

# HOUSE BILL 383

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By: **Delegates Smigiel, Anderson, Bates, Glass, McComas, McDermott,  
W. Miller, Norman, Parrott, and Schulz**

Introduced and read first time: February 3, 2011

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Stadium Authority – Bonding, Financing, and Revenue Limitations**  
3 **– Camden Yards Stadiums**

4 FOR the purpose of clarifying and placing certain limitations on the borrowing  
5 authority of the Maryland Stadium Authority; altering provisions relating to  
6 the money to be deposited in the Camden Yards Fund for certain purposes;  
7 altering certain provisions relating to the distribution by the Comptroller of  
8 certain lottery revenues into the Maryland Stadium Facilities Fund; requiring  
9 the Comptroller to pay certain sports lottery revenues into the State General  
10 Fund; requiring the State Lottery Agency to conduct certain sports lotteries for  
11 the benefit of the State General Fund instead of for the benefit of the Maryland  
12 Stadium Authority; and generally relating to bonding, financing, and revenue  
13 limitations for the Camden Yards Stadiums.

14 BY repealing and reenacting, with amendments,  
15 Article – Economic Development  
16 Section 10–614, 10–628(b), and 10–652  
17 Annotated Code of Maryland  
18 (2008 Volume and 2010 Supplement)

19 BY repealing and reenacting, without amendments,  
20 Article – Economic Development  
21 Section 10–621(b), 10–628(a), and 10–629  
22 Annotated Code of Maryland  
23 (2008 Volume and 2010 Supplement)

24 BY repealing and reenacting, with amendments,  
25 Article – State Government  
26 Section 9–120 and 9–120.1  
27 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2009 Replacement Volume and 2010 Supplement)

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

4 **Article – Economic Development**

5 10–614.

6 Subject to the approval of the Board of Public Works, the Authority may:

7 (1) borrow money, **IN ACCORDANCE WITH ANY LIMITATION**  
8 **OTHERWISE IMPOSED UNDER THIS SUBTITLE**, from any source for any corporate  
9 purpose, including working capital for its operations, reserve funds, or interest;

10 (2) mortgage, pledge, or otherwise encumber the property or funds of  
11 the Authority;

12 (3) contract for the services of any person in connection with any  
13 financing, including financial institutions, issuers of letters of credit, or insurers; and

14 (4) receive and accept from any public or private source contributions,  
15 gifts, or grants of money or property and invest the money or property as a whole or in  
16 part.

17 10–621.

18 (b) Proceeds derived from the sale of personal seat licenses that exceed the  
19 costs described in subsection (a) of this section:

20 (1) may not accrue directly to the benefit of an individual or private  
21 entity; and

22 (2) shall be held by the Authority for stadium construction and  
23 maintenance of the professional sports stadium in the State the relocated professional  
24 sports team uses.

25 10–628.

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

30 (b) (1) Unless authorized by the General Assembly, the Board of Public  
31 Works may not approve an issuance by the Authority of bonds for sports facilities at  
32 Camden Yards, whether taxable or tax exempt, that constitute tax supported debt if,

1 after the issuance, there would be outstanding and unpaid \$235,000,000 face amount  
2 of bonds for the purpose of financing the site acquisition and preparation, relocation,  
3 demolition and removal, construction and related expenses for construction  
4 management, professional fees, and contingencies of baseball and football stadiums or  
5 a multiuse stadium.

6 (2) (i) Subject to subparagraph (ii) of this paragraph, the limits on  
7 the issuance of bonds of the Authority, whether taxable or tax exempt, that constitute  
8 tax supported debt for the following purposes with respect to sports facilities at  
9 Camden Yards are:

10 1. \$85,000,000 for site acquisition and preparation,  
11 relocation, demolition and removal, and construction and related expenses for  
12 construction management, professional fees, and contingencies for Camden Yards;

13 2. \$70,000,000 for site work, construction and related  
14 expenses for construction management, professional fees, and contingencies of a  
15 baseball stadium;

16 3. \$80,000,000 for site work, construction and related  
17 expenses for construction management, professional fees, and contingencies of a  
18 football stadium; and

19 4. \$195,000,000 for site acquisition and preparation,  
20 relocation, demolition and removal, and construction and related expenses for  
21 construction management, professional fees, and contingencies of a multiuse stadium.

22 (ii) The Authority may **NOT** exceed the monetary limits on bond  
23 issuances provided for in subparagraph (i) of this paragraph [if the Authority:

24 1. obtains the authorization of the Board of Public  
25 Works; and

26 2. notifies the Legislative Policy Committee with  
27 accompanying justification].

28 10–629.

29 (a) The Authority shall pay the bonds issued in accordance with this part  
30 only from the property or receipts of the Authority.

