22 approval of the Board of Public Works. 23 On request of the Authority, the State, a unit of the State, or a political 24subdivision may lease, lend, grant, or otherwise convey to the Authority, property, including property devoted to public use, as necessary or convenient for the purposes of this 2526 subtitle. 27 The State may lease or sublease a facility, or an interest in a facility, (3)28 from or to the Authority, whether or not constructed or usable.

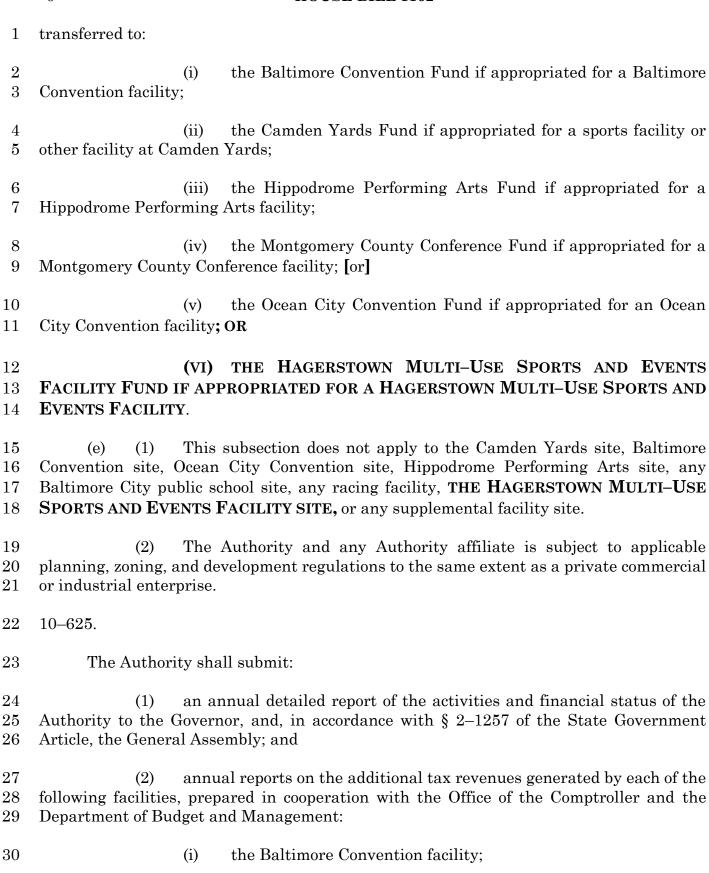
Lease payments to the Authority appropriated by the State shall be

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(4)

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(ii)



the Hippodrome Performing Arts facility;

- 1 (iii) the Montgomery County Conference facility; [and] 2 (iv) the Ocean City Convention facility; AND 3 **(**V**)** THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS 4 FACILITY. 5 10-628.6 Except as provided in subsections (b) and (c) of this section and subject to the 7 prior approval of the Board of Public Works, the Authority may issue bonds at any time for 8 any corporate purpose of the Authority, including the establishment of reserves and the 9 payment of interest. 10 (c) (1) Unless authorized by the General Assembly, the Board of Public Works may not approve an issuance by the Authority of bonds, whether taxable or tax exempt, 11 12 that constitute tax supported debt or nontax supported debt if, after issuance, there would 13 be outstanding and unpaid more than the following face amounts of the bonds for the purpose of financing acquisition, construction, renovation, and related expenses for 14 construction management, professional fees, and contingencies in connection with: 15 16 (i) the Baltimore Convention facility – \$55,000,000; 17 the Hippodrome Performing Arts facility – \$20,250,000; (ii) 18 the Montgomery County Conference facility – \$23,185,000; (iii) 19 (iv) the Ocean City Convention facility – \$24,500,000; 20 Baltimore City public school facilities – \$1,100,000,000; (v) 21(vi) supplemental facilities – \$25,000,000; [and] 22racing facilities -\$375,000,000; AND (vii) 23(VIII) THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS 24FACILITY - \$35,000,000.25(2)The limitation under paragraph (1)(i) of this subsection applies to the aggregate principal amount of bonds outstanding as of June 30 of any year. 2627 Refunded bonds may not be included in the determination of an (ii)
- 29 **10-646.2.**

outstanding aggregate amount under this paragraph.

