

SENATE BILL 926

C8

(11r2763)

ENROLLED BILL

— *Budget and Taxation/Appropriations* —

Introduced by **Senators Corderman and Edwards**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Economic Development – Maryland Stadium Authority – Hagerstown Multi-Use**
3 **Sports and Events Facility**

4 FOR the purpose of authorizing the Maryland Stadium Authority to review certain matters
5 and make certain recommendations relating to the Hagerstown Multi-Use Sports
6 and Events Facility; authorizing the Authority to acquire by certain means a
7 Hagerstown Multi-Use Sports and Events Facility site or an interest in the site;
8 requiring the Authority to transfer certain lease payments to the Hagerstown
9 Multi-Use Sports and Events Facility Fund under certain circumstances; requiring
10 the Authority to submit a certain annual report, prepared in cooperation with the
11 Office of the Comptroller and the Department of Budget and Management, to the
12 Governor and the General Assembly; prohibiting the Board of Public Works from
13 approving an issuance by the Authority of certain bonds under certain
14 circumstances; requiring the Authority, with certain exceptions, to comply with
15 certain requirements to finance certain site acquisition, design, and construction

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



activities; requiring the Authority to obtain the approval of the Board of Public Works for certain matters; ~~requiring the Comptroller to pay a certain amount from the State Lottery Maryland Stadium Facilities Fund each year~~ requiring the Governor to include in the annual budget bill a certain appropriation until certain bonds are no longer outstanding and unpaid; requiring the Authority ~~or an affiliate of the Authority~~ to carry out certain tasks and secure certain agreements with certain parties containing certain terms to carry out the Authority's duties under this Act; requiring the Hagerstown-Washington County Industrial Foundation to report to certain committees of the General Assembly on or before a certain date each year; establishing the Hagerstown Multi-Use Sports and Events Facility Fund as a continuing, nonlapsing fund; specifying the purpose of the Fund; requiring the Authority to administer the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purpose for which the Fund may be used; providing for the investment of money in and expenditures from the Fund; requiring interest earnings of the Fund to be credited to the Fund; exempting from the sales and use tax certain construction material purchased by the Authority for a certain project; defining certain terms; and generally relating to the financing and construction of the Hagerstown Multi-Use Sports and Events Facility.

BY renumbering

Article – Economic Development
Section 10–601(s) through (tt), respectively
to be Section 10–601(v) through (ww), respectively
Annotated Code of Maryland
(2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,

Article – Economic Development
Section 10–601(a) and (b), 10–620(a)(1), and 10–628(a)
Annotated Code of Maryland
(2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development
Section 10–601(q), 10–613(a)(14) and (b), 10–618, 10–620(d) and (e), 10–625, and 10–628(c)
Annotated Code of Maryland
(2018 Replacement Volume and 2020 Supplement)

BY adding to

Article – Economic Development
Section 10–601(s), (t), and (u), 10–646.2, and 10–657.4
Annotated Code of Maryland
(2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement
Section 6–226(a)(2)(i)
Annotated Code of Maryland
(2015 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(ii) 122. and 123.
Annotated Code of Maryland
(2015 Replacement Volume and 2020 Supplement)

BY adding to
Article – State Finance and Procurement
Section 6–226(a)(2)(ii) 124.
Annotated Code of Maryland
(2015 Replacement Volume and 2020 Supplement)

~~BY repealing and reenacting, with amendments,
Article – State Government
Section 9–120
Annotated Code of Maryland
(2014 Replacement Volume and 2020 Supplement)~~

BY adding to
Article – Tax – General
Section 11–242
Annotated Code of Maryland
(2016 Replacement Volume and 2020 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That Section(s) 10–601(s) through (tt), respectively, of Article – Economic Development of
the Annotated Code of Maryland be renumbered to be Section(s) 10–601(v) through (ww),
respectively.

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

Article – Economic Development

10–601.

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

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

(q) “Facility” means:

(1) a structure or other improvement developed at Camden Yards;

(2) a convention facility;

(3) the Hippodrome Performing Arts facility;

(4) a sports facility;

(5) a Baltimore City public school facility; [or]

(6) a racing facility; **OR**

(7) THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY.