31 (b) Property and receipts of the Authority include:

32 (1) taxes, fees, charges, or other revenues payable to the Authority;

33 (2) payments in accordance with letters of credit, lines of credit,  
34 insurance policies, or purchase agreements;

1 (3) investment earnings from funds or accounts maintained in  
2 accordance with a bond resolution or trust agreement;

3 (4) the proceeds of refunding bonds; and

4 (5) any other source authorized by law.

5 10-652.

6 (a) There is a Camden Yards Financing Fund.

7 (b) The Authority shall:

8 (1) use the Camden Yards Fund as a nonlapsing, revolving fund for  
9 implementing this subtitle concerning sports facilities and other facilities at Camden  
10 Yards;

11 (2) pay all expenses and make all expenditures related to Camden  
12 Yards facilities from the Camden Yards Fund; and

13 (3) transfer the sum of \$24,000,000 to the Public School Construction  
14 Fund established under § 7-326 of the State Finance and Procurement Article by  
15 making an annual payment of \$2,400,000 beginning in fiscal year 2001 and ending in  
16 fiscal year 2010.

17 (c) (1) To the extent considered appropriate by the Authority, the receipts  
18 of the Camden Yards Fund shall be pledged to and charged with the following relating  
19 to sports facilities:

20 (i) the payment of debt service on Authority bonds;

21 (ii) all reasonable charges and expenses related to Authority  
22 borrowing; and

23 (iii) the management of Authority obligations.

24 (2) The pledge shall be effective as provided in § 10-634 of this  
25 subtitle and any applicable Authority resolution.

26 (d) The Camden Yards Fund consists of:

27 (1) proceeds from the sale of bonds related to sports facilities;

28 (2) revenues collected or received from any source under this subtitle  
29 related to Camden Yards facilities;

1           (3) any other revenues related to Camden Yards facilities, under the  
2 jurisdiction of the Authority;

3           (4) admissions and amusement tax revenues distributed to the  
4 Authority under the Tax – General Article;

5           (5) any [additional revenue, gift, donation, or other funding source  
6 authorized by law] **GIFT, DONATION, OR NON-STATE REVENUE** related to Camden  
7 Yards facilities; and

8           (6) payments by Baltimore City under subsection (f) of this section.

9           (e) (1) The Treasurer shall invest the money of the Camden Yards Fund  
10 in the same manner as State funds.

11           (2) Any investment earnings shall be credited to the Camden Yards  
12 Fund.

13           (3) No part of the Camden Yards Fund may revert to or be credited to  
14 the General Fund or any special fund of the State.

15           (f) Baltimore City shall pay \$1,000,000 each year into the Camden Yards  
16 Fund for the purposes of debt service and other forms of obligation by the Authority.

### 17                                           **Article – State Government**

18           9–120.

19           (a) The Comptroller shall distribute the State Lottery Fund to pay:

20           (1) on a pro rata basis for the daily and nondaily State lottery games,  
21 the expenses of administering and operating the State lottery, as authorized under  
22 this subtitle and the State budget; and

23           (2) then, except as provided in § 10–113.1 of the Family Law Article  
24 and § 11–618 of the Criminal Procedure Article, the holder of each winning ticket or  
25 share.

26           (b) (1) Promptly after the 1st day of each month, the Comptroller shall  
27 pay **INTO THE GENERAL FUND THE MONEY THAT REMAINS IN THE STATE**  
28 **LOTTERY FUND FROM THE PROCEEDS OF:**

29           (i) [into the Maryland Stadium Facilities Fund the money that  
30 remains in the State Lottery Fund from the proceeds of the] **ANY** sports lotteries  
31 conducted [for the benefit of the Maryland Stadium Authority] **BY THE AGENCY IN**  
32 **ACCORDANCE WITH § 9–120.1 OF THIS SUBTITLE**, after the distribution under  
33 subsection (a) of this section; and

1                   (ii) [into the General Fund of the State the money that remains  
2 in the State Lottery Fund from the proceeds of] all other lotteries, after the  
3 distribution under subsection (a) of this section.

4                   (2) The money paid into the General Fund under this subsection is  
5 available in the fiscal year in which the money accumulates in the State Lottery Fund.

6                   (c) The regulations of the Agency shall apportion the money in the State  
7 Lottery Fund.

8 9–120.1.

9                   (a) During each fiscal year the Agency shall conduct **SPORTS** lotteries for the  
10 benefit of the [Maryland Stadium Authority] **STATE GENERAL FUND**.

11                   (b) In all advertising and on tickets, the Agency shall identify any lottery  
12 under this section as being conducted for the benefit of the [Maryland Stadium  
13 Authority] **STATE GENERAL FUND**.

14                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
15 October 1, 2011.