

HOUSE BILL 764

C8, R2, C7

4r1573
CF SB 1116

By: **Delegates Shetty, Korman, and Palakovich Carr**

Introduced and read first time: January 31, 2024

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 1, 2024

CHAPTER _____

1 AN ACT concerning

2 **State Lottery Fund – Bus Rapid Transit Fund Distribution and Prince George’s**
3 **County Blue Line Corridor Facility Fund – Alterations**

4 FOR the purpose of repealing a certain limitation on the distribution of up to a certain
5 amount of money from the State Lottery Fund to the Bus Rapid Transit Fund for
6 certain bus rapid transit system grants; altering the circumstances for distributions
7 from the Bus Rapid Transit Fund; adding an authorized use for the Prince George’s
8 County Blue Line Corridor Facility Fund; altering distributions to the Prince
9 George’s County Blue Line Corridor Facility Fund in certain fiscal years; requiring
10 the Maryland Stadium Authority to submit a certain report, on or before a certain
11 date, on certain activities in the Prince George’s County Blue Line Corridor; and
12 generally relating to the State Lottery Fund ~~and~~, the Bus Rapid Transit Fund, and
13 the Prince George’s County Blue Line Corridor Facility Fund.

14 BY repealing and reenacting, with amendments,
15 Article – Economic Development
16 Section 10–657.6
17 Annotated Code of Maryland
18 (2018 Replacement Volume and 2023 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article – State Government
21 Section 9–120
22 Annotated Code of Maryland
23 (2021 Replacement Volume and 2023 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 BY repealing and reenacting, with amendments,
2 Article – Transportation
3 Section 2–802
4 Annotated Code of Maryland
5 (2020 Replacement Volume and 2023 Supplement)

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

8 **Article – Economic Development**

9 10–657.6.

10 (a) In this section, “Fund” means the Prince George’s County Blue Line Corridor
11 Facility Fund.

12 (b) There is a Prince George’s County Blue Line Corridor Facility Fund.

13 (c) The purpose of the Fund is to enable the Authority to:

14 (1) use the Fund as a revolving fund for implementing this subtitle as it
15 relates to a Prince George’s County Blue Line Corridor facility; and

16 (2) pay any expenses incurred by the Authority that are related to a Prince
17 George’s County Blue Line Corridor facility.

18 (d) The Authority shall administer the Fund.

19 (e) (1) The Fund is a continuing, nonlapsing fund that is not subject to
20 reversion under § 7–302 of the State Finance and Procurement Article.

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

23 (f) (1) To the extent considered appropriate by the Authority, the receipts of
24 the Fund shall be pledged to and charged with the following related to a Prince George’s
25 County Blue Line Corridor facility:

26 (i) payment of debt service on Authority bonds;

27 (ii) all reasonable charges and expenses related to the Authority’s
28 borrowing; and

29 (iii) the management of the Authority’s obligations.

1 (2) The pledge shall be effective in the same manner as provided in §
2 10-634 of this subtitle.

3 (g) The Fund consists of:

4 (1) money distributed to the Fund under § 9-120(b)(1)(xi) of the State
5 Government Article;

6 (2) money appropriated for deposit in the Fund;

7 (3) proceeds from the sale of bonds concerning a Prince George's County
8 Blue Line Corridor facility;

9 (4) revenues collected or received from any source under this subtitle
10 related to a Prince George's County Blue Line Corridor facility;

11 (5) any interest earnings of the Fund; and

12 (6) any additional money made available from any source for the purposes
13 established for the Fund.

14 **(H) THE AUTHORITY SHALL PAY FROM THE FUND ANY AND ALL EXPENSES**
15 **THAT ARE INCURRED BY THE AUTHORITY, OR OTHERWISE SPECIFICALLY APPROVED**
16 **BY THE AUTHORITY, RELATING TO PRINCE GEORGE'S COUNTY BLUE LINE**
17 **CORRIDOR FACILITIES.**

18 **[(h)] (I)** (1) The State Treasurer shall invest the money of the Fund in the
19 same manner as other State funds.

20 (2) Any interest earnings shall be credited to the Fund.

21 **Article – State Government**

22 9–120.

23 (a) The Comptroller shall distribute, or cause to be distributed, the State Lottery
24 Fund to pay:

25 (1) on a pro rata basis for the daily and nondaily State lottery games, the
26 expenses of administering and operating the State lottery, as authorized under this subtitle
27 and the State budget; and

28 (2) then, except as provided in § 10-113.1 of the Family Law Article, §
29 11-618 of the Criminal Procedure Article, and § 3-307 of the State Finance and
30 Procurement Article, the holder of each winning ticket or share.