**(S) (1) “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.**

**(2) “HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY”
INCLUDES:**

(I) FIELDS AND FIELD HOUSES;

(II) OFFICES;

(III) PARKING LOTS AND GARAGES;

(IV) ACCESS ROADS;

(V) FOOD SERVICE FACILITIES; AND

**(VI) OTHER FUNCTIONALLY RELATED STRUCTURES,
IMPROVEMENTS, FURNISHINGS, OR EQUIPMENT.**

**(T) “HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY FUND”
MEANS THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY FUND
ESTABLISHED UNDER § 10-657.4 OF THIS SUBTITLE.**

**(U) “HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY SITE”
MEANS THE SITE OF THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY
IN HAGERSTOWN, MARYLAND.**

10-613.

(a) The Authority may:

(14) with respect to site acquisition, construction, and development of the Hippodrome Performing Arts facility **AND THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY**, establish and participate in Authority affiliates;

(b) The Authority may review and make recommendations on proposed convention center facilities [and], the Hippodrome Performing Arts facility, **AND THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY**, including the expansion and enhancement of the Baltimore City Convention Center and the Ocean City Convention Center and the development and construction of the Montgomery County Conference Center [and], the Hippodrome Performing Arts Center, **AND THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY**, with respect to location, purpose, design, function, capacity, parking, costs, funding mechanisms, and revenue alternatives, with specific recommendations on:

(1) the level of support from the private sector;

(2) the type of support from the private sector;

(3) special taxing sources;

(4) projected revenues;

(5) bonding authority and the source of debt service; and

(6) the fiscal impact on the State of any revenue alternatives.

10–618.

(a) Contracts to acquire any facility site, to construct the facility, or for construction on the facility site require the prior approval of the Board of Public Works.

(b) The Authority may:

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

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

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

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

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

[and]

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

**(VI) A HAGERSTOWN MULTI-USE SPORTS AND EVENTS
FACILITY SITE OR AN INTEREST IN THE SITE; AND**

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

10–620.

(a) (1) Subject to annual appropriations and this subtitle, the Authority may acquire in its own name, by gift, purchase, or condemnation, any property or interest in property necessary or convenient to construct, improve, or operate a facility.

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

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

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

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

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

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

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

(iv) the Montgomery County Conference Fund if appropriated for a Montgomery County Conference facility; [or]

(v) the Ocean City Convention Fund if appropriated for an Ocean City Convention facility; **OR**

**(VI) THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS
FACILITY FUND IF APPROPRIATED FOR A HAGERSTOWN MULTI-USE SPORTS AND
EVENTS FACILITY.**

(e) (1) This subsection does not apply to the Camden Yards site, Baltimore Convention site, Ocean City Convention site, Hippodrome Performing Arts site, any Baltimore City public school site, any racing facility, **THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY SITE**, or any supplemental facility site.

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

10–625.

The Authority shall submit:

(1) an annual detailed report of the activities and financial status of the Authority to the Governor, and, in accordance with § 2–1257 of the State Government Article, the General Assembly; and

(2) annual reports on the additional tax revenues generated by each of the following facilities, prepared in cooperation with the Office of the Comptroller and the Department of Budget and Management:

(i) the Baltimore Convention facility;

(ii) the Hippodrome Performing Arts facility;

(iii) the Montgomery County Conference facility; [and]

(iv) the Ocean City Convention facility; **AND**

(V) THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY.

10–628.

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

(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; [and]
- (vii) racing facilities – \$375,000,000; AND

(VIII) THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY – \$59,500,000.

(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.

10-646.2.

(A) EXCEPT AS AUTHORIZED BY § 10-639 OF THIS SUBTITLE, TO FINANCE SITE ACQUISITION, DESIGN, AND CONSTRUCTION OF ANY SEGMENT OF THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY, THE AUTHORITY SHALL COMPLY WITH THIS SECTION.

~~(B) THE AUTHORITY SHALL PROVIDE CERTIFICATION TO THE LEGISLATIVE POLICY COMMITTEE AND THE BOARD OF PUBLIC WORKS, SUPPORTED BY A DETAILED REPORT, THAT THE AUTHORITY HAS ATTEMPTED TO MAXIMIZE PRIVATE INVESTMENT IN THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY PROPOSED TO BE FINANCED.~~

~~(C)~~ (B) AT LEAST 45 DAYS BEFORE SEEKING APPROVAL OF THE BOARD OF PUBLIC WORKS FOR EACH BOND ISSUE OR OTHER BORROWING, THE AUTHORITY SHALL PROVIDE TO THE FISCAL COMMITTEES OF THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, A COMPREHENSIVE FINANCING PLAN FOR THE RELEVANT SEGMENT OF THE FACILITY.

