

HOUSE BILL 1659

C8

0lr3668
CF SB 1076

By: **Delegate McIntosh**

Rules suspended

Introduced and read first time: March 3, 2020

Rules suspended

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 11, 2020

CHAPTER _____

1 AN ACT concerning

2 **Maryland Stadium Authority – Youth and Amateur Sports Grants Program and**
3 **Michael Erin Busch Sports Fund**

4 FOR the purpose of repealing a certain provision of law requiring a certain annual grant
5 from the Racing Special Fund to the Maryland Office of Sports Marketing in the
6 Maryland Stadium Authority for incentive grants for youth and amateur sporting
7 events; establishing the Youth and Amateur Sports Grants Program; specifying the
8 purpose of the Program; requiring Maryland Sports to implement and administer
9 the Program in a certain manner; authorizing Maryland Sports to award grants to
10 certain entities to assist with certain costs of bringing youth and amateur sporting
11 events to the State; requiring Maryland Sports, in awarding grants, to give priority
12 to applicants that have demonstrated certain financial support or provided
13 assurance of certain funding; limiting the amount of grant money that may be
14 received by a certain entity in a fiscal year, subject to a certain exception; authorizing
15 the use of certain funds to pay certain administrative and operating costs of the
16 Program; authorizing the Authority to adopt certain regulations; establishing the
17 ~~Youth and Amateur~~ Michael Erin Busch Sports Fund as a special, nonlapsing fund;
18 specifying the purpose of the Fund; requiring the Authority to administer the Fund;
19 requiring the State Treasurer to hold the Fund and the Comptroller to account for
20 the Fund; specifying the contents of the Fund; specifying the purpose for which the
21 Fund may be used; providing for the investment of money in and expenditures from
22 the Fund; requiring interest earnings of the Fund to be credited to the Fund;
23 exempting the Fund from a certain provision of law requiring interest earnings on

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.



State money to accrue to the General Fund of the State; requiring the Comptroller to distribute a certain amount of money from the State Lottery Fund to the ~~Youth and Amateur~~ Michael Erin Busch Sports Fund each fiscal year; defining certain terms; and generally relating to the Youth and Amateur Sports Grants Program and Michael Erin Busch Sports Fund.

BY repealing and reenacting, with amendments,
Article – Business Regulation
Section 11–403(a)(9)
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,
Article – Economic Development
Section 10–601(a) and (b)
Annotated Code of Maryland
(2018 Replacement Volume and 2019 Supplement)

BY adding to
Article – Economic Development
Section 10–612.1 and 10–612.2
Annotated Code of Maryland
(2018 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(i)
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)121. and 122.
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

BY adding to
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)123.
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 9–120(b)(1)
Annotated Code of Maryland
(2014 Replacement Volume and 2019 Supplement)

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

Article – Business Regulation

11–403.

(a) The Comptroller shall pay from the Special Fund an annual grant of:

(9) beginning July 1, 2017, from the money distributed under § 9–120(b) of the State Government Article:

(i) up to \$500,000 to a purse for the Maryland International thoroughbred race under § 11–522.1 of this title; **AND**

(ii) [\$350,000 to the Maryland Office of Sports Marketing in the Maryland Stadium Authority for incentive grants for youth and amateur sporting events; and

(iii)] \$150,000 to the Maryland Humanities Council for Maryland History Day and other programming.

Article – Economic Development

10–601.

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

(b) “Authority” means the Maryland Stadium Authority.

10–612.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “FUND” MEANS THE ~~YOUTH AND AMATEUR~~ MICHAEL ERIN BUSCH SPORTS FUND ESTABLISHED UNDER § 10–612.2 OF THIS SUBTITLE.

(3) “PROGRAM” MEANS THE YOUTH AND AMATEUR SPORTS GRANTS PROGRAM.

(B) (1) THERE IS A YOUTH AND AMATEUR SPORTS GRANTS PROGRAM.

(2) THE PURPOSE OF THE PROGRAM IS TO PROVIDE GRANTS FROM THE FUND TO:

(I) BRING NEW YOUTH AND AMATEUR SPORTING EVENTS TO THE STATE; AND

(II) ATTRACT SPORTS FANS, PARTICIPANTS, AND TOURISTS.

(C) MARYLAND SPORTS SHALL IMPLEMENT AND ADMINISTER THE PROGRAM IN ACCORDANCE WITH THIS SECTION.

(D) (1) MARYLAND SPORTS MAY AWARD GRANTS FROM THE FUND TO NONPROFIT ORGANIZATIONS, COUNTIES, BUSINESS ENTITIES, OR INDIVIDUALS TO ASSIST WITH THE COSTS OF BRINGING YOUTH AND AMATEUR SPORTING EVENTS TO THE STATE, INCLUDING THE COSTS OF CAPITAL PROJECTS OR MAINTENANCE.