1 (b) (1) By the end of the month following collection, the Comptroller shall
2 deposit, cause to be deposited, or pay:

3 (i) 1. After June 30, 2023, but not later than June 30, 2026, into
4 the Maryland Stadium Facilities Fund established under § 7–312 of the State Finance and
5 Procurement Article from the money that remains in the State Lottery Fund, after the
6 distribution under subsection (a) of this section, an amount not to exceed \$14,200,000 in
7 each fiscal year;

8 2. after June 30, 2023, but not later than June 30, 2026, from
9 the money that remains in the State Lottery Fund after the distribution under subsection
10 (a) of this section, an amount for each fiscal year not to exceed:

11 A. \$34,900,000 into the Camden Yards Football Sports
12 Facility Supplemental Financing Fund established under § 10–652.1 of the Economic
13 Development Article; and

14 B. \$40,900,000 into the Camden Yards Baseball Sports
15 Facility Supplemental Financing Fund established under § 10–652.2 of the Economic
16 Development Article;

17 3. after June 30, 2026, but not later than June 30, 2039, into
18 the Maryland Stadium Facilities Fund established under § 7–312 of the State Finance and
19 Procurement Article from the money that remains in the State Lottery Fund, after the
20 distribution under subsection (a) of this section, an amount not to exceed \$3,360,000 in each
21 fiscal year;

22 4. after June 30, 2026, but not later than June 30, 2039, from
23 the money that remains in the State Lottery Fund after the distribution under subsection
24 (a) of this section, an amount for each fiscal year not to exceed:

25 A. \$45,000,000 into the Camden Yards Football Sports
26 Facility Supplemental Financing Fund established under § 10–652.1 of the Economic
27 Development Article; and

28 B. \$41,640,000 into the Camden Yards Baseball Sports
29 Facility Supplemental Financing Fund established under § 10–652.2 of the Economic
30 Development Article; and

31 5. after June 30, 2039, from the money that remains in the
32 State Lottery Fund after the distribution under subsection (a) of this section, an amount
33 for each fiscal year not to exceed:

34 A. \$45,000,000 into the Camden Yards Football Sports
35 Facility Supplemental Financing Fund established under § 10–652.1 of the Economic
36 Development Article; and

1 B. \$45,000,000 into the Camden Yards Baseball Sports
2 Facility Supplemental Financing Fund established under § 10–652.2 of the Economic
3 Development Article;

4 (ii) after June 30, 2014, into the Maryland Veterans Trust Fund 10%
5 of the money that remains in the State Lottery Fund from the proceeds of sales of tickets
6 from instant ticket lottery machines by veterans’ organizations under § 9–112(d) of this
7 subtitle, after the distribution under subsection (a) of this section;

8 (iii) after June 30, 2014, into the Baltimore City Public School
9 Construction Financing Fund established under § 10–656 of the Economic Development
10 Article the money that remains in the State Lottery Fund from the proceeds of all lotteries
11 after the distributions under subsection (a) of this section and items (i) and (ii) of this
12 paragraph, an amount equal to \$20,000,000 in each fiscal year that bonds are outstanding
13 and unpaid, to be paid in two installments with at least \$10,000,000 paid no later than
14 December 1 of each fiscal year;

15 (iv) after June 30, 2021, into the Racing and Community
16 Development Financing Fund established under § 10–657.2 of the Economic Development
17 Article from the money that remains in the State Lottery Fund, after the distribution under
18 subsection (a) of this section, an amount equal to \$17,000,000 in each fiscal year until the
19 bonds issued for a racing facility have matured;

20 (v) after June 30, 2020, into the Michael Erin Busch Sports Fund
21 established under § 10–612.2 of the Economic Development Article from the money that
22 remains in the State Lottery Fund from the proceeds of all lotteries after the distributions
23 under subsection (a) of this section and items (i) through (iv) of this paragraph, an amount
24 equal to \$1,000,000 in each fiscal year;

25 (vi) after June 30, 2021, a grant to the Maryland Humanities Council
26 for Maryland History Day and other programming from the money that remains in the
27 State Lottery Fund after the distributions under subsection (a) of this section and items (i)
28 through (v) of this paragraph, an amount equal to \$150,000 in each fiscal year;

