

# SENATE BILL 480

C7, L6

8lr1531

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By: **Senator Ferguson**

Introduced and read first time: January 29, 2018

Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 27, 2018

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Baltimore City – South Baltimore Gateway Community Impact District**  
3 **Management Authority – Distribution of Local Impact Grants**

4 FOR the purpose of specifying that the State distribute certain funding directly to the South  
5 Baltimore Gateway Community Impact District Management Authority; providing,  
6 under certain circumstances, that a certain percentage of local impact grants from  
7 video lottery proceeds be distributed directly to the Authority; defining a certain  
8 term; and generally relating to the distribution of local impact grants from video  
9 lottery proceeds in Baltimore City.

10 BY repealing and reenacting, with amendments,  
11 The Charter of Baltimore City  
12 Article II – General Powers  
13 Section (69)(c)(1)(i)  
14 (2007 Replacement Volume, as amended)  
15 (As enacted by Section 2 of Chapter 314 of the Acts of the General Assembly of 2016)

16 BY repealing and reenacting, with amendments,  
17 Article – State Government  
18 Section 9–1A–31  
19 Annotated Code of Maryland  
20 (2014 Replacement Volume and 2017 Supplement)  
21 (As enacted by Chapter 446 of the Acts of the General Assembly of 2017)

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

3 **The Charter of Baltimore City**

4 Article II – General Powers

5 The Mayor and City Council of Baltimore shall have full power and authority to  
6 exercise all of the powers heretofore or hereafter granted to it by the Constitution of  
7 Maryland or by any Public General or Public Local Laws of the State of Maryland; and in  
8 particular, without limitation upon the foregoing, shall have power by ordinance, or such  
9 other method as may be provided for in its Charter, subject to the provisions of said  
10 Constitution and Public General Laws:

11 (69)

12 (c) (1) The ordinance establishing the South Baltimore Gateway Community  
13 Impact District Management Authority shall address the following:

14 (i) specify the powers and functions within the limits of this section,  
15 which may be exercised and conducted by the Authority and **PROVIDE THAT THE STATE**  
16 fund the Authority with not less than **THE** 50% of the local impact grants from video lottery  
17 proceeds [distributed to Baltimore City under § 9–1A–31(a)(3)(i)] **THAT §**  
18 **9–1A–31(B)(3)(I)** of the State Government Article of the Annotated Code of Maryland  
19 **REQUIRES THE STATE TO DISTRIBUTE DIRECTLY TO THE AUTHORITY;**

20 **Article – State Government**

21 9–1A–31.

22 (a) **IN THIS SECTION, “LOCAL JURISDICTION” INCLUDES THE SOUTH**  
23 **BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT MANAGEMENT AUTHORITY.**

24 **(B)** (1) Except as provided in paragraph (8) of this subsection, the local impact  
25 grants provided under § 9–1A–27 of this subtitle shall be distributed as provided in this  
26 subsection.

27 (2) The following amounts shall be distributed to the following  
28 jurisdictions:

29 (i) Allegany County – \$200,000;

30 (ii) Cecil County – \$130,000;

31 (iii) Town of Perryville – \$70,000; and

1 (iv) Worcester County – \$200,000.

2 (3) The remaining funds for local impact grants shall be distributed in the  
3 following manner:

4 (i) 82% to the local jurisdictions with video lottery facilities, based  
5 on each jurisdiction's percentage of overall gross revenues from video lottery terminals; and

6 (ii) except as provided in paragraph (4) of this subsection, for  
7 operations at a video lottery facility starting in fiscal year 2012 and ending in fiscal year  
8 2032, 18% to Baltimore City with the Pimlico Community Development Authority acting  
9 as the local development council in accordance with subsection [(d)] (E) of this section, to  
10 be distributed primarily for capital projects benefiting economic and community  
11 development in the following manner:

12 1. at least 75% in a manner that is consistent with the Park  
13 Heights Master Plan; and

14 2. the remainder dedicated to the needs of:

15 A. any census blockgroup that Baltimore City identifies as  
16 being located partly or entirely within 1 mile of Pimlico Race Course but not within the  
17 boundaries of the Park Heights Master Plan in a manner that is consistent with adopted  
18 neighborhood priorities;

19 B. any neighborhood included in the Northwest Community  
20 Planning Forum Strategic Neighborhood Action Plan in a manner that is consistent with  
21 the adopted Northwest Community Planning Forum Strategic Neighborhood Action Plan  
22 priorities; and

23 C. beginning after a video lottery operation license is issued  
24 to a video lottery facility in Baltimore City, any neighborhood within an area bounded by  
25 Liberty Heights Avenue, Northern Parkway, Druid Park Drive, and Wabash Avenue in a  
26 manner that is consistent with adopted neighborhood priorities.

