
By: **Delegates Rudolph and Boutin**
 Introduced and read first time: February 7, 2005
 Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **State Lottery Proceeds - Maryland-Bred Race Fund and Maryland**
 3 **Standardbred Race Fund**

4 FOR the purpose of establishing a special fund for the distribution of certain State
 5 Lottery proceeds to the Maryland-Bred Race Fund and the Maryland
 6 Standardbred Race Fund; requiring the State Lottery Agency to conduct a
 7 number of special instant ticket games sufficient to generate at least a certain
 8 amount of money for the Maryland-Bred Race Fund and the Maryland
 9 Standardbred Race Fund; requiring that in advertising and on tickets, the State
 10 Lottery Agency identify certain instant ticket games as being conducted for the
 11 benefit of the Maryland-Bred Race Fund and the Maryland Standardbred Race
 12 Fund; requiring that proceeds paid into the Maryland-Bred Race Fund and the
 13 Maryland Standardbred Race Fund provide additional revenue and do not
 14 substitute for any other distribution to those funds; making this Act subject to a
 15 certain contingency; providing for the termination of this Act; and generally
 16 relating to the distribution of State lottery proceeds to the Maryland-Bred Race
 17 Fund and the Maryland Standardbred Race Fund.

18 BY repealing and reenacting, with amendments,
 19 Article - State Government
 20 Section 9-120 and 9-120.1
 21 Annotated Code of Maryland
 22 (2004 Replacement Volume)

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

25 **Article - State Government**

26 9-120.

27 (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) INTO A SPECIAL FUND CREATED FOR THE MARYLAND-BRED
12 RACE FUND AND THE MARYLAND STANDARD BRED RACE FUND, MONEY THAT
13 REMAINS IN THE STATE LOTTERY FUND FROM THE PROCEEDS OF THE SPECIAL
14 INSTANT TICKET GAMES UNDER § 9-120.1(A)(2) OF THIS SUBTITLE, AFTER THE
15 DISTRIBUTION UNDER SUBSECTION (A) OF THIS SECTION; AND

16 [(ii)] (III) into the General Fund of the State the money that
17 remains in the State Lottery Fund from the proceeds of all [other] lotteries OTHER
18 THAN THE LOTTERIES DESCRIBED IN ITEMS (I) AND (II) OF THIS PARAGRAPH after the
19 distribution under subsection (a) of this section.

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

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

25 9-120.1.

26 (a) During each fiscal year the Agency shall conduct:

27 (1) lotteries for the benefit of the Maryland Stadium Authority; AND

28 (2) A NUMBER OF SPECIAL INSTANT TICKET GAMES SUFFICIENT TO
29 GENERATE AT LEAST \$6,000,000 ANNUALLY FOR THE MARYLAND-BRED RACE FUND
30 AND \$6,000,000 ANNUALLY FOR THE MARYLAND STANDARD BRED RACE FUND.

31 (b) In all advertising and on tickets, the Agency shall identify:

32 (1) any lottery under SUBSECTION (A)(1) of this section as being
33 conducted for the benefit of the Maryland Stadium Authority; AND

34 (2) ANY SPECIAL INSTANT TICKET GAME UNDER SUBSECTION (A)(2) OF
35 THIS SECTION AS BEING CONDUCTED FOR THE BENEFIT OF THE MARYLAND-BRED
36 RACE FUND AND THE MARYLAND STANDARD BRED RACE FUND.

1 (C) PROCEEDS PAID INTO THE MARYLAND-BRED RACE FUND AND THE
2 MARYLAND STANDARD BRED RACE FUND SHALL PROVIDE ADDITIONAL REVENUE
3 AND MAY NOT SUBSTITUTE FOR ANY OTHER DISTRIBUTION TO THOSE FUNDS.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be null and
5 void without the necessity of further action by the General Assembly if on or before
6 June 30, 2010, by an Act or Acts of the General Assembly, State appropriations for
7 2007 through 2010 that each year equal \$12,000,000 or more are distributed to a
8 special fund created to increase allocations to the Maryland-Bred Race Fund and the
9 Maryland Standardbred Race Fund, to increase purses at harness tracks, mile
10 thoroughbred tracks, and the Timonium Race Course, and to pay underwriting costs
11 necessary to help improve health and education benefits for eligible persons that are
12 licensed by the Maryland Racing Commission.

13 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 June 1, 2005. It shall remain effective for a period of 5 years and 1 month and, at the
15 end of June 30, 2010, with no further action required by the General Assembly, this
16 Act shall be abrogated and of no further force and effect.