

SENATE BILL 856

C8

3lr1888
CF HB 1128

By: **Senator McCray**

Introduced and read first time: February 6, 2023

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development – Maryland Stadium Authority – Baltimore City**
3 **Infrastructure Projects**

4 FOR the purpose of authorizing the Maryland Stadium Authority to acquire sites for
5 infrastructure projects in Baltimore City; authorizing the Authority to issue certain
6 bonds to finance site acquisition, design, construction, equipping, and furnishing of
7 any portion of certain infrastructure projects, subject to certain limitations;
8 providing for the source of payment for certain bonds; requiring the Authority to
9 provide a certain financing plan to certain committees of the General Assembly
10 before seeking approval of the Board of Public Works for certain bond issuing or other
11 borrowing; requiring the Authority to obtain Board of Public Works approval for a
12 certain plan and agreement containing certain terms; establishing the Baltimore
13 City Infrastructure Projects Financing Fund; requiring the Governor to include in
14 the annual budget bill a certain appropriation to the Fund; requiring the interest
15 earnings of the Fund to be credited to the Fund; requiring the Maryland Department
16 of Labor to explore certain investments for apprenticeship programs; and generally
17 relating to the Maryland Stadium Authority and the financing and construction of
18 Baltimore City infrastructure projects.

19 BY renumbering

20 Article – Economic Development
21 Section 10–601(f) through (iii)
22 to be Section 10–601(g) through (jjj), respectively
23 Annotated Code of Maryland
24 (2018 Replacement Volume and 2022 Supplement)

25 BY repealing and reenacting, without amendments,

26 Article – Economic Development
27 Section 10–601(a) through (e) and 10–618(a)
28 Annotated Code of Maryland
29 (2018 Replacement Volume and 2022 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 BY adding to
2 Article – Economic Development
3 Section 10–601(f), 10–646.5, and 10–657.6
4 Annotated Code of Maryland
5 (2018 Replacement Volume and 2022 Supplement)
- 6 BY repealing and reenacting, with amendments,
7 Article – Economic Development
8 Section 10–618(b), 10–620(d) and (e), and 10–628(c)
9 Annotated Code of Maryland
10 (2018 Replacement Volume and 2022 Supplement)
- 11 BY repealing and reenacting, without amendments,
12 Article – State Finance and Procurement
13 Section 6–226(a)(2)(i)
14 Annotated Code of Maryland
15 (2021 Replacement Volume and 2022 Supplement)
- 16 BY repealing and reenacting, with amendments,
17 Article – State Finance and Procurement
18 Section 6–226(a)(2)(ii)170. and 171.
19 Annotated Code of Maryland
20 (2021 Replacement Volume 2022 Supplement)
- 21 BY adding to
22 Article – State Finance and Procurement
23 Section 6–226(a)(2)(ii)172.
24 Annotated Code of Maryland
25 (2021 Replacement Volume and 2022 Supplement)

26 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
27 That Section(s) 10–601(f) through (iii) of Article – Economic Development of the Annotated
28 Code of Maryland be renumbered to be Section(s) 10–601(g) through (jjj), respectively.

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

31 **Article – Economic Development**

32 10–601.

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

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

1 (c) “Authority affiliate” means a for-profit or nonprofit entity in which the
2 Authority directly or indirectly owns any membership interest or equity interest.

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

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

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

6 (e) “Baltimore City Board of School Commissioners” means the Baltimore City
7 Board of School Commissioners of the Baltimore City Public School System established
8 under § 3–108.1 of the Education Article.

9 **(F) “BALTIMORE CITY INFRASTRUCTURE PROJECT” MEANS AN**
10 **INFRASTRUCTURE PROJECT LOCATED IN BALTIMORE CITY, INCLUDING PROJECTS**
11 **FOR:**

12 **(1) WATER LINES;**

13 **(2) ROADS;**

14 **(3) BRIDGES;**

15 **(4) OPEN SPACE; AND**

16 **(5) BROADBAND CONNECTIVITY.**

17 10–618.

18 (a) (1) Except as provided in paragraph (2) of this subsection, contracts to
19 acquire any facility site, to construct the facility, or for construction on the facility site
20 require the prior approval of the Board of Public Works.

21 (2) Contracts to construct a public school facility or for construction on a
22 public school site do not require the prior approval of the Board of Public Works.

