

Chapter 112

(House Bill 524)

AN ACT concerning

**Maryland Stadium Authority – ~~Supplemental Financing Funds~~ – Camden Yards
Sports Facilities Funds and Bus Rapid Transit Fund**

FOR the purpose of altering the membership of the Maryland Stadium Authority; establishing the Camden Yards Football Sports Facility Supplemental Financing Fund and the Camden Yards Baseball Sports Facility Supplemental Financing Fund as special, nonlapsing funds to enable the Maryland Stadium Authority to take certain actions; requiring the Authority to administer the funds; requiring interest earnings of the funds to be credited to the funds; altering the amount the Comptroller is required to distribute from the State Lottery Fund to certain funds; altering the distribution of grants for bus rapid transit under certain circumstances; establishing the Bus Rapid Transit Fund as a special, nonlapsing fund to provide grants to certain eligible grantees; and generally relating to the ~~financing of Camden Yards sports facilities~~ Maryland Stadium Authority.

BY repealing and reenacting, without amendments,

Article – Economic Development

Section 10–601(a) and (ccc)

Annotated Code of Maryland

(2018 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 10–601(oo) and (pp), 10–605, and 10–607(b)

Annotated Code of Maryland

(2018 Replacement Volume and 2022 Supplement)

BY adding to

Article – Economic Development

Section 10–652.1 and 10–652.2

Annotated Code of Maryland

(2018 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(i)

Annotated Code of Maryland

(2021 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)170. and 171.
Annotated Code of Maryland
(2021 Replacement Volume and 2022 Supplement)

BY adding to

Article – State Finance and Procurement
Section 6–226(a)(2)(ii)172. ~~and~~, 173., and 174.
Annotated Code of Maryland
(2021 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government
Section 9–120
Annotated Code of Maryland
(2021 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation
Section 2–802
Annotated Code of Maryland
(2020 Replacement Volume and 2022 Supplement)

BY adding to

Article – Transportation
Section 2–802.1
Annotated Code of Maryland
(2020 Replacement Volume and 2022 Supplement)

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

Article – Economic Development

10–601.

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

(oo) “Prince George’s County Blue Line Corridor” means an area, the specific boundaries of which are designated by public local law, in central Prince George’s County [near] IN the intersections of [I–495 and Landover Road, Arena Drive, and Central Avenue] MARYLAND ROUTE 704, MARYLAND ROUTE 214, AND MARYLAND ROUTE 202.

(pp) **(1)** “Prince George’s County Blue Line Corridor facility” means a facility located within the Prince George’s County Blue Line Corridor that is:

~~[(1)]~~ ~~(I)~~ a convention center;

~~[(2)]~~ ~~(II)~~ an arts and entertainment amphitheater; and

~~[(3)]~~ ~~(III)~~ any other functionally related structures, improvements, infrastructure, furnishings, or equipment of the facility, including parking garages.

(2) “PRINCE GEORGE’S COUNTY BLUE LINE CORRIDOR FACILITY” DOES NOT INCLUDE A SPORTS FACILITY.

(ccc) (1) “Sports facility” means:

(i) a stadium primarily for professional football, major league professional baseball, or both, in the Baltimore metropolitan region, as defined in § 13–301 of this article;

(ii) practice fields or other areas where professional football or major league professional baseball teams practice or perform; and

(iii) offices for professional football and major league professional baseball teams or franchises.

(2) “Sports facility” includes parking lots, garages, and any other property adjacent and directly related to an item listed in paragraph (1) of this subsection.

(3) “Sports facility” does not include a sports entertainment facility.

10–605.

(a) (1) The Authority consists of the following ~~[nine]~~ ~~10~~ 11 members:

(i) ~~six~~ SEVEN members appointed by the Governor, with the advice and consent of the Senate;

(ii) one member appointed by the President of the Senate;

(iii) one member appointed by the Speaker of the House of Delegates;

[and]

(iv) one member appointed by the Mayor of Baltimore City, with the advice and consent of the Senate; AND

(V) ONE MEMBER APPOINTED BY THE COUNTY EXECUTIVE OF PRINCE GEORGE’S COUNTY, WITH THE ADVICE AND CONSENT OF THE SENATE.

