



February 26, 2026

The Honorable Jheanelle Wilkins, Chair
The Honorable Jessica Feldmark, Vice Chair
House Ways and Means Committee
130 & 131 House Office Building
Annapolis, MD 21401

**Testimony of Ray Baker, Maryland Director, Baltimore DC Metro Building Trades Council on
HB1247 - Prince George's County - Tax Increment Financing -
Extraordinary Development District - Alterations PG425-25
Position: FAVORABLE WITH AMENDMENTS**

Thank you Chair Wilkins, Vice Chair Feldmark, and members of the committee for the opportunity to provide testimony on HB1247. My name is Ray Baker. I am the Maryland Director of the Baltimore-DC Building Trades (BDCBT). The BDCBT's 28 affiliates represent more than 30,000 union construction workers across Maryland, Virginia, and the District of Columbia.

As you know, the purpose of HB1247 is to authorize Prince George's County to issue bonds to support the construction of The Sphere at National Harbor. **It is the position of the Building Trades that HB1247 must be amended to include labor standards and agreements.**

Our suggested amendments are attached to the testimony I submitted online. We have also provided Del. Nicole Williams, Chair of the Prince George's County Delegation, with this language.

It is critical that The Sphere project provides a fair deal for county taxpayers. It is equally critical that the project is one that protects workers with quality jobs during construction, and after construction, including the right to a fair process for unionization once opened. The deal as announced by Sphere Entertainment, the State of Maryland, and Prince George's County does not include these assurances. We absolutely need them.

We urge the Committee to amend HB1247 to protect workers and ensure quality jobs are created by this project.

HOUSE BILL 1247

C8

6lr3101

By: **Prince George's County Delegation**

Introduced and read first time: February 11, 2026

Assigned to: Ways and Means and Economic Matters

A BILL ENTITLED

AN ACT concerning

Prince George's County – Tax Increment Financing – Extraordinary Development District – Alterations

PG 425–25

FOR the purpose of altering the definition of “extraordinary development district” for the purpose of provisions of law governing tax increment financing to include a certain immersive entertainment venue; expanding the purposes for which bond proceeds may be used by Prince George's County or the revenue authority of Prince George's County to include the acquisition, construction, or rehabilitation of an immersive entertainment venue in an extraordinary development district; authorizing the Maryland–National Capital Park and Planning Commission to enter into a certain agreement that pledges certain taxes as security for bonds issued by Prince George's County contingent on the adoption of certain resolutions; and generally relating to tax increment financing of an extraordinary development district.

BY renumbering

Article – Economic Development

Section 12–201(j) through (u)

to be Section 12–201(k) through (v), respectively

Annotated Code of Maryland

(2024 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, without amendments,

Article – Economic Development

Section 12–201(a) and (h), 12–207(a), and 12–210(b)

Annotated Code of Maryland

(2024 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Section 12–201(i), 12–207(c), and 12–210(a)(3)
Annotated Code of Maryland
(2024 Replacement Volume and 2025 Supplement)

BY adding to

Article – Economic Development
Section 12–201(j)
Annotated Code of Maryland
(2024 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, with amendments,

Article – Land Use
Section 18–310
Annotated Code of Maryland
(2012 Volume and 2025 Supplement)

Preamble

WHEREAS, The General Assembly of Maryland finds that the development of large-scale, high-tech, immersive entertainment venues are critical to the continued growth and competitiveness of the tourism, arts, and hospitality industries in Prince George’s County and Maryland; and

WHEREAS, The high cost and unique technical infrastructure required for an immersive entertainment venue requires specialized financing mechanisms to ensure its successful integration into established development districts; and

WHEREAS, The creation of extraordinary development districts that include an immersive entertainment venue will serve a significant public purpose by generating substantial new tax revenue, creating high-skill jobs, and fostering secondary economic development in surrounding areas; and

WHEREAS, It is the intent of the General Assembly to provide Prince George’s County with the flexibility to use tax increment financing to support major private-sector investments; and

WHEREAS, The State and Prince George’s County have compelling proprietary interests in ensuring that construction of major private-sector investments supported by tax increment financing are completed in accordance with project schedules, with the highest degree of quality, and in a safe and cost-effective manner; and

