

Department of Legislative Services
 Maryland General Assembly
 2025 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 1016

(Delegate Wells)(By Request - Baltimore City Administration)

Ways and Means

Finance

Baltimore Convention and Tourism Redevelopment and Operating Authority
Task Force - Revisions

This bill requires the Baltimore Convention and Tourism Redevelopment and Operating Authority Task Force to identify funding sources and mechanisms, and make related recommendations, to (1) redevelop the Baltimore Convention site and the immediate surrounding area, as specified and (2) establish and sustain the operations of a Baltimore Convention and Tourism Redevelopment and Operating Authority (BCTROA). By December 1, 2025, the task force must report its findings and recommendations on the funding sources and mechanisms to the Mayor of Baltimore City, the Governor, and the General Assembly. The bill also extends the duration of the task force by one year to June 30, 2026. **The bill takes effect June 1, 2025.**

Fiscal Summary

State Effect: No effect in FY 2025. General fund expenditures for the Department of Commerce increase by approximately \$350,000 in FY 2026. Expense reimbursements for task force members are assumed to be minimal and absorbable within existing budgeted resources. Revenues are not affected.

(in dollars)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	350,000	0	0	0	0
Net Effect	(\$350,000)	\$0	\$0	\$0	\$0

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: The bill does not materially affect local government finances or operations.

Small Business Effect: Minimal.

Analysis

Bill Summary: The task must identify funding sources and mechanisms to:

- renovate, revitalize, and develop projects relating to the Baltimore Convention site and the immediate surrounding area, excluding areas 13, 14, and 15a as designated by the [Baltimore City Inner Harbor Project I Urban Renewal Plan](#); and
- establish and sustain the operations of BCTROA.

Current Law: Chapter 635 of 2024 established the Baltimore Convention and Tourism Redevelopment and Operating Authority Task Force to study the establishment of an entity or strategy to govern and redevelop, revitalize, construct, design, manage, finance, and operate certain State and local real property assets while promoting the Baltimore Convention site and the immediate surrounding area. Commerce must provide staff for the task force. The task force was required to make related recommendations on the membership, purpose, and function of any recommended entity, as specified, and to [report](#) its findings and recommendations to the Mayor of Baltimore City, the Governor, and the General Assembly by December 1, 2024.

As described in Appendix III of the report, the task force considered, at a high level, the potential viability of a range of revenue streams that fund comparable convention centers in other states – generally, various local taxes, parking fees, and convention center naming rights.

Baltimore Convention Center Funding

The Baltimore Convention Center (BCC) was opened in 1979 and an expansion was completed in 1997. The State contributed to the initial project by issuing \$35.0 million in general obligation (GO) bonds and to the expansion by issuing \$101.0 million in GO bonds and Maryland Stadium Authority (MSA) bonds. Baltimore City agreed to provide \$15.0 million for the opening and \$50.0 million for the renovation. Under its existing statutory authority as part of that agreement, MSA is authorized to have up to \$55.0 million in outstanding bonds related to BCC. The original bonds were retired in fiscal 2015. The current arrangement between MSA and BCC, under which the State contributes two-thirds of the annual operating deficit and one-half (\$200,000) of the annual capital reserve fund, has been in place since 1996. Legislation in 2008, 2013, and 2018 extended the arrangement through its current expiration date of December 31, 2029.

Chapter 695 of 2019 required MSA and Baltimore City to promptly enter into a written agreement to begin the planning and design of the expansion or renovation of BCC in fiscal 2020. The fiscal 2024 budget as passed by the General Assembly included \$25.7 million for the design, construction, and capital equipment infrastructure

improvements to BCC. The funds are administered by MSA, which has entered into a memorandum of understanding with Baltimore City for the use of the funds.

State Expenditures: Commerce advises that the task force requires assistance from one (or more) consultants with specific expertise in convention center funding and authority governance to complete the study at an estimated cost of approximately \$300,000 to \$400,000. This analysis assumes the midpoint of the range and that all costs are incurred in fiscal 2026. Expense reimbursements for task force members are assumed to be minimal and absorbable within existing budgeted resources. Accordingly, general fund expenditures for Commerce increase by approximately \$350,000 in fiscal 2026 only.

Additional Information

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

Designated Cross File: SB 672 (Senator M. Washington)(By Request - Baltimore City Administration) - Finance.

Information Source(s): Department of Commerce; Maryland Stadium Authority; Baltimore City; Department of Legislative Services

Fiscal Note History: First Reader - February 18, 2025
km/ljm Third Reader - March 20, 2025
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