~~(D)~~ (C) THE AUTHORITY SHALL OBTAIN THE APPROVAL OF THE BOARD OF PUBLIC WORKS OF THE PROPOSED BOND ISSUE AND THE FINANCING PLAN.

~~(E)~~ (D) FOR FISCAL YEAR 2023 AND EACH FISCAL YEAR THEREAFTER, UNTIL THE BONDS THAT HAVE BEEN ISSUED TO FINANCE THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY ARE NO LONGER OUTSTANDING AND UNPAID, THE ~~COMPTROLLER SHALL DEPOSIT INTO THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY FUND AN AMOUNT NOT GREATER THAN \$3,750,000 SUFFICIENT TO FINANCE THE PROJECT AND THE PROJECT'S DEBT SERVICING COSTS FROM THE STATE LOTTERY FUND UNDER § 9-120(B)(1)(V) OF THE STATE GOVERNMENT ARTICLE~~ GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$3,750,000 TO THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY FUND.

~~(F) THE AUTHORITY SHALL SECURE A WRITTEN AGREEMENT WITH AN AUTHORITY AFFILIATE, AS APPROVED BY THE BOARD OF PUBLIC WORKS, BY WHICH THE AUTHORITY AFFILIATE AGREES:~~

(E) THE AUTHORITY MAY NOT ISSUE BONDS TO FINANCE THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY UNTIL THE AUTHORITY AND THE HAGERSTOWN-WASHINGTON COUNTY INDUSTRIAL FOUNDATION SECURE A WRITTEN OPERATING AGREEMENT.

(F) THE AUTHORITY SHALL SECURE A WRITTEN AGREEMENT TO TRANSFER OWNERSHIP OF THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY FROM THE AUTHORITY TO THE HAGERSTOWN-WASHINGTON COUNTY INDUSTRIAL FOUNDATION, AS APPROVED BY THE BOARD OF PUBLIC WORKS:

(1) IN WHICH THE HAGERSTOWN-WASHINGTON COUNTY INDUSTRIAL FOUNDATION AGREES TO:

~~(1)~~ (I) ~~TO OWN, MARKET, PROMOTE, AND OPERATE OR CONTRACT, SUBJECT TO THE APPROVAL OF THE AUTHORITY,~~ FOR THE MARKETING, PROMOTION, AND OPERATION OF THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY; IN A MANNER THAT MAXIMIZES THE FACILITY'S ECONOMIC RETURN; AND

~~(2)~~ (II) ~~TO MAINTAIN AND REPAIR OR CONTRACT, SUBJECT TO THE APPROVAL OF THE AUTHORITY,~~ FOR THE MAINTENANCE AND REPAIR OF THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY SO AS TO KEEP THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY IN FIRST-CLASS OPERATING CONDITION; ~~AND~~

(2) THAT INCLUDES PROVISIONS:

1 **(I) PROTECTING THE INVESTMENTS OF THE AUTHORITY AND**
2 **THE HAGERSTOWN-WASHINGTON COUNTY INDUSTRIAL FOUNDATION IN THE**
3 **HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY;**

4 **(II) REQUIRING THE HAGERSTOWN-WASHINGTON COUNTY**
5 **INDUSTRIAL FOUNDATION TO CONTRIBUTE TO A CAPITAL IMPROVEMENT RESERVE**
6 **FUND AN AMOUNT SUFFICIENT TO KEEP THE HAGERSTOWN MULTI-USE SPORTS**
7 **AND EVENTS FACILITY IN FIRST-CLASS OPERATING CONDITION;**

8 **(III) REQUIRING THE HAGERSTOWN-WASHINGTON COUNTY**
9 **INDUSTRIAL FOUNDATION TO BE SOLELY RESPONSIBLE FOR ALL EXPENDITURES**
10 **RELATING TO THE OPERATION OF THE HAGERSTOWN MULTI-USE SPORTS AND**
11 **EVENTS FACILITY THAT MAY BE INCURRED, INCLUDING OPERATING DEFICITS; AND**

