

**Department of Legislative Services**  
Maryland General Assembly  
2024 Session

**FISCAL AND POLICY NOTE**  
**Third Reader**

Senate Bill 849

(Senator Corderman)

Judicial Proceedings

Judiciary

---

**Local Government Tort Claims Act - Hagerstown Multi-Use Sports and Events Facility, Inc.**

---

This bill alters the definition of “local government” under the Local Government Tort Claims Act (LGTCA) to include the Hagerstown Multi-Use Sports and Events Facility, Inc. in Washington County.

---

**Fiscal Summary**

**State Effect:** The bill is not expected to materially affect State finances or operations.

**Local Effect:** The bill is not expected to materially affect local government finances or operations, as discussed below.

**Small Business Effect:** Potential meaningful.

---

**Analysis**

**Current Law:**

*Hagerstown Multi-Use and Events Facility, Inc.*

Under § 10-601 of the Economic Development Article, “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. Chapter 353 of 2021 authorizes the Maryland Stadium Authority (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. Chapter 252 of 2022 changed the entity with which MSA must enter into a written operating agreement before issuing bonds to finance the facility from the Hagerstown-Washington County Industrial Foundation to the Hagerstown Multi-Use and Events Facility, Inc. and updated all related references to reflect the change.

### *Local Government Tort Claims Act*

LGTCGA defines local government to include counties, municipal corporations, Baltimore City, and various agencies and authorities of local governments such as community colleges, county public libraries, special taxing districts, nonprofit community service corporations, sanitary districts, housing authorities, and commercial district management authorities. Pursuant to Chapter 131 of 2015, for causes of action arising on or after October 1, 2015, LGTCGA limits the liability of a local government to \$400,000 per individual claim and \$800,000 per total claims that arise from the same occurrence for damages from tortious acts or omissions (including intentional and constitutional torts). Separate liability limits for specified torts involving law enforcement officers went into effect on July 1, 2022.

LGTCGA further establishes that the local government is liable for the tortious acts or omissions of its employees acting within the scope of employment. Thus, LGTCGA prevents local governments from asserting a common law claim of governmental immunity from liability for such acts or omissions of its employees.

**Local Expenditures:** The City of Hagerstown advises that while the facility is being constructed in the city, the city itself does not own the facility or any aspects of the facility. The city further advises that it does not have any connection with Hagerstown Multi-Use Sports and Events Facility, Inc. Washington County also noted that it does not own the facility and is unlikely to be involved in any related lawsuit.

**Small Business Effect:** The City of Hagerstown could not provide details on whether the Hagerstown Multi-Use and Events Facility, Inc. qualifies as a small business (*e.g.*, for profit, employs 50 or fewer employees, etc.). However, if the corporation qualifies as a small business, the bill has a meaningful effect on the corporation from reduced insurance costs and reduced exposure to liability.

**Additional Comments:** LGTCGA contains specified notice requirements for actions for unliquidated damages against a local government or its employees. These requirements do not apply to actions against specified nonprofit corporations included in the definition of a “local government” under LGTCGA. The bill does not exempt Hagerstown Multi-Use and

Events Facility, Inc. from these notice requirements, and it is unclear how notice would work in an action involving the corporation given the disconnect between the corporation and the City of Hagerstown and Washington County. However, there are exceptions to these notice requirements that will allow a lawsuit to proceed if (1) the defendant local government, within one year after the injury, had actual or constructive notice of the claimant's injury or the defect or circumstances giving rise to the claimant's injury or (2) the defendant cannot affirmatively show that its defense has been prejudiced by lack of required notice, as specified.

---

### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Washington County; City of Hagerstown; Department of Legislative Services

**Fiscal Note History:** First Reader - February 28, 2024  
rh/jkb Third Reader - March 19, 2024

---

Analysis by: Amy A. Devadas

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