

SENATE BILL 289

L2

CONSTITUTIONAL AMENDMENT

5lr0703

By: **Senator McCray**

Introduced and read first time: January 10, 2025

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City – Removal of Debt Ballot Questions**

3 FOR the purpose of removing the requirement that certain debt created by the Mayor and
4 City Council of Baltimore be approved by the legal voters of the City of Baltimore
5 through a majority vote at a certain election; and generally relating to the removal
6 of debt ballot questions in Baltimore City.

7 BY proposing an amendment to the Maryland Constitution
8 Article XI – City of Baltimore
9 Section 7

10 BY repealing and reenacting, without amendments,
11 The Charter of Baltimore City
12 Article II – General Powers
13 Section (62)(a)(1) and (62A)(g)(3)(i)
14 (2007 Replacement Volume, as amended)

15 BY repealing and reenacting, with amendments,
16 The Charter of Baltimore City
17 Article II – General Powers
18 Section (62)(f)(2) and (62A)(g)(3)(ii)
19 (2007 Replacement Volume, as amended)

20 BY repealing and reenacting, with amendments,
21 The Public Local Laws of Baltimore City
22 Section 25–7 and 25–16
23 Article 4 – Public Local Laws of Maryland
24 (1979 Edition and 1997 Supplement, and 2000 Supplement, as amended)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
2 (Three-fifths of all the members elected to each of the two Houses concurring), That it be
3 proposed that the Maryland Constitution read as follows:

4 **Article XI – City of Baltimore**

5 7.

6 From and after the adoption of this Constitution, no debt except as hereinafter
7 provided in this section, shall be created by the Mayor and City Council of Baltimore; nor
8 shall the credit of the Mayor and City Council of Baltimore be given, or loaned to, or in aid
9 of any individual, association, or corporation; nor shall the Mayor and City Council of
10 Baltimore have the power to involve the City of Baltimore in the construction of works of
11 internal improvement, nor in granting any aid thereto, which shall involve the faith and
12 credit of the City, nor make any appropriation therefor, unless the debt or credit is
13 authorized by an ordinance of the Mayor and City Council of Baltimore[, submitted to the
14 legal voters of the City of Baltimore, at such time and place as may be fixed by the
15 ordinance, and approved by a majority of the votes cast at that time and place]. An
16 ordinance for the authorization of debt or credit as aforesaid [may not be submitted to the
17 legal voters of Baltimore City unless the proposed creation of debt or extension of credit is]
18 **SHALL BE** either (1) presented to and approved by a majority of the members of the General
19 Assembly representing Baltimore City [no later than the 30th day of the regular session of
20 the General Assembly immediately preceding its submission to the voters], or (2)
21 authorized by an act of the General Assembly. The ordinance shall provide for the discharge
22 of any such debt or credit within the period of 40 years from the time of contracting the
23 same. The Mayor and City Council may, temporarily, borrow any amount of money to meet
24 any deficiency in the City treasury, and may borrow any amount at any time to provide for
25 any emergency arising from the necessity of maintaining the police, or preserving the
26 health, safety and sanitary condition of the City, and may make due and proper
27 arrangements and agreements for the renewal and extension, in whole or in part, of any
28 and all debts and obligations created according to law before the adoption of this
29 Constitution.

30 The General Assembly may, from time to time, fix a limit upon the aggregate amount
31 of bonds and other evidences of indebtedness of the City outstanding at any one time to the
32 same extent as it fixes such a limit upon the indebtedness of the chartered counties.

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

35 **The Charter of Baltimore City**

36 **Article II – General Powers**

37 The Mayor and City Council of Baltimore shall have full power and authority to
38 exercise all of the powers heretofore or hereafter granted to it by the Constitution of

1 Maryland or by any Public General or Public Local Laws of the State of Maryland; and in
2 particular, without limitation upon the foregoing, shall have power by ordinance, or such
3 other method as may be provided for in its Charter, subject to the provisions of said
4 Constitution and Public General Laws:

5 (62)

6 (a) (1) To borrow money by issuing and selling bonds, at any time and from
7 time to time, for the purpose of financing and refinancing the development of an industrial,
8 commercial, or residential area in Baltimore City. Such bonds shall be payable from and
9 secured by a pledge of the special fund described in subsection (d)(3)(ii) of this section and
10 the Mayor and City Council of Baltimore may also establish sinking funds, establish debt
11 service reserve funds, or pledge other assets and revenues towards the payments of the
12 principal and interest, including revenues received by the Mayor and City Council of
13 Baltimore pursuant to a development agreement.

14 (f) (2) The ordinance, if such bonds constitute debt of the Mayor and City
15 Council of Baltimore [under], **SHALL COMPLY WITH** Section 7 of Article XI of the State
16 Constitution[, shall be submitted to the legal voters of the City of Baltimore at the time
17 and place specified therein. Such ordinance shall become effective only if it is approved by
18 the majority of the votes cast at the time and place specified in such ordinance]. Except as
19 otherwise provided herein, this section may not be construed as requiring the submission
20 to the legal voters of the City of Baltimore of any ordinance creating a development district
21 pursuant to subsection (d) of this section.

22 (62A)

23 (g) (3) (i) Before the ordinance that designates a special taxing district,
24 authorizes the issuance of bonds, or levies ad valorem taxes or special taxes under the
25 provisions of this section may be finally enacted, the Mayor and City Council of Baltimore
26 shall hold a public hearing after giving not less than 10–days notice in a newspaper of
27 general circulation in the City of Baltimore.