(2) In making appointments, the Governor shall ensure that the geographic areas of the State are represented.

(b) (1) The term of a member is 4 years.

(2) The terms of members are staggered as required by the terms provided for members on October 1, 2008.

(3) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

(4) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(c) A member may be removed for incompetence, misconduct, or failure to perform the duties of the position by:

(1) the Governor, if appointed by the Governor;

(2) the President of the Senate, if appointed by the President;

(3) the Speaker of the House of Delegates, if appointed by the Speaker; [or]

(4) the Mayor of Baltimore City, if appointed by the Mayor; OR

(5) THE COUNTY EXECUTIVE OF PRINCE GEORGE'S COUNTY, IF APPOINTED BY THE COUNTY EXECUTIVE.

10-607.

(b) (1) [Five] SIX members of the Authority are a quorum.

(2) Action by the Authority requires the affirmative vote of at least [five] SIX members.

10-652.1.

(A) IN THIS SECTION, "FUND" MEANS THE CAMDEN YARDS FOOTBALL SPORTS FACILITY SUPPLEMENTAL FINANCING FUND.

(B) THERE IS A CAMDEN YARDS FOOTBALL SPORTS FACILITY SUPPLEMENTAL FINANCING FUND.

(C) THE PURPOSE OF THE FUND IS TO ENABLE THE AUTHORITY TO:

(1) USE THE FUND AS A REVOLVING FUND FOR IMPLEMENTING THIS SUBTITLE AS IT RELATES TO THE CAMDEN YARDS FOOTBALL SPORTS FACILITY; AND

(2) PAY ANY EXPENSES INCURRED BY THE AUTHORITY THAT ARE RELATED TO THE CAMDEN YARDS FOOTBALL SPORTS FACILITY.

(D) THE AUTHORITY SHALL ADMINISTER THE FUND.

(E) (1) THE FUND IS A CONTINUING, 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) (1) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY, THE RECEIPTS OF THE FUND SHALL BE PLEDGED TO AND CHARGED WITH THE FOLLOWING RELATED TO THE CAMDEN YARDS FOOTBALL SPORTS FACILITY:

(I) PAYMENT OF DEBT SERVICE ON AUTHORITY BONDS;

(II) ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE AUTHORITY'S BORROWING; AND

(III) THE MANAGEMENT OF AUTHORITY OBLIGATIONS.

(2) THE PLEDGE SHALL BE EFFECTIVE AS PROVIDED IN ANY APPLICABLE AUTHORITY RESOLUTION.

(G) THE FUND CONSISTS OF:

(1) MONEY DISTRIBUTED TO THE FUND UNDER § 9-120(B) OF THE STATE GOVERNMENT ARTICLE;

(2) MONEY APPROPRIATED FOR DEPOSIT IN THE FUND;

(3) PROCEEDS FROM THE SALE OF BONDS CONCERNING THE CAMDEN YARDS FOOTBALL SPORTS FACILITY;

(4) REVENUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER THIS SUBTITLE RELATED TO THE CAMDEN YARDS FOOTBALL SPORTS FACILITY;

(5) ANY INTEREST EARNINGS OF THE FUND; AND

(6) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY SOURCE FOR THE PURPOSES ESTABLISHED FOR THE FUND.

(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE FUNDS.

(2) ANY INVESTMENT OR INTEREST EARNINGS SHALL BE CREDITED TO THE FUND.

(3) NO PART OF THE FUND MAY REVERT OR BE CREDITED TO THE GENERAL FUND OF THE STATE OR ANY SPECIAL FUND OF THE STATE.

10-652.2.

(A) IN THIS SECTION, “FUND” MEANS THE CAMDEN YARDS BASEBALL SPORTS FACILITY SUPPLEMENTAL FINANCING FUND.

