

Department of Legislative Services
 Maryland General Assembly
 2023 Session

FISCAL AND POLICY NOTE
 Third Reader - Revised

House Bill 677
 Appropriations

(Delegate Clippinger, *et al.*)

Budget and Taxation

Pride of Baltimore II - Appropriations - Extension

This bill reestablishes the mandated appropriation (and related reporting requirements) for the operation of the Pride of Baltimore II established by Chapter 854 of 2018. Specifically, the bill requires the Governor, for fiscal 2024 through 2028, to include in the annual State budget an appropriation of \$500,000 from the Transportation Trust Fund (TTF) for the operation of the Pride of Baltimore II. By December 1 each year, any person or entity that receives funds under the bill must submit a specified report to the Maryland Department of Transportation (MDOT) and specified committees of the General Assembly. **The bill takes effect June 1, 2023.**

Fiscal Summary

State Effect: No effect in FY 2023. TTF expenditures increase by \$500,000 annually from FY 2024 through 2028 – reflecting discretionary funding in FY 2024 and the bill’s mandated appropriation from FY 2025 through 2028. Revenues are not affected. **This bill establishes a mandated appropriation for FY 2025 through 2028.**

(in dollars)	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	500,000	500,000	500,000	500,000	500,000
Net Effect	(\$500,000)	(\$500,000)	(\$500,000)	(\$500,000)	(\$500,000)

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

Local Effect: The bill does not directly affect local government operations or finances.

Small Business Effect: None.

Analysis

Bill Summary/Current Law: Chapter 854 required the Governor to include in the annual State budget for fiscal 2020 through 2023 an appropriation of \$500,000 from TTF for the operation of the Pride of Baltimore II. By December 1 each year, any person or entity that receives funds pursuant to the Act is required to submit a report that includes (1) an accounting of how the funds were spent, as specified; (2) an itinerary and any other information that demonstrates that the ship was operated solely to promote historical maritime education, foster economic development and tourism, and represent the citizens of the State in every port visited; and (3) a strategic business plan that includes specified information.

The bill extends the termination date of Chapter 854 from June 30, 2023, to June 30, 2028. It also establishes a new mandated appropriation of \$500,000 annually for the Pride of Baltimore II – for fiscal 2025 through 2028. (Although the bill specifies that the Governor must also include funding in the State budget for this purpose in fiscal 2024, the General Assembly cannot mandate funding for fiscal 2024 during the 2023 session.) The annual report described above is also modified.

State Expenditures: TTF expenditures increase by \$500,000 annually from fiscal 2025 through 2028 due to the bill's mandated appropriation for the operation of the Pride of Baltimore II. Although the fiscal 2024 budget as introduced does not include funding for the operation of the Pride of Baltimore II, and funding is discretionary in that year under the bill, this analysis assumes that \$500,000 is provided in fiscal 2024 as well.

MDOT can continue to receive the required report using existing budgeted resources.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Maryland Department of Transportation; Department of Budget and Management; Department of Legislative Services

Fiscal Note History: First Reader - March 8, 2023
km/lgc Third Reader - March 21, 2023
Revised - Amendment(s) - March 21, 2023

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