
By: **Delegate Holmes**

Introduced and read first time: January 20, 2005

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Lottery for Schools Act of 2005**

3 FOR the purpose of requiring the Comptroller to distribute certain lottery proceeds to
4 certain local school systems for a certain purpose; requiring that the local school
5 systems use certain lottery proceeds distributed to them for a certain purpose;
6 specifying that the proceeds distributed under this Act to a local school system
7 are intended to provide additional revenue for public education and may not
8 supplant other funds allocated to public education in that local school system;
9 providing that certain lottery proceeds be distributed to the General Fund of the
10 State and used to help fund a certain statewide program for public education;
11 and generally relating to the distribution of lottery proceeds to local school
12 systems in the State and to the General Fund and the use of those funds for
13 certain purposes.

14 BY repealing and reenacting, with amendments,
15 Article - State Government
16 Section 9-120
17 Annotated Code of Maryland
18 (2004 Replacement Volume)

19 BY adding to
20 Article - State Government
21 Section 9-120.2
22 Annotated Code of Maryland
23 (2004 Replacement Volume)

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

26 **Article - State Government**

27 9-120.

28 (a) The Comptroller shall distribute the State Lottery Fund to pay:

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
3 subtitle and the State budget; and

4 (2) then, except as provided in § 10-113.1 of the Family Law Article and
5 § 11-618 of the Criminal Procedure Article, the holder of each winning ticket or share.

6 (b) (1) Promptly after the 1st day of each month, the Comptroller shall pay:

7 (i) into the Maryland Stadium Facilities Fund the money that
8 remains in the State Lottery Fund from the proceeds of the sports lotteries conducted
9 for the benefit of the Maryland Stadium Authority, after the distribution under
10 subsection (a) of this section; [and]

11 (II) SUBJECT TO § 9-120.2 OF THIS SUBTITLE, TO THE LOCAL
12 SCHOOL SYSTEMS IN THE COUNTIES OF THE STATE AFTER THE DISTRIBUTION
13 UNDER SUBSECTION (A) OF THIS SECTION AND ITEM (I) OF THIS PARAGRAPH,
14 PROVIDED THAT THE FUNDS:

15 1. SHALL BE 25% OF THE TOTAL PURCHASE PRICE BEFORE
16 TAXES OF EACH INDIVIDUAL STATE LOTTERY TICKET PURCHASED BY A CONSUMER;
17 AND

18 2. SHALL BE DISTRIBUTED TO THE SCHOOL SYSTEM
19 LOCATED IN THE POLITICAL SUBDIVISION WHERE THE INDIVIDUAL STATE LOTTERY
20 TICKET WAS PURCHASED; AND

21 [(ii)] (III) into the General Fund of the State TO BE USED TO HELP
22 PROVIDE AN ADEQUATE EDUCATION FOR THE CHILDREN ATTENDING PUBLIC
23 SCHOOLS IN THE STATE IN PREKINDERGARTEN THROUGH GRADE 12, THROUGH
24 IMPLEMENTATION OF THE PROGRAM COMMONLY KNOWN AS THE BRIDGE TO
25 EXCELLENCE IN PUBLIC SCHOOLS, FIRST ENACTED BY CHAPTER 288 OF THE ACTS OF
26 THE GENERAL ASSEMBLY OF 2002, AN AGGREGATE AMOUNT TOTALING 75% OF ALL
27 the money that remains in the State Lottery Fund from the proceeds of all other
28 lotteries after the [distribution] DISTRIBUTIONS under subsection (a) of this section
29 AND ITEMS (I) AND (II) OF THIS PARAGRAPH.

30 (2) The money paid into the General Fund under this subsection is
31 available TO HELP FUND THE PROGRAM KNOWN AS THE BRIDGE TO EXCELLENCE IN
32 PUBLIC SCHOOLS in the fiscal year in which the money accumulates in the State
33 Lottery Fund.

34 (c) The regulations of the Agency shall apportion the money in the State
35 Lottery Fund.

36 9-120.2.

37 (A) EACH LOCAL SCHOOL SYSTEM SHALL USE THE MONEY FROM THE SALE
38 OF STATE LOTTERY TICKETS THAT IS DISTRIBUTED TO THE LOCAL SCHOOL SYSTEM
39 UNDER § 9-120(B)(1)(II) OF THIS SUBTITLE FOR:

1 (1) CLASSROOM STAFF; AND

2 (2) INSTRUCTIONAL MATERIALS.

3 (B) A DISTRIBUTION UNDER § 9-120(B)(1)(II) OF THIS SUBTITLE IS INTENDED
4 TO PROVIDE ADDITIONAL REVENUE FOR PUBLIC EDUCATION FOR THE LOCAL
5 SCHOOL SYSTEM IN A COUNTY AND MAY NOT SUPPLANT ANY OTHER FUNDS
6 ALLOCATED TO PUBLIC EDUCATION IN THE COUNTY.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 October 1, 2005.