(B) THERE IS A CAMDEN YARDS BASEBALL SPORTS FACILITY SUPPLEMENTAL FINANCING FUND.

(C) THE PURPOSE OF THE FUND IS TO ENABLE THE AUTHORITY TO:

(1) USE THE FUND AS A REVOLVING FUND FOR IMPLEMENTING THIS SUBTITLE AS IT RELATES TO THE CAMDEN YARDS BASEBALL SPORTS FACILITY; AND

(2) PAY ANY EXPENSES INCURRED BY THE AUTHORITY THAT ARE RELATED TO THE CAMDEN YARDS BASEBALL SPORTS FACILITY.

(D) THE AUTHORITY SHALL ADMINISTER THE FUND.

(E) (1) THE FUND IS A CONTINUING, 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) (1) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY, THE RECEIPTS OF THE FUND SHALL BE PLEDGED TO AND CHARGED WITH THE FOLLOWING RELATED TO THE CAMDEN YARDS BASEBALL SPORTS FACILITY:

(I) PAYMENT OF DEBT SERVICE ON AUTHORITY BONDS;

(II) ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE AUTHORITY’S BORROWING; AND

(III) THE MANAGEMENT OF AUTHORITY OBLIGATIONS.

(2) THE PLEDGE SHALL BE EFFECTIVE AS PROVIDED IN ANY APPLICABLE AUTHORITY RESOLUTION.

(G) THE FUND CONSISTS OF:

(1) MONEY DISTRIBUTED TO THE FUND UNDER § 9-120(B) OF THE STATE GOVERNMENT ARTICLE;

(2) MONEY APPROPRIATED FOR DEPOSIT IN THE FUND;

(3) PROCEEDS FROM THE SALE OF BONDS CONCERNING THE CAMDEN YARDS BASEBALL SPORTS FACILITY;

(4) REVENUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER THIS SUBTITLE RELATED TO THE CAMDEN YARDS BASEBALL SPORTS FACILITY;

(5) ANY INTEREST EARNINGS OF THE FUND; AND

(6) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY SOURCE FOR THE PURPOSES ESTABLISHED FOR THE FUND.

(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE FUNDS.

(2) ANY INVESTMENT OR INTEREST EARNINGS SHALL BE CREDITED TO THE FUND.

(3) NO PART OF THE FUND MAY REVERT OR BE CREDITED TO THE GENERAL FUND OF THE STATE OR ANY SPECIAL FUND OF THE STATE.

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:

170. the Cannabis Public Health Fund; [and]

171. the Community Reinvestment and Repair Fund;

172. THE CAMDEN YARDS BASEBALL SPORTS FACILITY SUPPLEMENTAL FINANCING FUND; ~~AND~~

173. THE CAMDEN YARDS FOOTBALL SPORTS FACILITY SUPPLEMENTAL FINANCING FUND; AND

174. THE BUS RAPID TRANSIT FUND.

Article – State Government

9–120.

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

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

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

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

(i) **1. AFTER JUNE 30, 2023, BUT NOT LATER THAN JUNE 30, 2026**, 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 **[\$90,000,000] \$14,200,000** in [any] EACH fiscal year;

2. AFTER JUNE 30, 2023, BUT NOT LATER THAN JUNE 30, 2026, FROM THE MONEY THAT REMAINS IN THE STATE LOTTERY FUND AFTER THE DISTRIBUTION UNDER SUBSECTION (A) OF THIS SECTION, AN AMOUNT FOR EACH FISCAL YEAR NOT TO EXCEED:

A. \$34,900,000 INTO THE CAMDEN YARDS FOOTBALL SPORTS FACILITY SUPPLEMENTAL FINANCING FUND ESTABLISHED UNDER § 10-652.1 OF THE ECONOMIC DEVELOPMENT ARTICLE; AND

