

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
Enrolled

Senate Bill 660

(Senator Guzzone)

Budget and Taxation

Appropriations

State Lottery Fund - Maryland Humanities Council - Funding

This bill requires the Comptroller to pay a grant of \$150,000 *directly* from the State Lottery Fund to the Maryland Humanities Council for Maryland History Day and other programming beginning in fiscal 2022. This grant takes the place of an obsolete requirement that the Comptroller pay an annual grant of \$150,000 to the Maryland Humanities Council from the horse racing special fund (specifically from the monies that *used to be, but no longer are*, directed to the horse racing special fund from the State Lottery Fund). The bill also repeals, as obsolete, the \$350,000 allocation from the horse racing special fund to the Maryland Office of Sports Marketing for incentive grants for youth and amateur sporting events. **The bill takes effect July 1, 2021.**

Fiscal Summary

State Effect: General fund revenues decrease by \$150,000 annually beginning in FY 2022. Special fund revenues and expenditures are unaffected. **This bill establishes a mandated distribution beginning in FY 2022.**

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Each month, after payments to lottery winners and agents and to the State Lottery for operating expenses, the Comptroller must make payments from the State Lottery Fund to:

- the Maryland Stadium Facilities Fund (an amount not to exceed \$20.0 million in any fiscal year);
- the Baltimore City Public School Construction Financing Fund (an amount equal to \$20.0 million in each fiscal year that bonds are outstanding);
- the Racing and Community Development Fund (\$17.0 million in each fiscal year until bonds issued for a racing facility have matured);
- the Michael Erin Busch Sports Fund (\$1.0 million each fiscal year); and
- the State general fund.

Additionally, the Comptroller must deposit 10% of the money that remains in the State Lottery Fund from the proceeds of ticket sales from instant ticket lottery machines by veterans' organizations into the Maryland Veterans Trust Fund.

House Bill 1659 of 2020 established the Youth and Amateur Sports Grants Program, administered by Maryland Sports in the Maryland Stadium Authority (MSA), to (1) bring new youth and amateur sporting events to the State and (2) attract sports fans, participants, and tourists. The Michael Erin Busch Sports Fund is established in MSA for the administration of the program. The fund may only be used to provide grants, subject to specified conditions, and for administrative expenses. The bill was vetoed by the Governor on May 7, 2020, for policy reasons. The General Assembly subsequently overrode the Governor's veto in February 2021 (Chapter 33 of 2021).

State Revenues: By redirecting \$150,000 from the State Lottery Fund to the Maryland Humanities Council for Maryland History Day and other programming, the bill results in a \$150,000 decrease in general fund revenues beginning in fiscal 2022.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 937 (Delegate McIntosh) - Appropriations.

Information Source(s): Maryland State Lottery and Gaming Control Agency; Department of Legislative Services

Fiscal Note History: First Reader - February 15, 2021
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