WHEREAS, Construction projects present particularly difficult challenges in terms of ensuring timely, cost-effective project delivery and require large numbers of well-trained, highly skilled construction craft personnel in a variety of specific trades and crafts; and

WHEREAS, Successful project delivery can be more effectively promoted by adopting

measures that ensure that projects are properly staffed with adequate numbers of craft workers adequately trained in the respective construction crafts; and

WHEREAS, Project labor agreements executed by project contractors and building trades labor organizations provide a reliable means for ensuring that construction projects will be adequately staffed with sufficient numbers of highly skilled and properly trained craft personnel and promote the efficient, economical, and safe completion of such projects; and

WHEREAS, the State and Prince George's County have a interest in ensuring that any immersive entertainment venue project supported by bond proceeds be operated in as efficient a manner as possible, free from labor-management conflict that may adversely affect the State's and County's financial and other proprietary interests by reducing revenues, increasing the costs of the project, generating negative publicity, or having other untoward effects on operations; and

WHEREAS, one way to protect against labor-management conflict that might affect the State's and County's proprietary interests is to require, as a condition of public investment in an immersive entertainment venue project, that employers taking part in the project seek agreements with labor organizations in which the labor organizations agree to forbear from adverse economic action against the employers' operations; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 12–201(j), (k) through ~~(o)~~, and (p) through (u) of Article – Economic Development of the Annotated Code of Maryland be renumbered to be Section(s) 12–201(k), (m) through ~~(q)~~, and (s) through (x), respectively.

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

Article – Economic Development

12–201.

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

(h) (1) “Development district” means a contiguous area designated by a resolution.

(2) “Development district” includes an extraordinary development district.

(i) “Extraordinary development district” means a development district that:

(1) is designated as such by resolution; and

(2) **(I)** contains at least 50 acres, on all or part of which a federal law enforcement agency will be located; **OR**

(II) IS THE SITE OF AN IMMERSIVE ENTERTAINMENT VENUE.

(J) “IMMERSIVE ENTERTAINMENT VENUE” MEANS AN ENTERTAINMENT VENUE THAT:

- (1) IS OWNED BY A PRIVATE ENTITY;
- (2) HAS AT LEAST 3,000 SEATS;
- (3) HAS AN AGGREGATE DEVELOPMENT COST OF AT LEAST \$500,000,000; AND
- (4) HAS AN IMMERSIVE EXPERIENCE WITH ADVANCED DISPLAY TECHNOLOGY, INCLUDING 4D VISUAL EFFECTS AND SPHERICAL LED SCREENS.

(L) “LABOR ORGANIZATION” MEANS A LABOR ORGANIZATION AS DEFINED IN 29 U.S.C. § 152(5) OF WHICH BUILDING AND CONSTRUCTION EMPLOYEES ARE MEMBERS, AS DESCRIBED IN 29 U.S.C. § 158(F).

(K) “LABOR PEACE AGREEMENT” MEANS AN AGREEMENT WITH A LABOR ORGANIZATION REPRESENTING HOSPITALITY WORKERS IN THE STATE OF MARYLAND THAT CONTAINS, AT A MINIMUM, PROVISIONS PROHIBITING THE LABOR ORGANIZATION AND ITS MEMBERS FROM ENGAGING IN ANY PICKETING, WORK STOPPAGE, BOYCOTT, OR OTHER ECONOMIC ACTION DIRECTED AT HOTEL, FOOD AND BEVERAGE, OR OTHER ENTERTAINMENT OPERATIONS AT AN IMMERSIVE ENTERTAINMENT VENUE.

(R) “PROJECT LABOR AGREEMENT” MEANS A PRE-HIRE COLLECTIVE BARGAINING AGREEMENT DESCRIBED IN 29 U.S.C. § 158(F) WITH ONE OR MORE LABOR ORGANIZATIONS THAT:

- (1) BINDS ALL CONTRACTORS AND SUBCONTRACTORS ON THE PROJECT THROUGH THE INCLUSION OF APPROPRIATE SPECIFICATIONS IN ALL RELEVANT CONTRACT DOCUMENTS;
- (2) ALLOWS ALL CONTRACTORS AND SUBCONTRACTORS ON THE PROJECT TO BE ELIGIBLE FOR CONTRACTS AND SUBCONTRACTS WITHOUT REGARD TO WHETHER THEY ARE OTHERWISE PARTIES TO COLLECTIVE BARGAINING AGREEMENTS;
- (3) CONTAINS GUARANTEES AGAINST STRIKES, LOCKOUTS, AND SIMILAR JOB DISRUPTIONS;
- (4) SETS FORTH EFFECTIVE, PROMPT, AND MUTUALLY BINDING