B. \$40,900,000 INTO THE CAMDEN YARDS BASEBALL SPORTS FACILITY SUPPLEMENTAL FINANCING FUND ESTABLISHED UNDER § 10-652.2 OF THE ECONOMIC DEVELOPMENT ARTICLE;

3. AFTER JUNE 30, 2026, BUT NOT LATER THAN JUNE 30, 2039, 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 \$3,360,000 IN EACH FISCAL YEAR;

4. AFTER JUNE 30, 2026, BUT NOT LATER THAN JUNE 30, 2039, FROM THE MONEY THAT REMAINS IN THE STATE LOTTERY FUND AFTER THE DISTRIBUTION UNDER SUBSECTION (A) OF THIS SECTION, AN AMOUNT FOR EACH FISCAL YEAR NOT TO EXCEED:

A. \$45,000,000 INTO THE CAMDEN YARDS FOOTBALL SPORTS FACILITY SUPPLEMENTAL FINANCING FUND ESTABLISHED UNDER § 10-652.1 OF THE ECONOMIC DEVELOPMENT ARTICLE; AND

B. \$41,640,000 INTO THE CAMDEN YARDS BASEBALL SPORTS FACILITY SUPPLEMENTAL FINANCING FUND ESTABLISHED UNDER § 10-652.2 OF THE ECONOMIC DEVELOPMENT ARTICLE; AND

5. AFTER JUNE 30, 2039, FROM THE MONEY THAT REMAINS IN THE STATE LOTTERY FUND AFTER THE DISTRIBUTION UNDER SUBSECTION (A) OF THIS SECTION, AN AMOUNT FOR EACH FISCAL YEAR NOT TO EXCEED:

A. \$45,000,000 INTO THE CAMDEN YARDS FOOTBALL SPORTS FACILITY SUPPLEMENTAL FINANCING FUND ESTABLISHED UNDER § 10-652.1 OF THE ECONOMIC DEVELOPMENT ARTICLE; AND

B. \$45,000,000 INTO THE CAMDEN YARDS BASEBALL SPORTS FACILITY SUPPLEMENTAL FINANCING FUND ESTABLISHED UNDER § 10-652.2 OF THE ECONOMIC DEVELOPMENT ARTICLE;

(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;

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

(v) after June 30, 2020, into the 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) through (iv) of this paragraph, an amount equal to \$1,000,000 in each fiscal year;

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

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

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

(ix) after June 1, 2022, to the Sports Entertainment Facilities Financing Fund established under § 10–657.5 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) through (viii) of this paragraph, an amount not to exceed \$25,000,000 to be paid in two installments not later than November 1 and June 1 of each fiscal year;

(x) after June 30, 2022, to the Major Sports and Entertainment Event Program Fund established under § 10–611.2 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) through (ix) of this paragraph:

1. for fiscal year 2023, an amount equal to \$10,000,000; and
2. for each fiscal year thereafter, the amount necessary to restore the Major Sports and Entertainment Event Program Fund to a balance of \$10,000,000;

(xi) if a deposit or payment is made under item ~~(i)~~ **(I)2 THROUGH 5** of this paragraph, an amount equal to the **TOTAL** deposit or payment **UNDER ITEM (I)2 THROUGH 5 OF THIS PARAGRAPH**, but not exceeding \$27,000,000, ~~to the Department of Transportation~~ **INTO THE BUS RAPID TRANSIT FUND ESTABLISHED UNDER § 2–802.1 OF THE TRANSPORTATION ARTICLE** for bus rapid transit system grants in accordance with § 2–802 of the Transportation 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) through (x) of this paragraph;

(xii) after June 30, 2023, into the Prince George’s County Blue Line Corridor Facility Fund established under § 10–657.6 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) through (xi) of this paragraph, an amount not to exceed \$27,000,000 to be paid in two installments not later than November 1 and June 1 of each fiscal year; and

(xiii) 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) through (xii) of this paragraph.