12 **(IV) ALLOWING THE HAGERSTOWN-WASHINGTON COUNTY**
13 **INDUSTRIAL FOUNDATION TO KEEP ALL OPERATING PROFITS RESULTING FROM**
14 **THE OPERATION OF THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY**
15 **EACH YEAR; AND**

16 **(3) TO BE SOLELY RESPONSIBLE FOR ALL EXPENDITURES RELATING**
17 **TO THE OPERATION, MAINTENANCE, AND REPAIR OF THE HAGERSTOWN**
18 **MULTI-USE SPORTS AND EVENTS FACILITY THAT MAY BE INCURRED, INCLUDING**
19 **THE AMOUNT BY WHICH EXPENDITURES EXCEED REVENUES.**

20 **(G) ON OR BEFORE DECEMBER 31 EACH YEAR, THE**
21 **HAGERSTOWN-WASHINGTON COUNTY INDUSTRIAL FOUNDATION SHALL REPORT**
22 **TO THE SENATE BUDGET AND TAXATION COMMITTEE AND THE HOUSE**
23 **APPROPRIATIONS COMMITTEE, IN ACCORDANCE WITH § 2-1257 OF THE STATE**
24 **GOVERNMENT ARTICLE, ON THE FACILITY'S ASSESSMENT OF THE MAINTENANCE**
25 **AND REPAIR NEEDED TO KEEP THE HAGERSTOWN MULTI-USE SPORTS AND EVENT**
26 **FACILITY IN OPERATING ORDER.**

27 **10-657.4.**

28 **(A) IN THIS SECTION, "FUND" MEANS THE HAGERSTOWN MULTI-USE**
29 **SPORTS AND EVENTS FACILITY FUND.**

30 **(B) THERE IS A HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY**
31 **FUND.**

32 **(C) THE PURPOSE OF THE FUND IS TO ENABLE THE AUTHORITY TO:**

1 (1) USE THE FUND AS A REVOLVING FUND FOR IMPLEMENTING THIS
2 SUBTITLE AS IT RELATES TO THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS
3 FACILITY; AND

4 (2) PAY ANY EXPENSES INCURRED BY THE AUTHORITY THAT ARE
5 RELATED TO THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY.

6 (D) THE AUTHORITY SHALL ADMINISTER THE FUND.

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

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

12 (F) (1) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY,
13 THE RECEIPTS OF THE FUND SHALL BE PLEDGED TO AND CHARGED WITH THE
14 FOLLOWING RELATING TO THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS
15 FACILITY:

16 (I) PAYMENT OF DEBT SERVICE ON AUTHORITY BONDS;

17 (II) ALL REASONABLE CHARGES AND EXPENSES RELATED TO
18 THE AUTHORITY'S BORROWING; AND

19 (III) THE MANAGEMENT OF AUTHORITY OBLIGATIONS.

20 (2) THE PLEDGE SHALL BE EFFECTIVE AS PROVIDED IN § 10-634 OF
21 THIS SUBTITLE.

22 (G) THE FUND CONSISTS OF:

23 (1) MONEY APPROPRIATED FOR DEPOSIT IN THE FUND;

24 (2) REVENUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER
25 THIS SUBTITLE CONCERNING THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS
26 FACILITY; AND

27 (3) ~~MONEY PAID TO THE FUND UNDER § 9-120 OF THE STATE~~
28 ~~GOVERNMENT ARTICLE; AND~~

29 ~~(4)~~ ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC OR
30 PRIVATE SOURCE FOR THE PURPOSES ESTABLISHED FOR THE FUND.

(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND
IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE PAID INTO THE
FUND.

Article – State Finance and Procurement

6–226.

