# **HOUSE BILL 1697**

F1, B1, C7

CONSTITUTIONAL AMENDMENT

8lr2632 CF SB 1122

By: Delegates McIntosh, Ali, Anderson, Angel, Atterbeary, Barkley, B. Barnes, D. Barnes, Barron, Barve, Beidle, Branch, Brooks, Busch, Carey, Carr, Chang, Clippinger, Conaway, Cullison, Davis, Dumais, Ebersole, Fennell, Fraser-Hidalgo, Frick, Frush, Gaines, Gibson, Gilchrist, Glenn, Hayes, Haynes, Healey, Hettleman, Hill, Hixson, Holmes, C. Howard, Jameson, Jones, Kaiser, Kelly, Knotts, Korman, Kramer, Krimm, Lafferty, Lam, J. Lewis, R. Lewis, Lierman, Lisanti, Luedtke, McCray, A. Miller, Moon, Morales, Morhaim, Mosby, Patterson, Pena-Melnyk, Pendergrass, Proctor, Queen, Reznik, Robinson, Rosenberg, Sample-Hughes, Sanchez, Stein, Sydnor, Tarlau, Turner, Valderrama, Vallario, Waldstreicher, Walker, A. Washington, Wilkins, Wilson, and K. Young, Hornberger, and M. Washington

Introduced and read first time: February 15, 2018 Assigned to: Rules and Executive Nominations

Re-referred to: Appropriations and Ways and Means, February 26, 2018

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 28, 2018

CHAPTER

### 1 AN ACT concerning

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#### Education - Commercial Gaming Revenues - Constitutional Amendment

FOR the purpose of proposing an amendment to the Maryland Constitution to limit the uses of certain revenues for the education of the children of the State in certain grades in public schools to certain purposes; requiring the Governor to include in the budget submission certain amounts of certain revenues in certain fiscal years as supplemental funding for certain purposes; requiring that certain funding be in addition to certain State funding provided for certain grades in public schools in fiscal year 2020; requiring the Governor, beginning in a certain fiscal year, to identify in the annual budget as introduced how certain revenues are being used to supplement certain spending on education in certain grades in public schools; requiring a certain question to be submitted to the qualified voters of the State at a

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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



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$\frac{1}{2}$	certain election; and submitting this amendment to the qualified voters of the State for their adoption or rejection.
3 4 5	BY proposing an amendment to the Maryland Constitution Article XIX – Video Lottery Terminals Section 1(c)(1) and (f)
6 7 8	BY proposing an addition to the Maryland Constitution Article XIX – Video Lottery Terminals Section 1(f)
9	Preamble
10 11 12	WHEREAS, Article VIII, § 1 of the Maryland Constitution requires the General Assembly to establish throughout the State a thorough and efficient system of free public schools; and
13 14 15	WHEREAS, Article XIX of the Maryland Constitution was ratified by the voters of Maryland in 2008 to provide State funding for public education from the revenues of video lottery facilities; and
16 17 18	WHEREAS, The voters of Maryland approved a referendum in the 2012 general election to expand the number of video lottery facilities to six and allow the facilities to offer table games; and
19 20 21	WHEREAS, The Bridge to Excellence in Public Schools Act of 2002 established funding requirements for the State and local governments in order to provide all students an opportunity to achieve State standards for academic achievement; and
22 23	WHEREAS, The Bridge to Excellence in Public Schools Act required the General Assembly to review and update the funding requirements established in the Act; and
24 25 26 27 28	WHEREAS, Chapters 701 and 702 of the Acts of the General Assembly of 2016 established the Commission on Innovation and Excellence in Education, which was charged with, among other responsibilities, updating the funding requirements and making recommendations that would enable Maryland students to achieve at a globally competitive level; and
29 30 31 32 33	WHEREAS, The Commission on Innovation and Excellence in Education has made preliminary recommendations and will make final recommendations by December 2018, including ensuring that Maryland public school students receive a world–class education that prepares them for college, careers, and the global economy of the 21st century; now, therefore,
34 35	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, (Three—fifths of all the members elected to each of the two Houses concurring), That it be

proposed that the Maryland Constitution read as follows:

#### Article XIX - Video Lottery Terminals 1 2 1. 3 Except as provided in subsection (e) of this section, the State may issue up to five video lottery operation licenses throughout the State for the primary purpose of 4 raising revenue for: 5 6 Education for the children of the State in public schools, (i) 7 prekindergarten through grade 12; AND 8 (ii) Public school construction and public school capital 9 improvements[; and 10 (iii) Construction of capital projects at community colleges and public 11 senior higher education institutions]. 12 **(F) (1)** SUBJECT TO THE REQUIREMENTS OF PARAGRAPHS (2) AND (3) OF 13 THIS SUBSECTION, FROM THE REVENUES RAISED UNDER SUBSECTION (C)(1) OF THIS SECTION AND ANY OTHER COMMERCIAL GAMING REVENUES DEDICATED TO 14 PUBLIC EDUCATION, THE GOVERNOR'S BUDGET SUBMISSION SHALL INCLUDE NOT 15 16 LESS THAN THE FOLLOWING AMOUNTS AS SUPPLEMENTAL FUNDING FOR PUBLIC 17 **EDUCATION:** 18 (I)FOR FISCAL YEAR <del>2021</del> 2020, \$125,000,000; 19 (II)FOR FISCAL YEAR 2022 2021, \$250,000,000; (III) FOR FISCAL YEAR 2023 2022, \$375,000,000; AND 20 21(IV) FOR FISCAL YEAR <del>2024</del> 2023 AND FOR EACH FISCAL YEAR 22THEREAFTER, 100% OF REVENUES RAISED FOR PUBLIC EDUCATION UNDER SUBSECTION (C)(1) OF THIS SECTION AND ANY OTHER COMMERCIAL GAMING 23REVENUES DEDICATED TO PUBLIC EDUCATION. 2425 **(2)** THE SUPPLEMENTAL FUNDING SHALL BE USED TO: 26 (I)ENSURE ACCESS TO PUBLIC EDUCATION THAT ALLOWS 27 CHILDREN IN THE STATE TO COMPETE IN THE GLOBAL ECONOMY OF THE FUTURE;

