

Chapter 145

(Senate Bill 377)

AN ACT concerning

Admissions and Amusement Tax – Revenue Distribution – Maryland State Arts Council

FOR the purpose of altering a certain distribution of revenue from the State admissions and amusement tax on electronic bingo and electronic tip jars; ~~repealing a certain special fund~~; providing that the Maryland State Arts Council is entitled to certain revenue distributed from the State admissions and amusement tax on electronic bingo and electronic tip jars; requiring that certain funds distributed to the Council be included in the Council's prior fiscal year appropriation for purposes of a certain calculation; and generally relating to the distribution of revenue from the State admissions and amusement tax on electronic bingo and electronic tip jars.

~~BY repealing~~~~Article – Economic Development~~~~Section 4–801 and the subtitle “Subtitle 8. Special Fund for Preservation of Cultural Arts in Maryland”~~~~Annotated Code of Maryland~~~~(2008 Volume and 2015 Supplement)~~

BY repealing and reenacting, without amendments,

Article – Economic Development

Section 4–501(a) and (c)

Annotated Code of Maryland

(2008 Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 4–512(a) and 4–801

Annotated Code of Maryland

(2008 Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 2–202(a)(1)

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, without amendments,Article – State Finance and ProcurementSection 7–325(a)(2)Annotated Code of Maryland

(2015 Replacement Volume)

~~SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(c) 4-801 and the subtitle “Subtitle 8. Special Fund for Preservation of Cultural Arts in Maryland” of Article Economic Development of the Annotated Code of Maryland be repealed.~~

SECTION 2. 1. AND IT BE FURTHER ENACTED BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Economic Development

4-501.

- (a) In this subtitle the following words have the meanings indicated.
- (c) “Council” means the Maryland State Arts Council.

4-512.

- (a) The Council is entitled to:

(1) REVENUE DISTRIBUTED UNDER ~~§ 2-202(A)(1)(H)~~ § 2-202(A)(1)(II)2 OF THE TAX – GENERAL ARTICLE; AND

- (2) funding in accordance with the State budget.**

4-801.

(a) In this section, “Fund” means the Special Fund for Preservation of Cultural Arts in Maryland.

(b) There is a Special Fund for Preservation of Cultural Arts in Maryland.

(c) The purpose of the Fund is to provide supplemental grants to cultural arts organizations in the State that qualify for general operating support grants from the Maryland State Arts Council.

(d) The Secretary of Commerce shall administer the Fund.

(e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

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

(f) The Fund consists of:

(1) revenue distributed to the Fund under [§ 2-202(a)(1)(ii)] § 2-202(A)(1)(II)1 of the Tax – General Article; and

(2) any other money from any other source accepted for the benefit of the Fund.

(g) The Fund shall be used to provide supplemental grants for operating and programmatic improvements that strengthen the organizational capacity and financial stability of cultural arts organizations in the State that qualify for general operating support grants from the Maryland State Arts Council.

(h) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any investment earnings of the Fund shall be credited to the General Fund of the State.

(i) For each appropriation to the Fund, the Governor may:

(1) include the funds in the State budget subject to appropriation by the General Assembly; or

(2) transfer the funds by budget amendment from the Fund to the expenditure account of the Maryland State Arts Council.

(j) Supplemental grants made from the Fund are supplemental to and may not take the place of funding that otherwise would be appropriated for qualifying organizations.

Article – Tax – General

2-202.

(a) After making the distribution required under § 2-201 of this subtitle, within 20 days after the end of each quarter, the Comptroller shall distribute:

(1) except as provided in subsection (b) of this section, from the revenue from the State admissions and amusement tax on electronic bingo and electronic tip jars under § 4-102(e) of this article:

(i) 1. for fiscal years 2016 through 2021, the revenue attributable to a tax rate of 20% to the Maryland E–Nnovation Initiative Fund under § 6-604 of the Economic Development Article;

2. in fiscal year 2022 and in each fiscal year thereafter, the revenue attributable to a tax rate of 20% to the General Fund of the State; and

(ii) the revenue attributable to a tax rate of 5% **AS FOLLOWS:**

1. ~~\$1,000,000~~ to the ~~Special Fund for Preservation of Cultural Arts in Maryland, as provided in § 4-801 of the Economic Development Article, UP TO AN AGGREGATE AMOUNT OF \$1,000,000 IN EACH FISCAL YEAR~~; AND

2. THE REMAINDER TO THE MARYLAND STATE ARTS COUNCIL, AS PROVIDED IN § 4-512 OF THE ECONOMIC DEVELOPMENT ARTICLE; and

Article – State Finance and Procurement

7-325.

(a) (2) For fiscal year 2013 and each fiscal year thereafter, the Governor shall include in the annual budget bill submitted to the General Assembly a General Fund appropriation for the Maryland State Arts Council in an amount not less than the amount of the General Fund appropriation for the Council as approved in the State budget as enacted by the General Assembly for the prior fiscal year, increased by not less than the percentage by which the projected total General Fund revenues for the upcoming fiscal year exceed the revised estimate of total General Fund revenues for the current fiscal year, as contained in the report of estimated State revenues submitted by the Board of Revenue Estimates to the Governor under § 6-106(b) of this article.

SECTION 2. AND BE IT FURTHER ENACTED, That any funds distributed to the Maryland State Arts Council in accordance with § 2-202 of the Tax – General Article as enacted in this Act shall be included in the Maryland State Arts Council’s prior fiscal year appropriation for purposes of calculating the required appropriation under § 7-325 of the State Finance and Procurement Article.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.