29 (vii) after June 30, 2021, to Anne Arundel County or Baltimore City
30 each fiscal year the amount required to be distributed under § 9–1A–31(a)(7)(ii) of this title
31 to be used as required under § 9–1A–31 of this title;

32 (viii) after June 30, 2022, into the Maggie McIntosh School Arts Fund
33 established under § 5–243 of the Education Article from the money that remains in the
34 State Lottery Fund from the proceeds of all other lotteries after the distributions under
35 subsection (a) of this section and items (i) through (vii) of this paragraph, an amount equal
36 to \$250,000 in each fiscal year;

37 (ix) after June 1, 2022, to the Sports Entertainment Facilities
38 Financing Fund established under § 10–657.5 of the Economic Development Article from
39 the money that remains in the State Lottery Fund from the proceeds of all lotteries after

1 the distributions under subsection (a) of this section and items (i) through (viii) of this
 2 paragraph, an amount not to exceed \$25,000,000 to be paid in two installments not later
 3 than November 1 and June 1 of each fiscal year;

4 (x) after June 30, 2022, to the Major Sports and Entertainment
 5 Event Program Fund established under § 10–611.2 of the Economic Development Article
 6 from the money that remains in the State Lottery Fund from the proceeds of all lotteries
 7 after the distributions under subsection (a) of this section and items (i) through (ix) of this
 8 paragraph:

9 1. for fiscal year 2023, an amount equal to \$10,000,000; and

10 2. for each fiscal year thereafter, the amount necessary to
 11 restore the Major Sports and Entertainment Event Program Fund to a balance of
 12 \$10,000,000;

13 (xi) [if a deposit or payment is made under item (i)2 through 5 of this
 14 paragraph, an amount equal to the total deposit or payment under item (i)2 through 5 of
 15 this paragraph, but not exceeding \$27,000,000, into] **AFTER JUNE 30, 2024, INTO** the Bus
 16 Rapid Transit Fund established under § 2–802.1 of the Transportation Article for bus rapid
 17 transit system grants in accordance with § 2–802 of the Transportation Article from the
 18 money that remains in the State Lottery Fund from the proceeds of all lotteries after the
 19 distributions under subsection (a) of this section and items (i) through (x) of this paragraph,
 20 **AN AMOUNT EQUAL TO \$27,000,000 IN EACH FISCAL YEAR;**

21 (xii) **1. NOT LATER THAN JUNE 30, 2024, INTO THE PRINCE**
 22 **GEORGE’S COUNTY BLUE LINE CORRIDOR FACILITY FUND ESTABLISHED UNDER §**
 23 **10–657.6 OF THE ECONOMIC DEVELOPMENT ARTICLE FROM THE MONEY THAT**
 24 **REMAINS IN THE STATE LOTTERY FUND FROM THE PROCEEDS OF ALL LOTTERIES**
 25 **AFTER THE DISTRIBUTIONS UNDER SUBSECTION (A) OF THIS SECTION AND ITEMS (I)**
 26 **THROUGH (XI) OF THIS PARAGRAPH, AN AMOUNT NOT LESS THAN \$18,207,162; AND**

27 **2.** after June 30, ~~2023~~ **2024**, into the Prince George’s County
 28 Blue Line Corridor Facility Fund established under § 10–657.6 of the Economic
 29 Development Article from the money that remains in the State Lottery Fund from the
 30 proceeds of all lotteries after the distributions under subsection (a) of this section and items
 31 (i) through (xi) of this paragraph, ~~an amount not to exceed~~ \$27,000,000 to be paid in two
 32 installments not later than November 1 and June 1 of each fiscal year; and

33 (xiii) into the General Fund of the State the money that remains in the
 34 State Lottery Fund from the proceeds of all lotteries after the distributions under
 35 subsection (a) of this section and items (i) through (xii) of this paragraph.

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

(c) The regulations of the Agency shall apportion the money in the State Lottery Fund in accordance with subsection (b) of this section.

Article – Transportation

2–802.

(a) (1) In this section the following words have the meanings indicated.

(2) “Bus rapid transit system” means a bus line that operates on at least some portion of roadway dedicated to buses and offers off-board fare collection or another form of high efficiency fare collection if a fare is charged.