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

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

122. the Racing and Community Development Financing Fund;

[and]

123. the Racing and Community Development Facilities Fund;

AND

124. THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS
FACILITY FUND.

~~Article – State Government~~

~~9–120.~~

~~(a) The Comptroller shall distribute, or cause to be distributed, the State Lottery
Fund to pay:~~

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

~~(2) then, except as provided in § 10–113.1 of the Family Law Article, §
11–618 of the Criminal Procedure Article, and § 3–307 of the State Finance and
Procurement Article, the holder of each winning ticket or share.~~

~~(b) (1) By the end of the month following collection, the Comptroller shall deposit or cause to be deposited:~~

~~(i) into the Maryland Stadium Facilities Fund established under § 7-312 of the State Finance and Procurement Article from the money that remains in the State Lottery Fund, after the distribution under subsection (a) of this section, an amount not to exceed \$20,000,000 in any fiscal year;~~

~~(ii) after June 30, 2014, into the Maryland Veterans Trust Fund 10% of the money that remains in the State Lottery Fund from the proceeds of sales of tickets from instant ticket lottery machines by veterans' organizations under § 9-112(d) of this subtitle, after the distribution under subsection (a) of this section;~~

~~(iii) after June 30, 2014, into the Baltimore City Public School Construction Financing Fund established under § 10-656 of the Economic Development Article the money that remains in the State Lottery Fund from the proceeds of all lotteries after the distributions under subsection (a) of this section and items (i) and (ii) of this paragraph, an amount equal to \$20,000,000 in each fiscal year that bonds are outstanding and unpaid, to be paid in two installments with at least \$10,000,000 paid no later than December 1 of each fiscal year;~~

~~(iv) after June 30, 2021, into the Racing and Community Development Financing Fund established under § 10-657.2 of the Economic Development Article from the money that remains in the State Lottery Fund, after the distribution under subsection (a) of this section, an amount equal to \$17,000,000 in each fiscal year until the bonds issued for a racing facility have matured; [and]~~

~~(v) AFTER JUNE 30, 2022, INTO THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY FUND ESTABLISHED UNDER § 10-657.4 OF THE ECONOMIC DEVELOPMENT ARTICLE FROM THE MONEY THAT REMAINS IN THE STATE LOTTERY FUND, AFTER THE DISTRIBUTION DISTRIBUTED TO THE MARYLAND STADIUM FACILITIES FUND UNDER SUBSECTION (A) ITEM (I) OF THIS SECTION SUBSECTION, AN AMOUNT NOT GREATER THAN \$3,750,000 AT LEAST SUFFICIENT TO SERVICE THE PROJECT'S DEBT IN EACH FISCAL YEAR THAT BONDS ARE OUTSTANDING AND UNPAID; AND~~

~~[(v)] (vi) into the General Fund of the State the money that remains in the State Lottery Fund from the proceeds of all lotteries after the distributions under subsection (a) of this section and items (i), (ii), (iii), [and] (iv), AND (v) of this paragraph.~~

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

~~(c) The regulations of the Agency shall apportion the money in the State Lottery Fund in accordance with subsection (b) of this section.~~

Article – Tax – General

11-242.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) (I) “CONSTRUCTION MATERIAL” MEANS AN ITEM OF TANGIBLE PERSONAL PROPERTY THAT IS USED TO CONSTRUCT OR RENOVATE A BUILDING, A STRUCTURE, OR AN IMPROVEMENT ON LAND AND THAT TYPICALLY LOSES ITS SEPARATE IDENTITY AS PERSONAL PROPERTY ONCE INCORPORATED INTO THE REAL PROPERTY.

(II) “CONSTRUCTION MATERIAL” INCLUDES BUILDING MATERIALS, BUILDING SYSTEMS EQUIPMENT, LANDSCAPING MATERIALS, AND SUPPLIES.

(3) “HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY” HAS THE MEANING STATED IN § 10-601 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(B) THE SALES AND USE TAX DOES NOT APPLY TO A SALE OF CONSTRUCTION MATERIAL IF:

(1) THE CONSTRUCTION MATERIAL IS PURCHASED BY A PERSON SOLELY FOR USE IN FURTHERANCE OF THE PROVISIONS OF TITLE 10, SUBTITLE 6 OF THE ECONOMIC DEVELOPMENT ARTICLE FOR THE CONSTRUCTION OR REDEVELOPMENT OF THE HAGERSTOWN MULTI-USE SPORTS AND EVENTS FACILITY THAT IS MANAGED BY THE MARYLAND STADIUM AUTHORITY;

(2) THE SALE IS MADE ON OR AFTER OCTOBER 1, 2021; AND

(3) THE BUYER PROVIDES THE VENDOR WITH EVIDENCE OF ELIGIBILITY FOR THE EXEMPTION ISSUED BY THE COMPTROLLER.

(C) THE COMPTROLLER SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2021.