PROCEDURES FOR RESOLVING LABOR DISPUTES ARISING DURING THE TERM OF THE PROJECT LABOR AGREEMENT;

- (5) PROVIDES OTHER MECHANISMS FOR LABOR-MANAGEMENT COOPERATION ON MATTERS OF MUTUAL INTEREST AND CONCERN, INCLUDING PRODUCTIVITY, QUALITY OF WORK, SAFETY, AND HEALTH; AND**
- (6) FULLY CONFORMS TO APPLICABLE LAW.**

12-207.

(a) Except as provided in subsections (b) and (e) of this section, bond proceeds may be used only:

(1) to buy, lease, condemn, or otherwise acquire property, or an interest in property:

(i) in the development district, a RISE zone, or a sustainable community; or

(ii) needed for a right-of-way or other easement to or from the development district, a RISE zone, or a sustainable community;

(2) for site removal;

(3) for surveys and studies;

(4) to relocate businesses or residents;

(5) to install utilities, construct parks and playgrounds, and for other needed improvements including:

(i) roads to, from, or in the development district;

(ii) parking; and

(iii) lighting;

(6) to construct or rehabilitate buildings for a governmental purpose or use;

(7) for reserves or capitalized interest;

(8) for necessary costs to issue bonds; and

(9) to pay the principal of and interest on loans, advances, or indebtedness that a political subdivision incurs for a purpose specified in this section.

(c) (1) In addition to the purposes listed in subsection (a) of this section, the proceeds from bonds that Prince George's County or the revenue authority of Prince George's County issues may be used:

(i) for convention, conference, or visitors' centers;

(II) FOR THE ACQUISITION, CONSTRUCTION, OR REHABILITATION OF AN IMMERSIVE ENTERTAINMENT VENUE LOCATED WITHIN AN EXTRAORDINARY DEVELOPMENT DISTRICT, BUT ONLY IF ALL CONTRACTORS AND SUBCONTRACTORS ENGAGED IN CONSTRUCTION OR REHABILITATION ON THE PROJECT AGREE, FOR THAT PROJECT, TO NEGOTIATE OR BECOME A PARTY TO A PROJECT LABOR AGREEMENT WITH ONE OR MORE APPROPRIATE LABOR ORGANIZATIONS, UNLESS, WITH RESPECT TO THAT PROJECT, REQUIRING A PROJECT LABOR AGREEMENT WOULD NOT ADVANCE PRINCE GEORGE'S COUNTY'S INTERESTS IN ACHIEVING ECONOMY AND EFFICIENCY, WOULD FRUSTRATE FULL AND OPEN COMPETITION, OR WOULD OTHERWISE BE INCONSISTENT WITH APPLICABLE LAW;

[(ii)] (iii) to maintain infrastructure improvements and convention, conference, or visitors' centers;

[(iii)] (iv) to market development district facilities and other improvements; and

[(iv)] (v) for the purpose of encouraging redevelopment in those areas listed in paragraph (2) of this subsection, to install infrastructure improvements, including:

1. streets;
2. parking structures of any type whether for public or private use;
3. utilities;
4. street lights;
5. stormwater management and storm drain facilities;
6. fencing;
7. noise walls;
8. retaining walls;

9. trails;
10. sidewalks;
11. pedestrian and vehicular bridges; and
12. park facilities.

(2) The purpose of the authority granted by paragraph [(1)(iv)] **(1)(V)** of this subsection is to encourage redevelopment in:

- (i) revitalization areas designated by the county;
- (ii) mixed use centers;
- (iii) blighted areas; and
- (iv) the Developed Tier, growth corridors, and growth centers, as defined in the county General Plan.

