

HOUSE BILL 764

C8, R2, C7

(4lr1573)

ENROLLED BILL

— Appropriations/Budget and Taxation —

Introduced by **Delegates Shetty, Korman, and Palakovich Carr**

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.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **State Lottery Fund – Bus Rapid Transit Fund Distribution and Prince George’s**
3 **County Blue Line Corridor Facility Fund – Alterations**

4 FOR the purpose of repealing a certain limitation on the distribution of up to a certain
5 amount of money from the State Lottery Fund to the Bus Rapid Transit Fund for
6 certain bus rapid transit system grants; altering the circumstances for distributions
7 from the Bus Rapid Transit Fund; adding an authorized use for the Prince George’s
8 County Blue Line Corridor Facility Fund; altering distributions to the Prince
9 George’s County Blue Line Corridor Facility Fund in certain fiscal years; requiring
10 the Maryland Stadium Authority to submit a certain report, on or before a certain
11 date, on certain activities in the Prince George’s County Blue Line Corridor; and
12 generally relating to the State Lottery Fund ~~and~~, the Bus Rapid Transit Fund, and
13 the Prince George’s County Blue Line Corridor Facility Fund.

14 BY repealing and reenacting, with amendments,

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.



1 Article – Economic Development
2 Section 10–657.6
3 Annotated Code of Maryland
4 (2018 Replacement Volume and 2023 Supplement)

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

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

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

17 **Article – Economic Development**

18 10–657.6.

19 (a) In this section, “Fund” means the Prince George’s County Blue Line Corridor
20 Facility Fund.

21 (b) There is a Prince George’s County Blue Line Corridor Facility Fund.

22 (c) The purpose of the Fund is to enable the Authority to:

23 (1) use the Fund as a revolving fund for implementing this subtitle as it
24 relates to a Prince George’s County Blue Line Corridor facility; and

25 (2) pay any expenses incurred by the Authority that are related to a Prince
26 George’s County Blue Line Corridor facility.

27 (d) The Authority shall administer the Fund.

28 (e) (1) The Fund is a continuing, nonlapsing fund that is not subject to
29 reversion under § 7–302 of the State Finance and Procurement Article.

30 (2) The State Treasurer shall hold the Fund separately, and the
31 Comptroller shall account for the Fund.

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

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

6 (2) then, except as provided in § 10–113.1 of the Family Law Article, §
7 11–618 of the Criminal Procedure Article, and § 3–307 of the State Finance and
8 Procurement Article, the holder of each winning ticket or share.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(ix) after June 1, 2022, to the Sports Entertainment Facilities Financing Fund established under § 10–657.5 of the Economic Development Article from 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) through (viii) of this paragraph, an amount not to exceed \$25,000,000 to be paid in two installments not later than November 1 and June 1 of each fiscal year;

(x) after June 30, 2022, to the Major Sports and Entertainment Event Program Fund established under § 10–611.2 of the Economic Development Article from 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) through (ix) of this paragraph:

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

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

(xi) [if a deposit or payment is made under item (i)2 through 5 of this paragraph, an amount equal to the total deposit or payment under item (i)2 through 5 of this paragraph, but not exceeding \$27,000,000, into] **AFTER JUNE 30, 2024, INTO** the Bus Rapid Transit Fund established under § 2–802.1 of the Transportation Article for bus rapid transit system grants in accordance with § 2–802 of the Transportation Article from 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) through (x) of this paragraph, **AN AMOUNT EQUAL TO \$27,000,000 IN EACH FISCAL YEAR;**

(xii) ~~1. NOT LATER THAN JUNE 30, 2024, INTO THE PRINCE GEORGE'S COUNTY BLUE LINE CORRIDOR FACILITY FUND ESTABLISHED UNDER § 10–657.6 OF THE ECONOMIC DEVELOPMENT ARTICLE FROM 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) THROUGH (XI) OF THIS PARAGRAPH, AN AMOUNT NOT LESS THAN \$18,207,162; AND~~

1 ~~2~~ after June 30, ~~2023~~ **2024**, into the Prince George's County
 2 Blue Line Corridor Facility Fund established under § 10-657.6 of the Economic
 3 Development Article from the money that remains in the State Lottery Fund from the
 4 proceeds of all lotteries after the distributions under subsection (a) of this section and items
 5 (i) through (xi) of this paragraph, ~~an amount not to exceed \$27,000,000 to be paid in two~~
 6 ~~installments not later than November 1 and June 1 of each fiscal year; and~~

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

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

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

14 Article – Transportation

15 2-802.

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

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

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

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

23 (ii) No ongoing or completed facility, as that term is defined in §
 24 10-601(s)(1), (4), (8), (9), or (10) of the Economic Development Article.

25 (b) (1) Subject to paragraph (2) of this subsection, ~~if~~ **WHEN** a deposit or
 26 payment is made in accordance with [~~§ 9-120(b)(1)(i)2 through 5~~] **§ 9-120(B)(1)(XI)** of the
 27 State Government Article into the ~~Maryland Stadium Authority Facilities~~ **BUS RAPID**
 28 **TRANSIT** Fund established under ~~§ 7-312~~ **§ 2-802.1** of the State Finance and Procurement
 29 ~~Article~~ **THIS SUBTITLE**, and there is only one eligible grantee, then the Department shall
 30 award a grant to the eligible grantee equal to the amount distributed to the Department
 31 under § 9-120(b)(1)(xi) of the State Government Article.

32 (2) (i) If there are two eligible grantees, and one eligible grantee is
 33 Montgomery County, the Department shall distribute \$20,000,000 to Montgomery County

1 and the remaining amount of the deposit or payment under § 9–120(b)(1)(xi) of the State
2 Government Article to the remaining eligible grantee.

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

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

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

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

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

18 1. Financing and refinancing of the costs related to the
19 construction, acquisition, improvement, equipping, rehabilitation, and expansion of bus
20 rapid transit system projects;

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

23 3. Payment of all reasonable expenses and charges related to
24 bond issuance and borrowing; and

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

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

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

33 2. The principal maturities;

1 SECTION ~~2~~ 3 AND BE IT FURTHER ENACTED, That this Act shall take effect
2 June 1, 2024.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.