

Chapter 548

(Senate Bill 167)

AN ACT concerning

Maryland State Arts Council – Funding

FOR the purpose of ~~altering~~ clarifying the calculation for certain funding for the Maryland State Arts Council for certain fiscal years; repealing a certain requirement for certain funds distributed to the Maryland State Arts Council to be included in the Council's prior fiscal year appropriation; and generally relating to the Maryland State Arts Council and the State admissions and amusement tax.

BY repealing and reenacting, with amendments,
 Article – State Finance and Procurement
 Section 7–325
 Annotated Code of Maryland
 (2021 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, without amendments,
 Article – Tax – General
 Section 2–202
 Annotated Code of Maryland
 (2022 Replacement Volume)

BY repealing
Chapter 145 of the Acts of the General Assembly of 2016, as amended by Chapter 23
of the Acts of the General Assembly of 2017
Section 2

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

Article – State Finance and Procurement

7–325.

(a) **(1) IN THIS SECTION, “COUNCIL” MEANS THE MARYLAND STATE ARTS COUNCIL. THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

(2) “COUNCIL” MEANS THE MARYLAND STATE ARTS COUNCIL.

(3) “GENERAL FUND GROWTH ADJUSTMENT” MEANS THE PERCENTAGE BY WHICH THE PROJECTED TOTAL GENERAL FUND REVENUES FOR THE UPCOMING FISCAL YEAR EXCEED THE REVISED ESTIMATE OF TOTAL GENERAL

FUND REVENUES FOR THE CURRENT FISCAL YEAR, AS CONTAINED IN THE REPORT OF ESTIMATED STATE REVENUES SUBMITTED BY THE BOARD OF REVENUE ESTIMATES TO THE GOVERNOR UNDER § 6-106(B) OF THIS ARTICLE.

(B) (1) [In each of fiscal years 2011 and 2012, the Governor shall include in the annual budget bill submitted to the General Assembly a General Fund appropriation for the Maryland State Arts Council of not less than \$13,298,434.

(2) For] ~~SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, FOR~~ **FOR** fiscal [year 2013 and each fiscal year thereafter] **YEARS 2013 THROUGH 2024**, the Governor shall include in the annual budget bill [submitted to the General Assembly] a General Fund appropriation for the [Maryland State Arts] Council in an amount not less than the amount of the General Fund appropriation for the Council [as approved in the State budget as enacted by the General Assembly] for the [prior] **IMMEDIATELY PRECEDING** fiscal year **INCREASED BY THE GENERAL FUND GROWTH ADJUSTMENT**[,].

(2) ~~SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, FOR~~ **FOR** FISCAL YEAR **2025** AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL A GENERAL FUND APPROPRIATION FOR THE COUNCIL IN AN AMOUNT NOT LESS THAN THE ~~SUM OF~~ **RESULT OF THE FOLLOWING CALCULATION:**

(I) ANY FUNDS DISTRIBUTED TO THE COUNCIL IN THE IMMEDIATELY PRECEDING FISCAL YEAR IN ACCORDANCE WITH § 2-202 OF THE TAX – GENERAL ARTICLE; ~~AND~~ **INCREASED BY THE GENERAL FUND GROWTH ADJUSTMENT; PLUS**

(II) THE AMOUNT OF THE GENERAL FUND APPROPRIATION FOR THE COUNCIL FOR THE IMMEDIATELY PRECEDING FISCAL YEAR **INCREASED BY THE GENERAL FUND GROWTH ADJUSTMENT; MINUS**

(III) **THE AMOUNT OF FUNDS DISTRIBUTED TO THE COUNCIL IN THE IMMEDIATELY PRECEDING FISCAL YEAR IN ACCORDANCE WITH § 2-202 OF THE TAX – GENERAL ARTICLE.**

~~(3) THE AMOUNTS CALCULATED UNDER PARAGRAPHS (1) AND (2) OF THIS SUBSECTION SHALL BE increased by not less than the percentage by which the projected total General Fund revenues for the upcoming fiscal year exceed the revised estimate of total General Fund revenues for the current fiscal year, as contained in the report of estimated State revenues submitted by the Board of Revenue Estimates to the Governor under § 6-106(b) of this article.~~

[(b)] (C) The Legislative Auditor has the authority to conduct a review or audit of any recipient of a grant from the [Maryland State Arts] Council.