27 (4) (i) Of the amount specified under paragraph (3)(ii) of this  
28 subsection:

29 1. \$1,000,000 shall be provided annually to Prince George's  
30 County to be used for public safety projects in the community within 5 miles surrounding  
31 Rosecroft Raceway; and

32 2. for fiscal years 2015 through 2019, \$500,000 shall be  
33 provided annually for impact aid to be distributed as provided under § 11-404(d) of the  
34 Business Regulation Article to help pay for facilities and services in communities within 3  
35 miles of the Laurel Race Course.

1 (ii) The Legislative Policy Committee shall report its findings and  
2 recommendations concerning the advisability of the continuation of the distribution of  
3 funds after fiscal year 2032 to the Comptroller and, in accordance with § 2–1246 of this  
4 article, the General Assembly, on or before November 1, 2030.

5 (5) Anne Arundel County, Howard County, Prince George’s County, and  
6 the City of Laurel shall report to the Legislative Policy Committee by December 31 of each  
7 year as to the distribution of the funds provided under this section.

8 (6) Baltimore City shall:

9 (i) **EXCEPT AS PROVIDED IN SUBSECTION (C)(3)(I) OF THIS**  
10 **SECTION**, establish a schedule for the distribution and expenditure of funds provided under  
11 this section; and

12 (ii) provide a quarterly report to the Legislative Policy Committee on  
13 the distribution of the funds provided under this section.

14 (7) (i) The distribution under paragraph (3)(i) of this subsection to  
15 Anne Arundel County, Baltimore City, and Prince George’s County equals the sum of the  
16 amounts to be distributed to Anne Arundel County, Baltimore City, and Prince George’s  
17 County divided by three.

18 (ii) Notwithstanding subparagraph (i) of this paragraph, the amount  
19 distributed to Anne Arundel County and Baltimore City under paragraph (3)(i) of this  
20 subsection may not be less than the amount received in the fiscal year before the video  
21 lottery operation license for a video lottery facility in Prince George’s County was issued.

22 (8) Beginning after a video lottery operation license is issued to a video  
23 lottery facility in Baltimore City, 100% of the local impact grants provided under §  
24 9–1A–27 of this subtitle from the proceeds of the video lottery facilities located in Allegany,  
25 Cecil, and Worcester counties shall be distributed to the local jurisdictions in which those  
26 video lottery facilities are located.

27 **[(b)] (C)** (1) Except as otherwise provided in paragraphs (2) and (3) of this  
28 subsection and subject to paragraph (4) of this subsection, local impact grants provided  
29 under subsection **[(a)(3)(i)] (B)(3)(I)** of this section shall be used for improvements  
30 primarily in the communities in immediate proximity to the video lottery facilities and may  
31 be used for the following purposes:

32 (i) infrastructure improvements;

33 (ii) facilities;

34 (iii) public safety;

35 (iv) sanitation;

1 (v) economic and community development, including housing; and

2 (vi) other public services and improvements.

3 (2) (i) Subject to subparagraph (ii) of this paragraph, in Allegany  
4 County, local impact grants provided under subsection [(a)(3)(i)] **(B)(3)(I)** of this section  
5 may be used:

6 1. for purposes listed in paragraph (1) of this subsection  
7 throughout the county; and

8 2. to pay down the debt incurred by the county in the  
9 construction and related costs for the golf course, lodge, and other improvements in Rocky  
10 Gap State Park.

11 (ii) At least 20% of the local impact grants provided under subsection  
12 [(a)(3)(i)] **(B)(3)(I)** of this section in Allegany County shall be used for capital projects for  
13 municipalities and nonprofit organizations in the county.

