

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 911

(Senator Corderman)

Finance

Appropriations

Maryland Stadium Authority - Hagerstown Multi-Use Sports and Events Facility
- Alterations

This bill changes the entity with which the Maryland Stadium Authority (MSA) must enter into a written operating agreement before issuing bonds to finance the Hagerstown Multi-Use Sports and Event Facility from the Hagerstown-Washington County Industrial Foundation to the Hagerstown Multi-Use and Events Facility, Inc. and updates all related references to reflect the change.

Fiscal Summary

State Effect: None. The change is procedural in nature and does not directly affect governmental finances.

Local Effect: None. The change is procedural in nature – to recognize the entity actually incorporated for this purpose – and does not directly affect governmental finances.

Small Business Effect: None.

Analysis

Current Law: Chapter 353 of 2021 authorizes MSA to issue up to \$59.5 million in bonds for the purpose of financing acquisition, construction, renovation, and related expenses in connection with the Hagerstown Multi-Use Sports and Events Facility, subject to specified requirements.

“Hagerstown Multi-Use Sports and Events Facility” means the sports and events facility located in Hagerstown, Maryland, used for minor league baseball games, other events, and related activities. It includes fields and field houses, offices, parking lots and garages,

access roads, food service facilities, and other functionally related structures, improvements, furnishings, or equipment.

Generally, to finance site acquisition, design, and construction of any segment of the facility, MSA must notify the fiscal committees of the General Assembly; obtain the approval of Board of Public Works (BPW) of the proposed bond issue and the financing plan; and secure a written agreement to transfer ownership of the facility from MSA to the Hagerstown-Washington County Industrial Foundation, as approved by BPW:

- in which the foundation agrees to (1) own, market, promote, and operate or contract for the marketing, promotion, and operation of the facility in a manner that maximizes the facility's economic return and (2) maintain and repair or contract for the maintenance and repair of the facility; and
- that includes provisions (1) protecting the investments of MSA and the foundation in the facility; (2) requiring the foundation to contribute to a capital improvement reserve fund an amount sufficient to keep the facility in first-class operating condition; (3) requiring the foundation to be solely responsible for all expenditures relating to the operation of the facility that may be incurred, including maintenance, repair, and operating deficits; and (4) allowing the foundation to keep all operating profits resulting from the operation of the facility each year.

The foundation must annually report to the fiscal committees of the General Assembly on the facility's assessment of the maintenance and repair needed to keep the facility in operating order.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Maryland State Treasurer's Office; Board of Public Works; Maryland Stadium Authority; Department of Legislative Services

Fiscal Note History: First Reader - March 14, 2022
js/ljm Third Reader - March 22, 2022

Analysis by: Heather N. MacDonagh

Direct Inquiries to:
(410) 946-5510
(301) 970-5510