23 (b) The Authority may:

24 (1) acquire by any of the means specified in § 10–620(a) of this subtitle:

25 (i) a site at Camden Yards for a facility;

26 (ii) a Baltimore Convention site or an interest in the site;

27 (iii) an Ocean City Convention site or an interest in the site;

1 (iv) a Montgomery County Conference site or an interest in the site;

2 (v) a Hippodrome Performing Arts site or an interest in the site;

3 (vi) a Hagerstown Multi-Use Sports and Events Facility site or an
4 interest in the site;

5 (vii) a sports entertainment facility site or an interest in the site;
6 [and]

7 (viii) a Prince George's County Blue Line Corridor facility site or an
8 interest in the site; and

9 (IX) SITES FOR BALTIMORE CITY INFRASTRUCTURE PROJECTS;
10 AND

11 (2) construct or enter into a contract to construct a facility on a site it
12 acquires under this subsection.

13 10-620.

14 (d) (1) The exercise of authority under this subsection is subject to the prior
15 approval of the Board of Public Works.

16 (2) On request of the Authority, the State, a unit of the State, or a political
17 subdivision may lease, lend, grant, or otherwise convey to the Authority, property,
18 including property devoted to public use, as necessary or convenient for the purposes of this
19 subtitle.

20 (3) The State may lease or sublease a facility, or an interest in a facility,
21 from or to the Authority, whether or not constructed or usable.

22 (4) Lease payments to the Authority appropriated by the State shall be
23 transferred to:

24 (i) the Baltimore Convention Fund if appropriated for a Baltimore
25 Convention facility;

26 (ii) the Camden Yards Fund if appropriated for a sports facility or
27 other facility at Camden Yards;

28 (iii) the Hippodrome Performing Arts Fund if appropriated for a
29 Hippodrome Performing Arts facility;

30 (iv) the Montgomery County Conference Fund if appropriated for a
31 Montgomery County Conference facility;

1 (v) the Ocean City Convention Fund if appropriated for an Ocean
 2 City Convention facility;

3 (vi) the Hagerstown Multi–Use Sports and Events Facility Fund if
 4 appropriated for a Hagerstown Multi–Use Sports and Events Facility;

5 (vii) the Sports Entertainment Facilities Financing Fund if
 6 appropriated for a sports entertainment facility; [or]

7 (viii) the Prince George’s County Blue Line Corridor Facility Fund if
 8 appropriated for a Prince George’s County Blue Line Corridor facility; OR

9 (IX) THE BALTIMORE CITY INFRASTRUCTURE PROJECTS
 10 FINANCING FUND FOR BALTIMORE CITY INFRASTRUCTURE PROJECTS.

11 (e) (1) This subsection does not apply to the:

12 (I) Camden Yards site[.];

13 (II) Baltimore Convention site[.];

14 (III) Ocean City Convention site[.];

15 (IV) Hippodrome Performing Arts site[.];

16 (V) any Baltimore City public school site[.];

17 (VI) any racing facility[.];

18 (VII) the Hagerstown Multi–Use Sports and Events Facility site[.];

19 (VIII) any supplemental facility site[.];

20 (IX) any public school site[.];

21 (X) a sports entertainment facility[,or];

22 (XI) a Prince George’s County Blue Line Corridor facility site; OR

23 (XII) A SITE FOR BALTIMORE CITY INFRASTRUCTURE
 24 PROJECTS.

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

10–628.

(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, that constitute tax supported debt or nontax supported debt if, after issuance, there would 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 construction management, professional fees, and contingencies in connection with:

- (i) the Baltimore Convention facility – \$55,000,000;
- (ii) the Hippodrome Performing Arts facility – \$20,250,000;
- (iii) the Montgomery County Conference facility – \$23,185,000;
- (iv) the Ocean City Convention facility – \$24,500,000;
- (v) Baltimore City public school facilities – \$1,100,000,000;
- (vi) supplemental facilities – \$25,000,000;
- (vii) racing facilities – \$375,000,000;
- (viii) public school facilities in the State – \$2,200,000,000;
- (ix) the Hagerstown Multi–Use Sports and Events Facility – \$59,500,000;
- (x) sports entertainment facilities – \$200,000,000; [and]
- (xi) Prince George’s County Blue Line Corridor facilities – \$400,000,000; **AND**

(XII) BALTIMORE CITY INFRASTRUCTURE PROJECTS – \$1,000,000,000.

(2) (i) 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.