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- 1 (A) EXCEPT AS AUTHORIZED BY § 10–639 OF THIS SUBTITLE, TO FINANCE
 2 SITE ACQUISITION AND CONSTRUCTION OF ANY SEGMENT OF THE HAGERSTOWN
 3 MULTI-USE SPORTS AND EVENTS FACILITY, THE AUTHORITY SHALL COMPLY WITH
- 4 THIS SECTION.
- (B) THE AUTHORITY SHALL PROVIDE CERTIFICATION TO THE LEGISLATIVE
 POLICY COMMITTEE AND THE BOARD OF PUBLIC WORKS, SUPPORTED BY A
 DETAILED REPORT, THAT THE AUTHORITY HAS ATTEMPTED TO MAXIMIZE PRIVATE
 INVESTMENT IN THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY
- 9 PROPOSED TO BE FINANCED.
- AT LEAST 45 DAYS BEFORE SEEKING APPROVAL OF THE BOARD OF 10 PUBLIC WORKS FOR EACH BOND ISSUE OR OTHER BORROWING, THE AUTHORITY 11 SHALL PROVIDE TO THE FISCAL COMMITTEES OF THE GENERAL ASSEMBLY, IN 12 ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, A 13 COMPREHENSIVE FINANCING PLAN FOR THE RELEVANT SEGMENT OF THE FACILITY, 14 INCLUDING THE EFFECT OF THE FINANCING PLAN ON FINANCING OPTIONS FOR 15 16 OTHER SEGMENTS OF THE FACILITY AND ANTICIPATED REVENUES FROM PRIVATE 17 INVESTMENT.
- 18 (D) THE AUTHORITY SHALL OBTAIN THE APPROVAL OF THE BOARD OF 19 PUBLIC WORKS OF THE PROPOSED BOND ISSUE AND THE FINANCING PLAN.
- 20 (E) FOR FISCAL YEAR 2023 AND EACH FISCAL YEAR THEREAFTER, UNTIL
 21 THE BONDS THAT HAVE BEEN ISSUED TO FINANCE THE HAGERSTOWN MULTI-USE
 22 SPORTS AND EVENTS FACILITY ARE NO LONGER OUTSTANDING AND UNPAID, THE
 23 COMPTROLLER SHALL DEPOSIT INTO THE HAGERSTOWN MULTI-USE SPORTS AND
 24 EVENTS FACILITY FUND \$11,700,000 FROM THE STATE LOTTERY FUND UNDER \$
 25 9–120(B)(1)(V) OF THE STATE GOVERNMENT ARTICLE.
- 26 (F) THE AUTHORITY SHALL SECURE A WRITTEN AGREEMENT WITH AN AUTHORITY AFFILIATE, AS APPROVED BY THE BOARD OF PUBLIC WORKS, BY WHICH THE AUTHORITY AFFILIATE AGREES:
- 29 (1) TO MARKET, PROMOTE, AND OPERATE OR CONTRACT, SUBJECT TO 30 THE APPROVAL OF THE AUTHORITY, FOR THE MARKETING, PROMOTION, AND 31 OPERATION OF THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY;
- 32 (2) TO MAINTAIN AND REPAIR OR CONTRACT, SUBJECT TO THE 33 APPROVAL OF THE AUTHORITY, FOR THE MAINTENANCE AND REPAIR OF THE 34 HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY SO AS TO KEEP THE 35 HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY IN FIRST-CLASS OPERATING CONDITION; AND

- 1 (3) TO BE SOLELY RESPONSIBLE FOR ALL EXPENDITURES RELATING
- 2 TO THE OPERATION, MAINTENANCE, AND REPAIR OF THE HAGERSTOWN
- 3 MULTI-USE SPORTS AND EVENTS FACILITY THAT MAY BE INCURRED, INCLUDING
- 4 THE AMOUNT BY WHICH EXPENDITURES EXCEED REVENUES.
- 5 **10–657.4**.
- 6 (A) IN THIS SECTION, "FUND" MEANS THE HAGERSTOWN MULTI-USE 7 SPORTS AND EVENTS FACILITY FUND.
- 8 (B) THERE IS A HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY 9 FUND.
- 10 (C) THE PURPOSE OF THE FUND IS TO ENABLE THE AUTHORITY TO:
- 11 (1) USE THE FUND AS A REVOLVING FUND FOR IMPLEMENTING THIS
- 12 SUBTITLE AS IT RELATES TO THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS
- 13 **FACILITY**; AND
- 14 (2) PAY ANY EXPENSES INCURRED BY THE AUTHORITY THAT ARE
- 15 RELATED TO THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY.
- 16 (D) THE AUTHORITY SHALL ADMINISTER THE FUND.
- 17 (E) (1) THE FUND IS A CONTINUING, NONLAPSING FUND THAT IS NOT
- 18 SUBJECT TO REVERSION UNDER § 7-302 OF THE STATE FINANCE AND
- 19 PROCUREMENT ARTICLE.
- 20 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
- 21 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.
- 22 (F) (1) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY,
- 23 THE RECEIPTS OF THE FUND SHALL BE PLEDGED TO AND CHARGED WITH THE
- 24 FOLLOWING RELATING TO THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS
- 25 FACILITY:
- 26 (I) PAYMENT OF DEBT SERVICE ON AUTHORITY BONDS;
- 27 (II) ALL REASONABLE CHARGES AND EXPENSES RELATED TO
- 28 THE AUTHORITY'S BORROWING; AND
- 29 (III) THE MANAGEMENT OF AUTHORITY OBLIGATIONS.