(2) The money paid into the General Fund under this subsection is 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 a deposit or payment is made in accordance with [§ 9-120(b)(1)(i)] ~~§ 9-120(B)(1)(i)~~ 2 THROUGH 5 of the State Government Article into the Maryland Stadium Authority Facilities Fund established under § 7-312 of the State Finance and Procurement Article, AND THERE IS ONLY ONE ELIGIBLE GRANTEE, then the Department shall award a grant to [an] THE eligible grantee equal to the amount distributed to the Department under ~~§ 9-120(b)(1)(x)~~ § 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)(x)~~ § 9-120(B)(1)(XI) OF THE STATE GOVERNMENT ARTICLE TO THE REMAINING ELIGIBLE GRANTEE.

[(2)] (II) If more than [one county or municipal corporation is an] THREE COUNTIES OR MUNICIPAL CORPORATIONS ARE eligible [grantee] GRANTEES, AND ONE ELIGIBLE GRANTEE IS MONTGOMERY COUNTY, then the Department shall distribute [the]:

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)(x)~~ § 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 DISTRIBUTE THE TOTAL AMOUNT OF THE DEPOSIT PAYMENT UNDER ~~§ 9-120(B)(1)(x)~~ § 9-120(B)(1)(XI) OF THE STATE

GOVERNMENT ARTICLE TO THE ELIGIBLE GRANTEEES BASED ON EACH ELIGIBLE GRANTEE'S PRO RATA SHARE OF THE STATEWIDE POPULATION.

(3) (I) ELIGIBLE GRANTEEES RECEIVING FUNDS IN ACCORDANCE WITH THIS SUBSECTION AND § 2-802.1 OF THIS SUBTITLE MAY USE THE GRANT FUNDS FOR THE:

1. FINANCING AND REFINANCING OF THE COSTS RELATED TO THE CONSTRUCTION, ACQUISITION, IMPROVEMENT, EQUIPPING, REHABILITATION, AND EXPANSION OF BUS RAPID TRANSIT SYSTEM PROJECTS;

2. PAYMENT OF DEBT SERVICE ON BONDS ISSUED TO FINANCE BUS RAPID TRANSIT SYSTEM PROJECTS;

3. PAYMENT OF ALL REASONABLE EXPENSES AND CHARGES RELATED TO BOND ISSUANCE AND BORROWING; AND

4. PAYMENT OF COSTS RELATING TO THE MANAGEMENT AND OPERATION OF BUS RAPID TRANSIT SYSTEM PROJECTS.

(II) IF AN ELIGIBLE GRANTEE USES FUNDS UNDER THIS SECTION FOR THE PAYMENT OF DEBT SERVICE ON BONDS ISSUED TO FINANCE BUS RAPID TRANSIT SYSTEM PROJECTS, THE ELIGIBLE GRANTEE SHALL ISSUE BONDS IN ACCORDANCE WITH AN ORDINANCE OR RESOLUTION WHICH MAY SPECIFY ALL MATTERS RELATING TO THE ADVERTISEMENT, SALE, ISSUANCE, DELIVERY, AND PAYMENT OF THE BONDS, INCLUDING:

1. THE FORMS, DATES, AND DENOMINATIONS OF THE BONDS;

2. THE PRINCIPAL MATURITIES;

3. THE METHODS TO BE USED IN DETERMINING INTEREST PAYABLE ON THE BONDS; AND

4. ANY PROVISIONS FOR REGISTRATION, REDEMPTION BEFORE STATED MATURITY, OR THE USE OF FACSIMILE SIGNATURES OR SEALS.

(c) The Department:

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

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

2-802.1.

(A) IN THIS SECTION, “FUND” MEANS THE BUS RAPID TRANSIT FUND.

(B) THERE IS A BUS RAPID TRANSIT FUND.

(C) THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS TO ELIGIBLE GRANTEES, AS DEFINED UNDER § 2-802 OF THIS SUBTITLE.

(D) THE DEPARTMENT 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)(XI) 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 FROM THE FUND; AND

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

(G) (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.

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

Approved by the Governor, April 24, 2023.