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

1 **10-646.5.**

2 (A) EXCEPT AS AUTHORIZED BY § 10-639 OF THIS SUBTITLE, TO FINANCE
3 SITE ACQUISITION, DESIGN, CONSTRUCTION, EQUIPPING, AND FURNISHING OF ANY
4 SEGMENT OF A BALTIMORE CITY INFRASTRUCTURE PROJECT, THE AUTHORITY
5 SHALL COMPLY WITH THIS SECTION.

6 (B) (1) THE AUTHORITY SHALL HAVE RECEIVED A WRITTEN REQUEST
7 FOR FINANCING AND CONSTRUCTION MANAGEMENT SERVICES FROM BALTIMORE
8 CITY.

9 (2) THE REQUEST SHALL INCLUDE:

10 (I) THE LOCATION OF THE PROPOSED BALTIMORE CITY
11 INFRASTRUCTURE PROJECT;

12 (II) THE AMOUNT, SOURCE, AND TIMING OF FUNDING, NOT
13 INCLUDING AUTHORITY BONDS THAT MAY BE ISSUED TO FINANCE THE BALTIMORE
14 CITY INFRASTRUCTURE PROJECT; AND

15 (III) A DESCRIPTION OF THE ANTICIPATED USE OF THE
16 PROPOSED INFRASTRUCTURE PROJECT.

17 (C) FOR BALTIMORE CITY INFRASTRUCTURE PROJECTS, THE AUTHORITY
18 AND BALTIMORE CITY SHALL REQUIRE EACH PROJECT TO UTILIZE A RATIO OF
19 APPRENTICES, AS DEFINED BY THE MARYLAND DEPARTMENT OF LABOR.

20 (D) THE AUTHORITY SHALL PROVIDE TO THE FISCAL COMMITTEES OF THE
21 GENERAL ASSEMBLY, AT LEAST 45 DAYS BEFORE SEEKING APPROVAL OF THE
22 BOARD OF PUBLIC WORKS FOR EACH BOND ISSUE OR OTHER BORROWING, A
23 COMPREHENSIVE FINANCING PLAN FOR THE RELEVANT SEGMENT OF THE
24 INFRASTRUCTURE PROJECT.

25 (E) THE AUTHORITY SHALL OBTAIN THE APPROVAL OF THE BOARD OF
26 PUBLIC WORKS OF THE PROPOSED BOND ISSUE, THE FINANCING PLAN, AND THE
27 AGREEMENT UNDER SUBSECTION (F) OF THIS SECTION.

28 (F) THE AUTHORITY MAY NOT ISSUE BONDS TO FINANCE A BALTIMORE
29 CITY INFRASTRUCTURE PROJECT UNTIL THE AUTHORITY SECURES A WRITTEN
30 AGREEMENT WITH BALTIMORE CITY, AS APPROVED BY THE BOARD OF PUBLIC
31 WORKS, UNDER WHICH THE SOURCE OF FUNDING AND THE ORDER IN WHICH FUNDS
32 WILL BE SPENT IS DESCRIBED.

1 (G) (1) A BOND ISSUED TO FINANCE A BALTIMORE CITY
2 INFRASTRUCTURE PROJECT:

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

7 (II) IS NOT A DEBT, LIABILITY, OR PLEDGE OF THE FAITH AND
8 CREDIT OR THE TAXING POWER OF THE STATE, THE AUTHORITY, OR ANY OTHER
9 GOVERNMENTAL UNIT BUT IS ONLY A LIMITED OBLIGATION OF THE AUTHORITY
10 PAYABLE SOLELY FROM MONEY MADE AVAILABLE TO THE AUTHORITY FOR THAT
11 PURPOSE; AND

12 (III) MAY NOT GIVE RISE TO ANY PECUNIARY LIABILITY OF THE
13 STATE, THE AUTHORITY, OR ANY OTHER GOVERNMENTAL UNIT BUT IS ONLY A
14 LIMITED OBLIGATION OF THE AUTHORITY PAYABLE SOLELY FROM MONEY PLEDGED
15 BY THE AUTHORITY.

16 (2) THE ISSUANCE OF A BOND TO FINANCE A BALTIMORE CITY
17 INFRASTRUCTURE PROJECT IS NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY A
18 MORAL OR OTHER OBLIGATION OF THE STATE, THE AUTHORITY, OR ANY OTHER
19 GOVERNMENTAL UNIT TO LEVY OR PLEDGE ANY TAX OR TO MAKE AN
20 APPROPRIATION TO PAY THE BOND.