1	(9) Trre	DIEDGE CHALL DE EEEECONNE AC DROVIDED IN \$ 10, 694 OE
$\frac{1}{2}$	(2) THE I	PLEDGE SHALL BE EFFECTIVE AS PROVIDED IN § 10–634 OF
3	(G) THE FUND	CONSISTS OF:
4	(1) MONE	Y APPROPRIATED FOR DEPOSIT IN THE FUND;
5 6 7		NUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER ENING THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS
8 9	(3) MONE GOVERNMENT ARTICLE	Y PAID TO THE FUND UNDER § 9–120 OF THE STATE ; AND
10 11	` '	DDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC OR THE PURPOSES ESTABLISHED FOR THE FUND.
12 13		STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IS OTHER STATE MONEY MAY BE INVESTED.
14 15	(2) ANY I	NTEREST EARNINGS OF THE FUND SHALL BE PAID INTO THE
16	Art	icle – State Finance and Procurement
17	6–226.	
18 19 20 21 22 23	inconsistent with a federaterms of a gift or settlem State Treasurer under the	Notwithstanding any other provision of law, and unless I law, grant agreement, or other federal requirement or with the ent agreement, net interest on all State money allocated by the is section to special funds or accounts, and otherwise entitled to as accounted for by the Comptroller, shall accrue to the General
24 25	(ii) to the following funds:	The provisions of subparagraph (i) of this paragraph do not apply
26 27	[and]	122. the Racing and Community Development Financing Fund;
28 29	AND	123. the Racing and Community Development Facilities Fund;
30		124. THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS

FACILITY FUND.

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1	THOILITT CAD.
2	Article - State Government
3	9–120.
4 5	(a) The Comptroller shall distribute, or cause to be distributed, the State Lottery Fund to pay:
6 7 8	(1) on a pro rata basis for the daily and nondaily State lottery games, the expenses of administering and operating the State lottery, as authorized under this subtitle and the State budget; and
9 10 11	(2) then, except as provided in § 10–113.1 of the Family Law Article, § 11–618 of the Criminal Procedure Article, and § 3–307 of the State Finance and Procurement Article, the holder of each winning ticket or share.
12 13	(b) (1) By the end of the month following collection, the Comptroller shall deposit or cause to be deposited:
14 15 16 17	(i) into the Maryland Stadium Facilities Fund established under § 7–312 of the State Finance and Procurement Article from the money that remains in the State Lottery Fund, after the distribution under subsection (a) of this section, an amount not to exceed \$20,000,000 in any fiscal year;
18 19 20 21	(ii) after June 30, 2014, into the Maryland Veterans Trust Fund 10% of the money that remains in the State Lottery Fund from the proceeds of sales of tickets from instant ticket lottery machines by veterans' organizations under § 9–112(d) of this subtitle, after the distribution under subsection (a) of this section;
22 23 24 25 26 27 28	(iii) after June 30, 2014, into the Baltimore City Public School Construction Financing Fund established under § 10–656 of the Economic Development Article the money that remains in the State Lottery Fund from the proceeds of all lotteries after the distributions under subsection (a) of this section and items (i) and (ii) of this paragraph, an amount equal to \$20,000,000 in each fiscal year that bonds are outstanding and unpaid, to be paid in two installments with at least \$10,000,000 paid no later than December 1 of each fiscal year;
29 30 31 32 33	(iv) after June 30, 2021, into the Racing and Community Development Financing Fund established under § 10–657.2 of the Economic Development Article from the money that remains in the State Lottery Fund, after the distribution under subsection (a) of this section, an amount equal to \$17,000,000 in each fiscal year until the bonds issued for a racing facility have matured; [and]

(V) AFTER JUNE 30, 2022, INTO THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY FUND ESTABLISHED UNDER § 10–657.4 OF THE

- 1 ECONOMIC DEVELOPMENT ARTICLE FROM THE MONEY THAT REMAINS IN THE
- 2 STATE LOTTERY FUND, AFTER THE DISTRIBUTION UNDER SUBSECTION (A) OF THIS
- 3 SECTION, AN AMOUNT EQUAL TO \$11,700,000 IN EACH FISCAL YEAR THAT BONDS
- 4 ARE OUTSTANDING AND UNPAID; AND
- [(v)] (VI) into the General Fund of the State the money that remains in the State Lottery Fund from the proceeds of all lotteries after the distributions under
- 7 subsection (a) of this section and items (i), (ii), (iii), [and] (iv), AND (V) of this paragraph.
- 8 (2) The money paid into the General Fund under this subsection is 9 available in the fiscal year in which the money accumulates in the State Lottery Fund.
- 10 (c) The regulations of the Agency shall apportion the money in the State Lottery 11 Fund in accordance with subsection (b) of this section.
- SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect 13 October 1, 2021.