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By: **Delegate Holmes**

Introduced and read first time: January 25, 2006

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Lottery for Schools Act of 2006**

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

12 BY repealing and reenacting, with amendments,  
13 Article - State Government  
14 Section 9-120  
15 Annotated Code of Maryland  
16 (2004 Replacement Volume and 2005 Supplement)

17 BY adding to  
18 Article - State Government  
19 Section 9-120.2  
20 Annotated Code of Maryland  
21 (2004 Replacement Volume and 2005 Supplement)

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

24 **Article - State Government**

25 9-120.

26 (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, AFTER THE DISTRIBUTION  
7 UNDER SUBSECTION (A) OF THIS SECTION, the Comptroller shall pay:

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

12 (ii) [into the General Fund of the State] SUBJECT TO § 9-120.2 OF  
13 THIS SUBTITLE, OF the money that remains in the State Lottery Fund from the  
14 proceeds of all [other lotteries after the distribution under subsection (a) of this  
15 section] LOTTERIES OTHER THAN THE SPORTS LOTTERIES CONDUCTED FOR THE  
16 BENEFIT OF THE MARYLAND STADIUM AUTHORITY:

17 1. 25% TO THE PUBLIC SCHOOL SYSTEMS IN THE STATE; AND

18 2. 75% TO THE GENERAL FUND.

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

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

24 9-120.2.

25 (A) IN THIS SECTION, "PUBLIC SCHOOL SYSTEM" MEANS THE COLLECTION OF  
26 PUBLIC ELEMENTARY AND SECONDARY EDUCATION SCHOOLS UNDER THE CONTROL  
27 OF A COUNTY BOARD OF EDUCATION OR THE BOARD OF SCHOOL COMMISSIONERS OF  
28 BALTIMORE CITY.

29 (B) (1) THE AMOUNT DISTRIBUTED TO EACH PUBLIC SCHOOL SYSTEM  
30 UNDER THE DISTRIBUTION REQUIREMENT UNDER § 9-120(B)(1)(II)1 OF THIS  
31 SUBTITLE SHALL BE PROPORTIONATE TO THE AMOUNT OF SALES OF LOTTERY  
32 TICKETS MADE IN THE POLITICAL SUBDIVISION IN WHICH THE SCHOOL SYSTEM IS  
33 LOCATED.

34 (2) EACH PUBLIC SCHOOL SYSTEM SHALL USE THE MONEY FROM THE  
35 SALE OF STATE LOTTERY TICKETS THAT IS DISTRIBUTED UNDER § 9-120(B)(1)(II)1 OF  
36 THIS SUBTITLE FOR:

37 (I) CLASSROOM STAFF; AND

1 (II) INSTRUCTIONAL MATERIALS.

2 (C) THE PROCEEDS PAID INTO THE GENERAL FUND UNDER § 9-120(B)(1)(II)2 OF  
3 THIS SUBTITLE SHALL BE USED TO HELP PROVIDE AN ADEQUATE EDUCATION FOR  
4 THE CHILDREN ATTENDING PUBLIC SCHOOLS IN THE STATE IN PREKINDERGARTEN  
5 THROUGH GRADE 12 THROUGH THE BRIDGE TO EXCELLENCE IN PUBLIC SCHOOLS  
6 PROGRAM, ENACTED BY CHAPTER 288 OF THE ACTS OF THE GENERAL ASSEMBLY OF  
7 2002.

8 (D) A DISTRIBUTION UNDER § 9-120(B)(1)(II)1 AND 2 OF THIS SUBTITLE IS  
9 INTENDED TO PROVIDE ADDITIONAL REVENUE FOR PUBLIC SCHOOL SYSTEMS AND  
10 MAY NOT SUPPLANT ANY OTHER REVENUE DISTRIBUTED TO PUBLIC SCHOOL  
11 SYSTEMS.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
13 October 1, 2006.