

SENATE BILL 1116

C8, R2, C7

4lr3414
CF HB 764

By: **Senator Zucker**

Introduced and read first time: February 7, 2024

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **State Lottery Fund – Bus Rapid Transit Fund Distribution – Alterations**

3 FOR the purpose of repealing a certain limitation on the distribution of up to a certain
4 amount of money from the State Lottery Fund to the Bus Rapid Transit Fund for
5 certain bus rapid transit system grants; altering the circumstances for distributions
6 from the Bus Rapid Transit Fund; and generally relating to the State Lottery Fund
7 and the Bus Rapid Transit Fund.

8 BY repealing and reenacting, with amendments,
9 Article – State Government
10 Section 9–120
11 Annotated Code of Maryland
12 (2021 Replacement Volume and 2023 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Transportation
15 Section 2–802
16 Annotated Code of Maryland
17 (2020 Replacement Volume and 2023 Supplement)

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

20 **Article – State Government**

21 9–120.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

4 (2) then, except as provided in § 10–113.1 of the Family Law Article, §
5 11–618 of the Criminal Procedure Article, and § 3–307 of the State Finance and
6 Procurement Article, the holder of each winning ticket or share.

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

9 (i) 1. After June 30, 2023, but not later than June 30, 2026, into
10 the Maryland Stadium Facilities Fund established under § 7–312 of the State Finance and
11 Procurement Article from the money that remains in the State Lottery Fund, after the
12 distribution under subsection (a) of this section, an amount not to exceed \$14,200,000 in
13 each fiscal year;

14 2. after June 30, 2023, but not later than June 30, 2026, from
15 the money that remains in the State Lottery Fund after the distribution under subsection
16 (a) of this section, an amount for each fiscal year not to exceed:

17 A. \$34,900,000 into the Camden Yards Football Sports
18 Facility Supplemental Financing Fund established under § 10–652.1 of the Economic
19 Development Article; and

20 B. \$40,900,000 into the Camden Yards Baseball Sports
21 Facility Supplemental Financing Fund established under § 10–652.2 of the Economic
22 Development Article;

23 3. after June 30, 2026, but not later than June 30, 2039, into
24 the Maryland Stadium Facilities Fund established under § 7–312 of the State Finance and
25 Procurement Article from the money that remains in the State Lottery Fund, after the
26 distribution under subsection (a) of this section, an amount not to exceed \$3,360,000 in each
27 fiscal year;

28 4. after June 30, 2026, but not later than June 30, 2039, from
29 the money that remains in the State Lottery Fund after the distribution under subsection
30 (a) of this section, an amount for each fiscal year not to exceed:

31 A. \$45,000,000 into the Camden Yards Football Sports
32 Facility Supplemental Financing Fund established under § 10–652.1 of the Economic
33 Development Article; and

34 B. \$41,640,000 into the Camden Yards Baseball Sports
35 Facility Supplemental Financing Fund established under § 10–652.2 of the Economic
36 Development Article; and

1 5. after June 30, 2039, from the money that remains in the
2 State Lottery Fund after the distribution under subsection (a) of this section, an amount
3 for each fiscal year not to exceed:

4 A. \$45,000,000 into the Camden Yards Football Sports
5 Facility Supplemental Financing Fund established under § 10–652.1 of the Economic
6 Development Article; and

7 B. \$45,000,000 into the Camden Yards Baseball Sports
8 Facility Supplemental Financing Fund established under § 10–652.2 of the Economic
9 Development Article;

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

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

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

26 (v) after June 30, 2020, into the Michael Erin Busch Sports Fund
27 established under § 10–612.2 of the Economic Development Article from the money that
28 remains in the State Lottery Fund from the proceeds of all lotteries after the distributions
29 under subsection (a) of this section and items (i) through (iv) of this paragraph, an amount
30 equal to \$1,000,000 in each fiscal year;

31 (vi) after June 30, 2021, a grant to the Maryland Humanities Council
32 for Maryland History Day and other programming from the money that remains in the
33 State Lottery Fund after the distributions under subsection (a) of this section and items (i)
34 through (v) of this paragraph, an amount equal to \$150,000 in each fiscal year;

35 (vii) after June 30, 2021, to Anne Arundel County or Baltimore City
36 each fiscal year the amount required to be distributed under § 9–1A–31(a)(7)(ii) of this title
37 to be used as required under § 9–1A–31 of this title;

1 (viii) after June 30, 2022, into the Maggie McIntosh School Arts Fund
2 established under § 5–243 of the Education Article from the money that remains in the
3 State Lottery Fund from the proceeds of all other lotteries after the distributions under
4 subsection (a) of this section and items (i) through (vii) of this paragraph, an amount equal
5 to \$250,000 in each fiscal year;

6 (ix) after June 1, 2022, to the Sports Entertainment Facilities
7 Financing Fund established under § 10–657.5 of the Economic Development Article from
8 the money that remains in the State Lottery Fund from the proceeds of all lotteries after
9 the distributions under subsection (a) of this section and items (i) through (viii) of this
10 paragraph, an amount not to exceed \$25,000,000 to be paid in two installments not later
11 than November 1 and June 1 of each fiscal year;

12 (x) after June 30, 2022, to the Major Sports and Entertainment
13 Event Program Fund established under § 10–611.2 of the Economic Development Article
14 from the money that remains in the State Lottery Fund from the proceeds of all lotteries
15 after the distributions under subsection (a) of this section and items (i) through (ix) of this
16 paragraph:

17 1. for fiscal year 2023, an amount equal to \$10,000,000; and

18 2. for each fiscal year thereafter, the amount necessary to
19 restore the Major Sports and Entertainment Event Program Fund to a balance of
20 \$10,000,000;

21 (xi) [if a deposit or payment is made under item (i)2 through 5 of this
22 paragraph, an amount equal to the total deposit or payment under item (i)2 through 5 of
23 this paragraph, but not exceeding \$27,000,000, into] **AFTER JUNE 30, 2024, INTO** the Bus
24 Rapid Transit Fund established under § 2–802.1 of the Transportation Article for bus rapid
25 transit system grants in accordance with § 2–802 of the Transportation Article from the
26 money that remains in the State Lottery Fund from the proceeds of all lotteries after the
27 distributions under subsection (a) of this section and items (i) through (x) of this paragraph,
28 **AN AMOUNT EQUAL TO \$27,000,000 IN EACH FISCAL YEAR;**

29 (xii) after June 30, 2023, into the Prince George’s County Blue Line
30 Corridor Facility Fund established under § 10–657.6 of the Economic Development Article
31 from the money that remains in the State Lottery Fund from the proceeds of all lotteries
32 after the distributions under subsection (a) of this section and items (i) through (xi) of this
33 paragraph, an amount not to exceed \$27,000,000 to be paid in two installments not later
34 than November 1 and June 1 of each fiscal year; and

35 (xiii) into the General Fund of the State the money that remains in the
36 State Lottery Fund from the proceeds of all lotteries after the distributions under
37 subsection (a) of this section and items (i) through (xii) of this paragraph.

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

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

3 Article – Transportation

4 2–802.

5 (a) (1) In this section the following words have the meanings indicated.

6 (2) “Bus rapid transit system” means a bus line that operates on at least
7 some portion of roadway dedicated to buses and offers off–board fare collection or another
8 form of high efficiency fare collection if a fare is charged.

9 (3) “Eligible grantee” means a county or municipal corporation that has:

10 (i) A bus rapid transit system that operates in the county or
11 municipal corporation; and

12 (ii) No ongoing or completed facility, as that term is defined in §
13 10–601(s)(1), (4), (8), (9), or (10) of the Economic Development Article.

14 (b) (1) Subject to paragraph (2) of this subsection, if a deposit or payment is
15 made in accordance with [§ 9–120(b)(1)(i)2 through 5] **§ 9–120(B)(1)(XI)** of the State
16 Government Article into the Maryland Stadium Authority Facilities Fund established
17 under § 7–312 of the State Finance and Procurement Article, and there is only one eligible
18 grantee, then the Department shall award a grant to the eligible grantee equal to the
19 amount distributed to the Department under § 9–120(b)(1)(xi) of the State Government
20 Article.

21 (2) (i) If there are two eligible grantees, and one eligible grantee is
22 Montgomery County, the Department shall distribute \$20,000,000 to Montgomery County
23 and the remaining amount of the deposit or payment under § 9–120(b)(1)(xi) of the State
24 Government Article to the remaining eligible grantee.

25 (ii) If more than three counties or municipal corporations are eligible
26 grantees, and one eligible grantee is Montgomery County, then the Department shall
27 distribute:

28 1. Not less than \$20,000,000 to Montgomery County if
29 Montgomery County remains an eligible county; and

30 2. The total remaining amount of the deposit or payment
31 under § 9–120(b)(1)(xi) of the State Government Article to the remaining eligible grantees
32 based on each eligible grantee’s pro rata share of the statewide population.

1 (iii) If Montgomery County is not an eligible grantee, and more than
2 one county or municipal corporation are eligible grantees, then the Department shall
3 distribute the total amount of the deposit payment under § 9–120(b)(1)(xi) of the State
4 Government Article to the eligible grantees based on each eligible grantee’s pro rata share
5 of the statewide population.

6 (3) (i) Eligible grantees receiving funds in accordance with this
7 subsection and § 2–802.1 of this subtitle may use the grant funds for the:

8 1. Financing and refinancing of the costs related to the
9 construction, acquisition, improvement, equipping, rehabilitation, and expansion of bus
10 rapid transit system projects;

11 2. Payment of debt service on bonds issued to finance bus
12 rapid transit system projects;

13 3. Payment of all reasonable expenses and charges related to
14 bond issuance and borrowing; and

15 4. Payment of costs relating to the management and
16 operation of bus rapid transit system projects.

17 (ii) If an eligible grantee uses funds under this section for the
18 payment of debt service on bonds issued to finance bus rapid transit system projects, the
19 eligible grantee shall issue bonds in accordance with an ordinance or resolution which may
20 specify all matters relating to the advertisement, sale, issuance, delivery, and payment of
21 the bonds, including:

22 1. The forms, dates, and denominations of the bonds;

23 2. The principal maturities;

24 3. The methods to be used in determining interest payable
25 on the bonds; and

26 4. Any provisions for registration, redemption before stated
27 maturity, or the use of facsimile signatures or seals.

28 (c) The Department:

29 (1) Shall distribute grants under this section to eligible grantees in a timely
30 manner; and

31 (2) May not impose any additional conditions on an eligible grantee on
32 receipt of a grant under this section.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
2 1, 2024.