(3) ON ANY IMMERSIVE ENTERTAINMENT VENUE PROJECT INVOLVING BOND PROCEEDS ISSUED PURSUANT TO SUBSECTION (C)(1) TOTALING, IN AGGREGATE, MORE THAN \$5,000,000

(I) PRINCE GEORGE'S COUNTY OR THE REVENUE AUTHORITY OF PRINCE GEORGE'S COUNTY, AS THE CASE MAY BE, SHALL, AS A MATERIAL CONDITION OF SUCH BOND PROCEEDS BEING USED ON THE PROJECT, OBTAIN A CONTRACTUAL COMMITMENT FROM THE DEVELOPER OF THE IMMERSIVE ENTERTAINMENT VENUE PROJECT AND FROM EACH CONTRACTOR OR SUBCONTRACTOR, LESSEE OR SUB-LESSEE, OR OTHER MANAGEMENT ENTITY OPERATING AN ENTERTAINMENT, FOOD AND BEVERAGE, OR HOTEL OPERATION AS PART OF THE PROJECT THAT EACH SUCH ENTITY SHALL OBTAIN ONE OR MORE LABOR PEACE AGREEMENTS COVERING PERMANENT EMPLOYEES OF SUCH OPERATIONS;

(II) THE REQUIREMENT SET FORTH IN SUBSECTION (C)(3)(I) SHALL NOT APPLY TO AN EMPLOYER THAT IS A SIGNATORY TO A VALID AND BINDING COLLECTIVE BARGAINING AGREEMENT OR AGREEMENTS COVERING THE TERMS AND CONDITIONS OF EMPLOYMENT FOR ITS EMPLOYEES AT THE IMMERSIVE ENTERTAINMENT VENUE PROJECT, AND THE AGREEMENT PROVIDES AT LEAST EQUAL PROTECTION FROM THE RISKS OF LABOR-MANAGEMENT CONFLICT AS PROVIDED BY THE MINIMUM TERMS OF A LABOR PEACE AGREEMENT;

(III) NOTHING IN THIS SUBSECTION (C)(3) REQUIRES AN EMPLOYER TO RECOGNIZE A PARTICULAR LABOR ORGANIZATION OR TO ENTER INTO A COLLECTIVE BARGAINING AGREEMENT ESTABLISHING THE SUBSTANTIVE TERMS AND CONDITIONS OF EMPLOYMENT; AND

(IV) THIS SUBSECTION (C)(3) IS NOT INTENDED TO, AND SHALL NOT BE INTERPRETED TO, ENACT OR EXPRESS ANY GENERALLY APPLICABLE POLICY REGARDING LABOR-MANAGEMENT RELATIONS, TO REGULATE THOSE RELATIONS IN ANY WAY, OR TO FAVOR ANY PARTICULAR OUTCOME IN THE DETERMINATION OF EMPLOYEE PREFERENCE REGARDING UNION REPRESENTATION.

12-210.

(a) (3) (i) This paragraph applies only in Prince George's County.

(ii) Subject to § 18-310 of the Land Use Article **AND NOTWITHSTANDING §§ 18-304, 18-306(D), AND 18-307(B) OF THE LAND USE ARTICLE**, the Maryland-National Capital Park and Planning Commission may enter into an agreement with Prince George's County to pay all or a portion of the property taxes levied by the county under §§ 18-304, 18-306, and 18-307 of the Land Use Article on the tax increment in an extraordinary development district in the county to the county for deposit into a special fund for the extraordinary development district **AND TO PLEDGE THOSE TAXES AS SECURITY FOR BONDS ISSUED BY PRINCE GEORGE'S COUNTY.**

(iii) The agreement authorized under subparagraph (ii) of this paragraph shall

1. be in writing; and

2. be executed by the governing body of Prince George's County and, on proper authorization, the Maryland-National Capital Park and Planning Commission.

(iv) The Maryland-National Capital Park and Planning Commission may not be an obligor for any bonds issued by Prince George's County for an extraordinary development district.

(b) The governing body of Prince George's County may also pledge hotel rental tax revenues to the special fund.

Article – Land Use

18-310.

The Commission may not enter into an agreement with Prince George's County to pay **AND PLEDGE AS SECURITY** all or a portion of the property taxes levied by the county under §§ 18-304, 18-306, and 18-307 of this subtitle on the tax increment in an extraordinary development district in the county to the county for deposit into a special fund for an extraordinary development district under § 12-210 of the Economic Development Article until:

(1) the governing body of Prince George's County has adopted a resolution designating the extraordinary development district; and

(2) the Commission has adopted a resolution approving the agreement.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2026.