Article – Tax – General

2–202.

(a) After making the distribution required under § 2–201 of this subtitle, within 20 days after the end of each quarter, the Comptroller shall distribute:

(1) except as provided in subsections (b) and (c) of this section, from the revenue from the State admissions and amusement tax on electronic bingo and electronic tip jars under § 4–102(e) of this article:

(i) for fiscal year 2021 and each fiscal year thereafter, the revenue attributable to a tax rate of 20% to the Maryland E–Nnovation Initiative Fund under § 6–604 of the Economic Development Article; and

(ii) for fiscal year 2021 and each fiscal year thereafter, the revenue attributable to a tax rate of 5% as follows:

1. to the Maryland State Arts Council, as provided in § 4–512 of the Economic Development Article, \$1,000,000 in each fiscal year;

2. to the Town of Chesapeake Beach, \$300,000 in each fiscal year;

3. to the Michael Erin Busch Sports Fund established under § 10–612.2 of the Economic Development Article, \$500,000 in each fiscal year; and

4. the remainder to the Special Fund for Preservation of Cultural Arts in Maryland, as provided in § 4–801 of the Economic Development Article; and

(2) the remaining admissions and amusement tax revenue:

(i) to the Maryland Stadium Authority, county, or municipal corporation that is the source of the revenue; or

(ii) if the Maryland Stadium Authority and also a county or municipal corporation tax a reduced charge or free admission:

1. 80% of that revenue to the Authority; and

2. 20% to the county or municipal corporation.

(b) (1) Subject to paragraph (2) of this subsection, from the revenue from the State admissions and amusement tax on electronic bingo and electronic tip jars in Calvert County under § 4–102(e) of this article, the Comptroller shall distribute from:

(i) the revenue attributable to a tax rate of 1.5%:

1. \$50,000 to the Boys and Girls Club of the Town of North Beach; and

2. the remainder to the Town of North Beach;

(ii) the revenue attributable to a tax rate of 2.5% to the Town of Chesapeake Beach; and

(iii) the revenue attributable to a tax rate of 4% to the Calvert County Youth Recreational Opportunities Fund under Title 5, Subtitle 19 of the Natural Resources Article.

(2) Funds required to be distributed to the entities in paragraph (1) of this subsection shall be provided through an appropriation in the annual State budget under budget code A15000.03 Payments to Civil Divisions of the State.

(c) From the revenue attributable to a tax rate of 5% to be distributed to the Special Fund for Preservation of Cultural Arts in Maryland or the Maryland State Arts Council under subsection (a)(1)(ii) of this section, the Comptroller shall distribute:

(1) for fiscal year 2019 and each fiscal year thereafter, \$250,000 to the Arts Council of Anne Arundel County; and

(2) for fiscal year 2020 and each fiscal year thereafter, \$250,000 to the Maryland Historical Society.

Chapter 145 of the Acts of 2016, as amended by Chapter 23 of the Acts of 2017

[SECTION 2. AND BE IT FURTHER ENACTED, That any funds distributed to the Maryland State Arts Council in accordance with § 2–202 of the Tax – General Article as enacted in this Act shall be included in the Maryland State Arts Council’s prior fiscal year appropriation in addition to the amount of the General Fund appropriation for the prior fiscal year and the sum shall be used for purposes of calculating the required appropriation under § 7–325 of the State Finance and Procurement Article.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2023.

Approved by the Governor, May 8, 2023.