

SENATE BILL 167

B1, P1, Q7
SB 377/16 – B&T

3lr1086

By: **Senators Elfreth, Beidle, Gile, Griffith, Guzzone, and Hettleman**

Introduced and read first time: January 19, 2023

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland State Arts Council – Funding**

3 FOR the purpose of altering the calculation for certain funding for the Maryland State Arts
4 Council for certain fiscal years; and generally relating to the Maryland State Arts
5 Council and the State admissions and amusement tax.

6 BY repealing and reenacting, with amendments,
7 Article – State Finance and Procurement
8 Section 7–325
9 Annotated Code of Maryland
10 (2021 Replacement Volume and 2022 Supplement)

11 BY repealing and reenacting, without amendments,
12 Article – Tax – General
13 Section 2–202
14 Annotated Code of Maryland
15 (2022 Replacement Volume)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
17 That the Laws of Maryland read as follows:

18 **Article – State Finance and Procurement**

19 7–325.

20 (a) **IN THIS SECTION, “COUNCIL” MEANS THE MARYLAND STATE ARTS**
21 **COUNCIL.**

22 (B) (1) [In each of fiscal years 2011 and 2012, the Governor shall include in the
23 annual budget bill submitted to the General Assembly a General Fund appropriation for

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 the Maryland State Arts Council of not less than \$13,298,434.

2 (2) For] **SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, FOR** fiscal
 3 [year 2013 and each fiscal year thereafter] **YEARS 2013 THROUGH 2024**, the Governor
 4 shall include in the annual budget bill [submitted to the General Assembly] a General
 5 Fund appropriation for the [Maryland State Arts] Council in an amount not less than the
 6 amount of the General Fund appropriation for the Council [as approved in the State budget
 7 as enacted by the General Assembly] for the [prior] **IMMEDIATELY PRECEDING** fiscal
 8 year[.].

9 (2) **SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, FOR FISCAL**
 10 **YEAR 2025 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE**
 11 **IN THE ANNUAL BUDGET BILL A GENERAL FUND APPROPRIATION FOR THE COUNCIL**
 12 **IN AN AMOUNT NOT LESS THAN THE SUM OF:**

13 (I) **ANY FUNDS DISTRIBUTED TO THE COUNCIL IN THE**
 14 **IMMEDIATELY PRECEDING FISCAL YEAR IN ACCORDANCE WITH § 2-202 OF THE TAX**
 15 **- GENERAL ARTICLE; AND**

16 (II) **THE AMOUNT OF THE GENERAL FUND APPROPRIATION FOR**
 17 **THE COUNCIL FOR THE IMMEDIATELY PRECEDING FISCAL YEAR.**

18 (3) **THE AMOUNTS CALCULATED UNDER PARAGRAPHS (1) AND (2) OF**
 19 **THIS SUBSECTION SHALL BE** increased by not less than the percentage by which the
 20 projected total General Fund revenues for the upcoming fiscal year exceed the revised
 21 estimate of total General Fund revenues for the current fiscal year, as contained in the
 22 report of estimated State revenues submitted by the Board of Revenue Estimates to the
 23 Governor under § 6-106(b) of this article.

24 [(b)] (C) The Legislative Auditor has the authority to conduct a review or audit
 25 of any recipient of a grant from the [Maryland State Arts] Council.

26 **Article – Tax – General**

27 2-202.

28 (a) After making the distribution required under § 2-201 of this subtitle, within
 29 20 days after the end of each quarter, the Comptroller shall distribute:

30 (1) except as provided in subsections (b) and (c) of this section, from the
 31 revenue from the State admissions and amusement tax on electronic bingo and electronic
 32 tip jars under § 4-102(e) of this article:

1 (i) for fiscal year 2021 and each fiscal year thereafter, the revenue
2 attributable to a tax rate of 20% to the Maryland E–Nnovation Initiative Fund under §
3 6–604 of the Economic Development Article; and

4 (ii) for fiscal year 2021 and each fiscal year thereafter, the revenue
5 attributable to a tax rate of 5% as follows:

6 1. to the Maryland State Arts Council, as provided in § 4–512
7 of the Economic Development Article, \$1,000,000 in each fiscal year;

8 2. to the Town of Chesapeake Beach, \$300,000 in each fiscal
9 year;

10 3. to the Michael Erin Busch Sports Fund established under
11 § 10–612.2 of the Economic Development Article, \$500,000 in each fiscal year; and

12 4. the remainder to the Special Fund for Preservation of
13 Cultural Arts in Maryland, as provided in § 4–801 of the Economic Development Article;
14 and

15 (2) the remaining admissions and amusement tax revenue:

16 (i) to the Maryland Stadium Authority, county, or municipal
17 corporation that is the source of the revenue; or

18 (ii) if the Maryland Stadium Authority and also a county or
19 municipal corporation tax a reduced charge or free admission:

20 1. 80% of that revenue to the Authority; and

21 2. 20% to the county or municipal corporation.

22 (b) (1) Subject to paragraph (2) of this subsection, from the revenue from the
23 State admissions and amusement tax on electronic bingo and electronic tip jars in Calvert
24 County under § 4–102(e) of this article, the Comptroller shall distribute from:

25 (i) the revenue attributable to a tax rate of 1.5%:

26 1. \$50,000 to the Boys and Girls Club of the Town of North
27 Beach; and

28 2. the remainder to the Town of North Beach;

29 (ii) the revenue attributable to a tax rate of 2.5% to the Town of
30 Chesapeake Beach; and

1 (iii) the revenue attributable to a tax rate of 4% to the Calvert County
2 Youth Recreational Opportunities Fund under Title 5, Subtitle 19 of the Natural Resources
3 Article.

4 (2) Funds required to be distributed to the entities in paragraph (1) of this
5 subsection shall be provided through an appropriation in the annual State budget under
6 budget code A15000.03 Payments to Civil Divisions of the State.

7 (c) From the revenue attributable to a tax rate of 5% to be distributed to the
8 Special Fund for Preservation of Cultural Arts in Maryland or the Maryland State Arts
9 Council under subsection (a)(1)(ii) of this section, the Comptroller shall distribute:

10 (1) for fiscal year 2019 and each fiscal year thereafter, \$250,000 to the Arts
11 Council of Anne Arundel County; and

12 (2) for fiscal year 2020 and each fiscal year thereafter, \$250,000 to the
13 Maryland Historical Society.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
15 1, 2023.