(2) IN AWARDING GRANTS, MARYLAND SPORTS SHALL GIVE PRIORITY TO AN APPLICANT FOR A SPORTING EVENT THAT:

(I) HAS DEMONSTRATED FINANCIAL SUPPORT FROM A COUNTY; OR

(II) HAS PROVIDED ASSURANCE THAT A MAJORITY OF THE NEEDED FUNDING HAS BEEN RAISED FROM PRIVATE SOURCES.

(3) TO THE EXTENT PRACTICABLE, MARYLAND SPORTS SHALL MAKE AWARDS TO GRANTEES THAT REFLECT:

(I) THE GEOGRAPHIC DIVERSITY OF THE STATE;

(II) SPORTS PROGRAMS THAT ARE GENDER-SPECIFIC AND NONSPECIFIC; AND

(III) DIVERSE TYPES OF SPORTS.

(4) UNLESS THE AUTHORITY EXPRESSLY APPROVES OTHERWISE, THE TOTAL AMOUNT OF GRANTS AWARDED TO EACH NONPROFIT ORGANIZATION, COUNTY, BUSINESS ENTITY, OR INDIVIDUAL MAY NOT EXCEED \$75,000 IN A FISCAL YEAR.

(5) IN ACCORDANCE WITH A BUDGET APPROVED BY THE AUTHORITY, MARYLAND SPORTS MAY USE MONEY IN THE FUND TO PAY ADMINISTRATIVE AND OPERATING COSTS OF THE PROGRAM, INCLUDING COSTS TO MARKET AND ADVERTISE THE PROGRAM.

(E) THE AUTHORITY MAY ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

10-612.2.

(A) IN THIS SECTION, "FUND" MEANS THE ~~YOUTH AND AMATEUR~~ MICHAEL ERIN BUSCH SPORTS FUND.

(B) THERE IS A ~~YOUTH AND AMATEUR~~ MICHAEL ERIN BUSCH SPORTS FUND.

(C) THE PURPOSE OF THE FUND IS TO PROVIDE FUNDING FOR THE YOUTH AND AMATEUR SPORTS GRANTS PROGRAM ESTABLISHED UNDER § 10-612.1 OF THIS SUBTITLE.

(D) THE AUTHORITY 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 § 9-120(B)(1)(IV) OF THE STATE GOVERNMENT ARTICLE;

(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

(3) INTEREST EARNINGS OR OTHER INCOME EARNED FROM THE INVESTMENT OF ANY MONEY IN THE FUND; AND

(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(G) THE FUND MAY BE USED ONLY TO:

(1) MAKE GRANTS UNDER THE YOUTH AND AMATEUR SPORTS GRANTS PROGRAM; AND

(2) PAY THE COSTS NECESSARY TO ADMINISTER AND OPERATE THE YOUTH AND AMATEUR SPORTS GRANTS PROGRAM, INCLUDING MARKETING AND ADVERTISING COSTS.

(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 INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

Article – State Finance and Procurement

6–226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

121. the Markell Hendricks Youth Crime Prevention and Diversion Parole Fund; [and]

122. the Federal Government Shutdown Employee Assistance Loan Fund; AND

123. THE ~~YOUTH AND AMATEUR~~ MICHAEL ERIN BUSCH SPORTS FUND.

Article – State Government

9–120.

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

(i) into the Maryland Stadium Facilities Fund established under § 7–312 of the State Finance and Procurement Article from the money that remains in the State Lottery Fund, after the distribution under subsection (a) of this section, an amount not to exceed \$20,000,000 in any fiscal year;

(ii) after June 30, 2014, into the Maryland Veterans Trust Fund 10% of the money that remains in the State Lottery Fund from the proceeds of sales of tickets

from instant ticket lottery machines by veterans' organizations under § 9–112(d) of this subtitle, after the distribution under subsection (a) of this section;

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

(IV) AFTER JUNE 30, 2020, INTO THE ~~YOUTH AND AMATEUR~~ MICHAEL ERIN BUSCH SPORTS FUND ESTABLISHED UNDER § 10–612.2 OF THE ECONOMIC DEVELOPMENT ARTICLE FROM THE MONEY THAT REMAINS IN THE STATE LOTTERY FUND FROM THE PROCEEDS OF ALL LOTTERIES AFTER THE DISTRIBUTIONS UNDER SUBSECTION (A) OF THIS SECTION AND ITEMS (I), (II), AND (III) OF THIS PARAGRAPH, AN AMOUNT EQUAL TO \$1,000,000 IN EACH FISCAL YEAR; AND

[(iv)] (v) into the General Fund of the State the money that remains in the State Lottery Fund from the proceeds of all lotteries after the distributions under subsection (a) of this section and items (i), (ii), [and] (iii), **AND (IV)** of this paragraph.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.