

Department of Legislative Services
 Maryland General Assembly
 2018 Session

FISCAL AND POLICY NOTE
 Third Reader - Revised

House Bill 1772
 Appropriations

(Delegate McIntosh)

Budget and Taxation

Transportation – Pride of Baltimore II – Funding and Reporting

This bill requires the Governor to include in the annual State budget for fiscal 2020 through 2023 an appropriation of \$500,000 from the Transportation Trust Fund (TTF) for the operation of the replica sailing vessel known as the Pride of Baltimore II. By December 1, 2019, and by December 1 each year thereafter, any person or entity that receives funds under the bill must submit a specified report to the Maryland Department of Transportation (MDOT) and specified committees of the General Assembly. **The bill takes effect July 1, 2018, and terminates June 30, 2023.**

Fiscal Summary

State Effect: TTF expenditures increase by \$500,000 annually from FY 2020 through 2023 due to the mandated appropriation. Revenues are not affected. **This bill establishes a mandated appropriation from FY 2020 through 2023.**

(in dollars)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	0	500,000	500,000	500,000	500,000
Net Effect	\$0	(\$500,000)	(\$500,000)	(\$500,000)	(\$500,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: The bill does not directly affect local operations or finances.

Small Business Effect: None.

Analysis

Bill Summary: The report required by the bill must include (1) an accounting of how the funds were spent, as specified; (2) an itinerary and any other information that demonstrates that the ship was operated solely to promote historical maritime education, foster economic development and tourism, and represent the citizens of the State in every port visited; and (3) a strategic business plan that includes specified information.

Current Law/Background: The fiscal 2019 budget includes a grant of \$500,000 from TTF for the operating expenses of the Pride of Baltimore II. This grant reflects the final payment of a three-year grant program that was established in fiscal 2017; grants were also provided in fiscal 2017 and 2018. No additional grant funding is planned beyond fiscal 2019. The Pride of Baltimore II is a replica sailing vessel, and it launched in April 1988. The ship is a popular tourist attraction that operates out of the Port of Baltimore. The ship offers deck tours and sailing rides to guests.

State Expenditures: TTF expenditures increase by \$500,000 annually from fiscal 2020 through 2023 due to the bill's mandated appropriation for the operating expenses of the Pride of Baltimore II.

MDOT can receive the required report using existing budgeted resources.

Additional Information

Prior Introductions: None.

Cross File: SB 1206 (Senator Kasemeyer) - Budget and Taxation.

Information Source(s): Maryland Department of Transportation; Department of Budget and Management; Pride of Baltimore, Inc.; Department of Legislative Services

Fiscal Note History: First Reader - March 6, 2018
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