14 (3) In Baltimore City:

15 (i) beginning in fiscal year 2018, at least 50% of the local impact  
16 grants provided under subsection [(a)(3)(i)] **(B)(3)(I)** of this section shall be distributed  
17 **DIRECTLY** to the South Baltimore Gateway Community Impact District Management  
18 Authority; and

19 (ii) local impact grants provided under subsection [(a)(3)(i)]  
20 **(B)(3)(I)** of this section shall be used for improvements in the communities in immediate  
21 proximity to the video lottery facility and may be used for the following purposes:

22 1. infrastructure improvements;

23 2. facilities;

24 3. public safety;

25 4. sanitation;

26 5. economic and community development, including housing;

27 and

28 6. other public services and improvements.

29 (4) (i) 1. Subject to subparagraph 2 of this subparagraph, in  
30 Prince George's County, 40% of local impact grants provided under this section shall be

1 used to address infrastructure needs related to Maryland Route 210 in Prince George's  
2 County.

3                   2.       The amount of local impact grants used as provided in  
4 subsubparagraph 1 of this subparagraph may not exceed \$15,000,000 in a fiscal year.

5                   3.       Prince George's County may be reimbursed by the State  
6 for any money used as provided in this subparagraph.

7                   (ii)     In Prince George's County, \$125,000 of the local impact grants  
8 provided under this section shall be provided annually to be used in communities within  
9 2.5 miles northeast of the video lottery facility in Prince George's County.

10           [(c)] (D)   (1)   A local development council shall be established in each  
11 geographic area where a video lottery facility is located.

12                   (2)     Subject to paragraph (3) of this subsection, a local development council  
13 shall consist of the following 15 members appointed by the chief executive of the county in  
14 which the local development council is located, in consultation with the Senators and  
15 Delegates who represent the communities surrounding the facility and the respective  
16 county councils, city councils, or county commissioners:

17                   (i)     one Senator who represents the district where the facility is  
18 located or the Senator's designee;

19                   (ii)    two Delegates who represent the districts where the  
20 communities surrounding the facility are located or the Delegates' designees;

21                   (iii)   one representative of the video lottery operation licensee;

22                   (iv)   seven residents of the communities in immediate proximity to  
23 the facility; and

24                   (v)     four representatives of businesses or institutions located in  
25 immediate proximity to the facility.

26                   (3)   (i)     If the video lottery facility is at a racetrack location at Laurel  
27 Park, the County Executive of Anne Arundel County, the County Executive of Prince  
28 George's County, and the County Executive of Howard County shall jointly appoint the  
29 local development council.

30                   (ii)    If the video lottery facility is at a racetrack location at the Ocean  
31 Downs Race Course:

32                               1.     the County Commissioners of Worcester County shall  
33 appoint the local development council;

1                   2.     the Senator or the Senator's designee shall serve as a  
2 member of the local development council; and

3                   3.     the Delegates or the Delegates' designees shall serve as  
4 members of the local development council.

5           **[(d)] (E)**     (1)     Prior to any expenditure of local impact grant funds provided  
6 under § 9-1A-27 of this subtitle, a county or municipality shall develop, in consultation  
7 with the local development council, a multiyear plan for the expenditure of the local impact  
8 grant funds for services and improvements consistent with subsection **[(b)] (C)** of this  
9 section.

10                   (2)     A county or municipality shall submit the plan to the local development  
11 council for review and comment before adopting the plan or expending any grant funds.

12                   (3)     The local development council shall advise the county or municipality  
13 on the impact of the facility on the communities and the needs and priorities of the  
14 communities in immediate proximity to the facility.

15                   (4)     (i)     A local development council shall have 45 days to review,  
16 comment, and make recommendations on the plan required under this subsection.

17                             (ii)     Except as provided in subparagraph (iii) of this paragraph, on  
18 the request of a local development council, the county or municipality shall hold a public  
19 hearing on the plan.

20                             (iii)    Baltimore City shall hold a public hearing on the plan for the  
21 expenditure of funds allocated under subsection **[(a)(3)(ii)] (B)(3)(II)** of this section.

22                   (5)     A county or municipality shall make best efforts to accommodate the  
23 recommendations of the local development council and any testimony presented at the  
24 hearing before adopting the plan required under this subsection.

25           **[(e)] (F)**     A video lottery operation licensee shall provide to the local development  
26 council a master plan for the development of the site on which the video lottery facility will  
27 be located.

28           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
29 ~~October~~ July 1, 2018.