(3) “Eligible grantee” means a county or municipal corporation that has:

(i) A bus rapid transit system that operates in the county or municipal corporation; and

(ii) No ongoing or completed facility, as that term is defined in § 10–601(s)(1), (4), (8), (9), or (10) of the Economic Development Article.

(b) (1) Subject to paragraph (2) of this subsection, ~~if~~ **WHEN** a deposit or payment is made in accordance with [~~§ 9–120(b)(1)(i)2 through 5~~] **§ 9–120(B)(1)(XI)** of the State Government Article into the ~~Maryland Stadium Authority Facilities~~ **BUS RAPID TRANSIT** Fund established under ~~§ 7–312~~ **§ 2–802.1** of the ~~State Finance and Procurement Article~~ **THIS SUBTITLE**, and there is only one eligible grantee, then the Department shall award a grant to the eligible grantee equal to the amount distributed to the Department under § 9–120(b)(1)(xi) of the State Government Article.

(2) (i) If there are two eligible grantees, and one eligible grantee is Montgomery County, the Department shall distribute \$20,000,000 to Montgomery County and the remaining amount of the deposit or payment under § 9–120(b)(1)(xi) of the State Government Article to the remaining eligible grantee.

(ii) If more than three counties or municipal corporations are eligible grantees, and one eligible grantee is Montgomery County, then the Department shall distribute:

1. Not less than \$20,000,000 to Montgomery County if Montgomery County remains an eligible county; and

2. The total remaining amount of the deposit or payment under § 9–120(b)(1)(xi) of the State Government Article to the remaining eligible grantees based on each eligible grantee’s pro rata share of the statewide population.

(iii) If Montgomery County is not an eligible grantee, and more than one county or municipal corporation are eligible grantees, then the Department shall

1 distribute the total amount of the deposit payment under § 9–120(b)(1)(xi) of the State
2 Government Article to the eligible grantees based on each eligible grantee’s pro rata share
3 of the statewide population.

4 (3) (i) Eligible grantees receiving funds in accordance with this
5 subsection and § 2–802.1 of this subtitle may use the grant funds for the:

6 1. Financing and refinancing of the costs related to the
7 construction, acquisition, improvement, equipping, rehabilitation, and expansion of bus
8 rapid transit system projects;

9 2. Payment of debt service on bonds issued to finance bus
10 rapid transit system projects;

11 3. Payment of all reasonable expenses and charges related to
12 bond issuance and borrowing; and

13 4. Payment of costs relating to the management and
14 operation of bus rapid transit system projects.

15 (ii) If an eligible grantee uses funds under this section for the
16 payment of debt service on bonds issued to finance bus rapid transit system projects, the
17 eligible grantee shall issue bonds in accordance with an ordinance or resolution which may
18 specify all matters relating to the advertisement, sale, issuance, delivery, and payment of
19 the bonds, including:

20 1. The forms, dates, and denominations of the bonds;

21 2. The principal maturities;

22 3. The methods to be used in determining interest payable
23 on the bonds; and

24 4. Any provisions for registration, redemption before stated
25 maturity, or the use of facsimile signatures or seals.

26 (c) The Department:

27 (1) Shall distribute grants under this section to eligible grantees in a timely
28 manner; and

29 (2) May not impose any additional conditions on an eligible grantee on
30 receipt of a grant under this section.

31 SECTION 2. AND BE IT FURTHER ENACTED, That:

1 (a) On or before December 15, 2024, the Maryland Stadium Authority shall
2 submit to the House Appropriations Committee and the Senate Budget and Taxation
3 Committee, in accordance with § 2-1257 of the State Government Article, a report on:

4 (1) all public and private development activities currently under
5 construction or in the development process in the Prince George’s County Blue Line
6 Corridor for the next 30 years; and

7 (2) input from the representatives listed in subsection (b) of this section on
8 the future of the Prince George’s County Blue Line Corridor, including future projects and
9 opportunities to leverage federal, State, and local funding.

10 (b) In completing the report under subsection (a) of this section, the Maryland
11 Stadium Authority shall consult and meaningfully engage with:

12 (1) the members of the 24th legislative district;

13 (2) the Department of Housing and Community Development;

14 (3) the Maryland Department of Transportation;

15 (4) the Prince George’s County Planning Commission;

16 (5) the Prince George’s County Chamber of Commerce;

17 (6) the University of Maryland Capital Region Medical Center;

18 (7) the Prince George’s County government; and

19 (8) the Blue Line Corridor Coalition.

20 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 June 1, 2024.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.