Department of Legislative Services

Maryland General Assembly 2022 Session

FISCAL AND POLICY NOTE Third Reader - Revised

Senate Bill 679 (Cecil County Senators)

Budget and Taxation Ways and Means

Fair Hill Improvement Fund – Special Event Area and Operations

This bill authorizes the Governor to include an appropriation of \$1.8 million for the Fair Hill Improvement Fund in the annual budget bill beginning in fiscal 2024. The money appropriated to the fund must be used exclusively for specified purposes. **The bill takes effect June 1, 2022.**

Fiscal Summary

State Effect: No impact in FY 2022 or 2023. General fund expenditures may increase by \$1.8 million beginning in FY 2024, to the extent funds are appropriated in the annual budget bill. Special fund revenues increase by the same amount. Accordingly, special fund expenditures increase by up to \$1.8 million beginning in FY 2024.

| (\$ in millions) | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
|------------------|---------|---------|---------|---------|---------|
| SF Revenue | \$0 | \$0 | \$1.8 | \$1.8 | \$1.8 |
| GF Expenditure | \$0 | \$0 | \$1.8 | \$1.8 | \$1.8 |
| SF Expenditure | \$0 | \$0 | \$1.8 | \$1.8 | \$1.8 |
| Net Effect | \$0.0 | \$0.0 | (\$1.8) | (\$1.8) | (\$1.8) |

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

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Bill Summary: Specifically, the Department of Natural Resources (DNR) may use the fund to provide a grant or grants to a unit of State government, a local jurisdiction, a

nonprofit entity, or an affiliated foundation established by the Maryland Stadium Authority, if (1) the department has entered into an agreement with the grant recipient for the ongoing operation, use, maintenance, development, or improvement of the grounds and facilities within the special event area at Fair Hill and (2) the grant funds are restricted to the purposes required to be included in the specified grant agreement and the grant recipient's associated administrative costs. Other money credited to the fund from wagering must be used exclusively for the grounds and facilities within the special event area of the Fair Hill Natural Resources Management Area.

Current Law: The Fair Hill Improvement Fund is administered by DNR for the operation, maintenance, development, and improvement of the Fair Hill facilities.

State Fiscal Effect: General fund expenditures may increase by \$1.8 million beginning in fiscal 2024, to the extent funds are appropriated in the annual budget bill. Special fund revenues for the Fair Hill Improvement Fund increase by the same amount; thus, special fund expenditures from the fund for the ongoing operation, use, maintenance, development, and improvements of the grounds and facilities within the special event area of the Fair Hill Natural Resources Management Area increase by up to \$1.8 million a year if funds are appropriated.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 658 (Cecil County Delegation) - Ways and Means.

Information Source(s): Comptroller's Office; Department of Budget and Management; Maryland Department of Labor; Department of Natural Resources; Department of Legislative Services

Fiscal Note History: First Reader - February 14, 2022 fnu2/jrb Third Reader - March 19, 2022

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