28 (ii) The ordinance enacted pursuant to this subsection, if such bonds
29 constitute debt of the Mayor and City Council of Baltimore [under], **SHALL COMPLY WITH**
30 Article XI, § 7 of the Maryland Constitution[, shall be submitted to the legal voters of the
31 City of Baltimore at the time and place specified therein. Such ordinance shall become
32 effective only if it is approved by the majority of the votes cast at the time and place
33 specified in such ordinance].

34 **Article 4 – Baltimore City**

35 25–7.

36 Immediately upon the approval of the loan of \$5,000,000, hereinafter mentioned, [by
37 the legal voters of Baltimore City, but not otherwise] **IN ACCORDANCE WITH SECTION 7**

1 **OF ARTICLE XI OF THE CONSTITUTION OF MARYLAND**, the Mayor and City Council of
2 Baltimore shall pay to the treasurer of Baltimore County, out of the proceeds of said loan,
3 the sum of thirty–five thousand dollars, in lieu, and release of, and, as full compensation
4 for, all county taxes due, or to become due, on any and all land, property, or things, acquired
5 or held, or thereafter to be acquired or held, by said Mayor and City Council of Baltimore,
6 under the loan hereinafter provided for and under the provisions of this subheading, or in
7 connection with the work herein contemplated, and thereafter such land, property, or
8 things, when so held or acquired by said city, shall be exempt from taxation for county
9 purposes; all laws, or parts of laws, inconsistent herewith being hereby repealed to the
10 extent of such inconsistency. The object of this section is to indemnify Baltimore County
11 against all loss in taxes, immediate or prospective, that may be entailed upon it by the
12 appropriation for public use, by the Mayor and City Council of Baltimore, of any and all
13 such land, property or things.

14 25–16.

15 In order to provide money to defray the cost of carrying all or any of the purposes of
16 the provisions of this subheading into execution, the Mayor and City Council of Baltimore
17 is hereby authorized to issue the stock of said corporation for a sum not exceeding Five
18 Millions of Dollars; said stock to be issued from time to time as the Mayor and City Council
19 of Baltimore shall by ordinance prescribe, and to be issued for such amounts, and to be
20 payable at such time and to bear such rate of interest as the Mayor and City Council of
21 Baltimore shall by ordinance provide; said stock shall be sold and issued by the
22 Commissioners of Finance of the City of Baltimore at the best prices obtainable in their
23 judgment therefor, and any premiums derived from the sale thereof shall remain in their
24 hands as part of the sinking fund hereinafter mentioned for the redemption of said stock at
25 maturity.

26 The residue of the money received from the sale of said stock shall be turned over by
27 them to the Comptroller to be by him deposited with the City Register, and to be placed to
28 the credit of a fund to be known as the “Gunpowder Reservoir Fund,” which shall be
29 exclusively applicable to the cost of carrying the purposes and provisions of this subheading
30 into execution, and shall be chargeable with no other items of cost or expense whatsoever,
31 and appropriation to defray said cost, based upon the estimate of the person charged with
32 the duty of doing the work contemplated by this subheading shall be annually included by
33 the Board of Estimates in the usual way in the Ordinance of Estimates, but said stock shall
34 not be issued in whole or in part unless the ordinance of the Mayor and City Council of
35 Baltimore providing for the issuance [thereof, shall be submitted to the legal voters of the
36 City of Baltimore at such time and place as may be fixed by said ordinance and approved
37 by a majority of votes cast at such time and place as required by] **COMPLIES WITH** Section
38 7 of Article XI of the Constitution of Maryland; if issued [pursuant to such approval], the
39 Mayor and City Council of Baltimore shall levy in each and every year upon all property
40 liable to taxation in the City of Baltimore, a sum sufficient to pay the interest accruing on
41 said stock, and to create a sinking fund sufficient, with the aid of any premiums on the sale
42 thereof to redeem said stock at its maturity.

1 SECTION 3. AND BE IT FURTHER ENACTED, That the General Assembly
2 determines that the amendment to the Maryland Constitution proposed by Section 1 of this
3 Act affects only the City of Baltimore and that the provisions of Article XIV, § 1 of the
4 Maryland Constitution concerning local approval of constitutional amendments apply.

5 SECTION 4. AND BE IT FURTHER ENACTED, That:

6 (a) The amendment to the Maryland Constitution proposed by Section 1 of this
7 Act shall be submitted to the qualified voters of the State at the next general election to be
8 held in November 2026 for adoption or rejection in accordance with Article XIV of the
9 Maryland Constitution.

10 (b) (1) At that general election, the vote on the proposed amendment to the
11 Constitution shall be by ballot, and on each ballot there shall be printed the words “For the
12 Constitutional Amendment” and “Against the Constitutional Amendment”, as now
13 provided by law.

14 (2) At that general election, a question substantially similar to the
15 following shall be submitted to the qualified voters of the State:

16 “Question ____ – Constitutional Amendment

17 The proposed amendment removes the requirement that debt or credit created by the
18 Mayor and City Council of Baltimore be approved by the legal voters of the City of
19 Baltimore through a majority of the votes cast at the appropriate election.”.

20 (c) Immediately after the election, all returns shall be made to the Governor of
21 the vote for and against the proposed amendment, as directed by Article XIV of the
22 Maryland Constitution, and further proceedings had in accordance with Article XIV.

23 SECTION 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act is
24 contingent on the passage of Section 1 of this Act, a constitutional amendment, and its
25 ratification by the voters of the State.

26 SECTION 6. AND BE IT FURTHER ENACTED, That, subject to the provisions of
27 Section 5 of this Act, Section 2 of this Act shall take effect on the proclamation of the
28 Governor that the constitutional amendment, having received a majority of the votes cast
29 at the general election, has been adopted by the people of Maryland.