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

23 (H) THE SOLE SOURCE OF PAYMENT FOR BONDS ISSUED FOR A BALTIMORE
24 CITY INFRASTRUCTURE PROJECT SHALL BE MONEY ON DEPOSIT IN THE BALTIMORE
25 CITY INFRASTRUCTURE PROJECTS FINANCING FUND.

26 10-657.6.

27 (A) IN THIS SECTION, "FUND" MEANS THE BALTIMORE CITY
28 INFRASTRUCTURE PROJECTS FINANCING FUND.

29 (B) THERE IS A BALTIMORE CITY INFRASTRUCTURE PROJECTS FINANCING
30 FUND.

31 (C) THE AUTHORITY SHALL:

32 (1) ADMINISTER THE FUND;

1 **(2) USE THE FUND AS A REVOLVING FUND FOR CARRYING OUT THIS**
2 **SUBTITLE CONCERNING BALTIMORE CITY INFRASTRUCTURE PROJECTS; AND**

3 **(3) PAY ANY AND ALL EXPENSES FROM THE FUND THAT ARE**
4 **INCURRED BY THE AUTHORITY RELATED TO ANY BALTIMORE CITY**
5 **INFRASTRUCTURE PROJECT.**

6 **(D) (1) THE FUND IS A CONTINUING, NONLAPSING FUND THAT IS NOT**
7 **SUBJECT TO REVERSION UNDER § 7-302 OF THE STATE FINANCE AND**
8 **PROCUREMENT ARTICLE.**

9 **(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**
10 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

11 **(E) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY, THE**
12 **MONEY ON DEPOSIT IN THE FUND SHALL BE PLEDGED TO AND USED TO PAY THE**
13 **FOLLOWING RELATED TO BALTIMORE CITY INFRASTRUCTURE PROJECTS:**

14 **(1) DEBT SERVICE ON AUTHORITY BONDS;**

15 **(2) DEBT SERVICE RESERVES UNDER A TRUST AGREEMENT;**

16 **(3) ALL REASONABLE CHARGES AND EXPENSES RELATED TO**
17 **AUTHORITY BORROWING; AND**

18 **(4) ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE**
19 **AUTHORITY'S ADMINISTRATION OF THE FUND AND MANAGEMENT OF THE**
20 **AUTHORITY'S OBLIGATIONS.**

21 **(F) THE FUND CONSISTS OF:**

22 **(1) MONEY DEPOSITED INTO THE FUND;**

23 **(2) TO THE EXTENT THAT THE PROCEEDS ARE NOT UNDER A TRUST**
24 **AGREEMENT, PROCEEDS FROM THE SALE OF BONDS CONCERNING BALTIMORE CITY**
25 **INFRASTRUCTURE PROJECTS;**

26 **(3) REVENUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER**
27 **THIS SUBTITLE RELATED TO BALTIMORE CITY INFRASTRUCTURE PROJECTS;**

28 **(4) ANY INTEREST EARNINGS OF THE FUND; AND**

1 **(5) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC**
 2 **SOURCE FOR THE PURPOSES ESTABLISHED FOR THE FUND.**

3 **(G) THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN**
 4 **APPROPRIATION OF \$58,000,000 TO THE FUND.**

5 **(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**
 6 **IN THE SAME MANNER AS OTHER STATE FUNDS.**

7 **(2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE FUND.**

8 **(3) NO PART OF THE FUND MAY REVERT OR BE CREDITED TO THE**
 9 **GENERAL FUND OR ANY SPECIAL FUND OF THE STATE.**

10 **Article – State Finance and Procurement**

11 6–226.

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

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

20 170. the Cannabis Public Health Fund; [and]

21 171. the Community Reinvestment and Repair Fund; **AND**

22 **172. THE BALTIMORE CITY INFRASTRUCTURE PROJECTS**
 23 **FINANCING FUND.**

24 SECTION 3. AND BE IT FURTHER ENACTED, That the Governor shall use
 25 increased tax revenue and savings of general funds from federal reimbursement for
 26 Medicaid to make the appropriation required under § 10–657.6(g) of the Economic
 27 Development Article, as enacted by Section 2 of this Act.

28 SECTION 4. AND BE IT FURTHER ENACTED, That the Maryland Department of
 29 Labor shall explore the investments that are needed to increase the capacity and reach of
 30 apprenticeship programs run by skilled trade unions and other organizations to make the
 31 needed investment under this Act.

1 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July
2 1, 2023.