28 (II) PROVIDE FUNDING FOR HIGH-QUALITY EARLY CHILDHOOD 29 EDUCATION PROGRAMS;

- 1 (III) PROVIDE OPPORTUNITIES FOR PUBLIC SCHOOL STUDENTS 2 TO PARTICIPATE IN CAREER AND TECHNICAL EDUCATION PROGRAMS THAT LEAD TO 3 AN IDENTIFIED JOB SKILL OR CERTIFICATE;
- 4 (IV) ALLOW STUDENTS TO OBTAIN COLLEGE CREDIT AND 5 DEGREES WHILE IN HIGH SCHOOL AT NO COST TO THE STUDENTS;
- 6 (V) SUPPORT THE ADVANCEMENT AND PROFESSIONALIZATION 7 OF EDUCATORS IN PUBLIC SCHOOLS; AND
- 8 (VI) MAINTAIN, RENOVATE, OR CONSTRUCT PUBLIC SCHOOLS.
- **(3)** 9 THE **(I)** SUPPLEMENTAL **FUNDING REQUIRED UNDER** 10 PARAGRAPH (1) OF THIS SUBSECTION SHALL BE IN ADDITION TO THE STATE 11 FUNDING PROVIDED THROUGH THE FUNDING FORMULAS ESTABLISHED IN THE 12 EXCELLENCE IN PUBLIC SCHOOLS ACT  $\mathbf{OF}$ 13 PREKINDERGARTEN THROUGH GRADE 12 IN PUBLIC SCHOOLS IN FISCAL YEAR 2020.
- (II) BEGINNING IN FISCAL YEAR 2021 2020 AND FOR EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL IDENTIFY IN THE ANNUAL BUDGET AS INTRODUCED HOW THE REVENUE REQUIRED UNDER THIS SECTION IS BEING USED TO SUPPLEMENT AND NOT SUPPLANT SPENDING ON PUBLIC EDUCATION FOR PREKINDERGARTEN THROUGH GRADE 12.
- 19 **[**(f)**] (G)** The General Assembly may, from time to time, enact such laws not 20 inconsistent with this section, as may be necessary and proper to carry out its provisions.
- SECTION 2. AND BE IT FURTHER ENACTED, That the General Assembly determines that the amendment to the Maryland Constitution proposed by Section 1 of this Act affects multiple jurisdictions and that the provisions of Article XIV, § 1 of the Maryland Constitution concerning local approval of constitutional amendments do not apply.

## 25 SECTION 3. AND BE IT FURTHER ENACTED, That:

- 26 (a) The amendment to the Maryland Constitution proposed by Section 1 of this 27 Act shall be submitted to the qualified voters of the State at the next general election to be 28 held in November 2018 for adoption or rejection pursuant to Article XIV of the Maryland 29 Constitution.
- 30 (b) (1) At that general election, the vote on the proposed amendment to the 31 Constitution shall be by ballot, and on each ballot there shall be printed the words "For the 32 Constitutional Amendment" and "Against the Constitutional Amendment", as now 33 provided by law.

$\frac{1}{2}$	(2) At that general election, a question substantially similar to the following shall be submitted to the qualified voters of the State:
3	"Question Constitutional Amendment
4 5	Requiring Commercial Gaming Revenues that are for Public Education to Supplement Spending for Education in Public Schools
6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	Requires the Governor to include in the annual State budget, as supplemental funding for prekindergarten through grade 12 in public schools, the revenues from video lottery operation licenses and any other commercial gaming dedicated to public education in an amount above the level of State funding for education in public schools in fiscal year 2020 provided by the Bridge to Excellence in Public Schools Act of 2002 (otherwise known as the Thornton legislation) in not less than the following amounts: \$125 million in fiscal year 2021; \$250 million in fiscal year 2022 2021; \$375 million in fiscal year 2023 2022; and 100% of commercial gaming revenues dedicated to public education in fiscal year 2024 2023 and each fiscal year thereafter. State law currently authorizes video lottery operation licenses for the primary purpose of raising money for public education. The amendment also requires the Governor to show in the annual budget how the revenues from video lottery operation licenses and other commercial gaming are being used in a manner that is in addition to the level of State funding for public education in fiscal year 2020 provided by the funding formulas established by the Bridge to Excellence in Public Schools Act.".  (c) Immediately after the election, all returns shall be made to the Governor of the vote for and against the proposed amendment, as directed by Article XIV of the Maryland Constitution, and further proceedings had in accordance with Article XIV.
	Approved:
	Governor.
	Speaker of the House of Delegates.
	President of the Senate.