

# SENATE BILL 1012

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By: **Senator Charles**

Introduced and read first time: February 2, 2024

Assigned to: Budget and Taxation and Education, Energy, and the Environment

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## A BILL ENTITLED

1 AN ACT concerning

2 **Veterans Affairs – Disabled Veterans Guaranteed Basic Income**

3 FOR the purpose of establishing the Disabled Veterans Guaranteed Basic Income Program;  
4 establishing the Disabled Veterans Guaranteed Basic Income Fund as a special,  
5 nonlapsing fund; requiring interest earnings of the Fund to be credited to the Fund;  
6 requiring, beginning in a certain fiscal year, the Governor to include in the annual  
7 budget bill a certain appropriation to the Fund; authorizing the appropriation to the  
8 Fund to be drawn from the State Lottery Fund or video lottery terminal proceeds;  
9 and generally relating to a guaranteed basic income for disabled veterans.

10 BY repealing and reenacting, without amendments,  
11 Article – State Finance and Procurement  
12 Section 6–226(a)(2)(i)  
13 Annotated Code of Maryland  
14 (2021 Replacement Volume and 2023 Supplement)

15 BY repealing and reenacting, with amendments,  
16 Article – State Finance and Procurement  
17 Section 6–226(a)(2)(ii)189. and 190.  
18 Annotated Code of Maryland  
19 (2021 Replacement Volume and 2023 Supplement)

20 BY adding to  
21 Article – State Finance and Procurement  
22 Section 6–226(a)(2)(ii)191.  
23 Annotated Code of Maryland  
24 (2021 Replacement Volume and 2023 Supplement)

25 BY repealing and reenacting, without amendments,  
26 Article – State Government  
27 Section 9–120(a) and (b)(2) and 9–901(a) and (c)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland  
2 (2021 Replacement Volume and 2023 Supplement)

3 BY repealing and reenacting, with amendments,  
4 Article – State Government  
5 Section 9–120(b)(1)(xii) and (xiii) and 9–1A–27(a)  
6 Annotated Code of Maryland  
7 (2021 Replacement Volume and 2023 Supplement)

8 BY adding to  
9 Article – State Government  
10 Section 9–120(b)(1)(xiii); and 9–960 through 9–964 to be under the new part “Part  
11 IX. Disabled Veterans Guaranteed Basic Income”  
12 Annotated Code of Maryland  
13 (2021 Replacement Volume and 2023 Supplement)

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

16 **Article – State Finance and Procurement**

17 6–226.

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

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

26 189. the Teacher Retention and Development Fund; [and]

27 190. the Protecting Against Hate Crimes Grant Fund; AND

28 **191. THE DISABLED VETERANS GUARANTEED BASIC**  
29 **INCOME FUND.**

30 **Article – State Government**

31 9–120.

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

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

4 (2) then, except as provided in § 10–113.1 of the Family Law Article, §  
5 11–618 of the Criminal Procedure Article, and § 3–307 of the State Finance and  
6 Procurement Article, the holder of each winning ticket or share.

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

9 (xii) after June 30, 2023, into the Prince George’s County Blue Line  
10 Corridor Facility Fund established under § 10–657.6 of the Economic Development Article  
11 from the money that remains in the State Lottery Fund from the proceeds of all lotteries  
12 after the distributions under subsection (a) of this section and items (i) through (xi) of this  
13 paragraph, an amount not to exceed \$27,000,000 to be paid in two installments not later  
14 than November 1 and June 1 of each fiscal year; [and]

15 **(XIII) AFTER JUNE 30, 2024, INTO THE DISABLED VETERANS**  
16 **GUARANTEED BASIC INCOME FUND ESTABLISHED UNDER § 9–963 OF THIS TITLE**  
17 **FROM THE MONEY THAT REMAINS IN THE STATE LOTTERY FUND FROM THE**  
18 **PROCEEDS OF ALL LOTTERIES AFTER THE DISTRIBUTIONS UNDER SUBSECTION (A)**  
19 **OF THIS SECTION AND ITEMS (I) THROUGH (XII) OF THIS PARAGRAPH, AN AMOUNT**  
20 **NOT TO EXCEED \$5,000,000; AND**

21 [(xiii)] **(XIV)** into the General Fund of the State the money that remains  
22 in the State Lottery Fund from the proceeds of all lotteries after the distributions under  
23 subsection (a) of this section and items (i) through [(xii)] **(XIII)** of this paragraph.

24 (2) The money paid into the General Fund under this subsection is  
25 available in the fiscal year in which the money accumulates in the State Lottery Fund.

26 9–1A–27.

27 (a) Except as provided in subsections (b) and (c) of this section and §  
28 9–1A–26(a)(3) of this subtitle, on a properly approved transmittal prepared by the  
29 Commission, the Comptroller shall pay the following amounts from the proceeds of video  
30 lottery terminals at each video lottery facility:

31 (1) (i) on or before March 31, 2015, 2% to the State Lottery and Gaming  
32 Control Agency for costs as defined in § 9–1A–01 of this subtitle; and

33 (ii) beginning April 1, 2015, 1% to the State Lottery and Gaming  
34 Control Agency for costs as defined in § 9–1A–01 of this subtitle;

1 (2) to the video lottery operation licensee, the percentage stated in the  
2 accepted application for the location, not to exceed, except as provided in subsection (b) of  
3 this section, 33%;

4 (3) 5.5% in local impact grants, in accordance with § 9–1A–31 of this  
5 subtitle;

6 (4) 6% to the Purse Dedication Account established under § 9–1A–28 of this  
7 subtitle, not to exceed a total of \$100,000,000 to the Account annually;

8 (5) (i) until the issuance of a video lottery operation license in  
9 Baltimore City, 1.75% to the Racetrack Facility Renewal Account established under §  
10 9–1A–29 of this subtitle and distributed in accordance with that section; and

11 (ii) on or after the issuance of a video lottery operation license in  
12 Baltimore City, 1% to the Racetrack Facility Renewal Account established under §  
13 9–1A–29 of this subtitle and distributed in accordance with that section, not to exceed a  
14 total of \$20,000,000 to the Account annually;

15 (6) (i) except as provided in items (ii) and (iii) of this item, 1.5% to the  
16 Small, Minority, and Women–Owned Businesses Account established under § 5–1501 of  
17 the Economic Development Article;

18 (ii) for fiscal year 2018, 1.5% to the General Fund to pay a portion of  
19 the costs of the grants provided under Chapters 6 and 607 of the Acts of the General  
20 Assembly of 2017; and

21 (iii) for fiscal years 2019 and 2020, 1.5% to the Education Trust Fund  
22 established under § 9–1A–30 of this subtitle;

23 (7) (i) except as provided in items (ii) and (iii) of this item, 6% to the  
24 video lottery operation licensee if the video lottery operation licensee owns or leases each  
25 video lottery terminal device and the associated equipment and software;

26 (ii) 8% to the video lottery operation licensee in Anne Arundel  
27 County; and

28 (iii) 10% to the video lottery operation licensee in Allegany County or  
29 Worcester County if the video lottery operation licensee assumes ownership or the right to  
30 lease each video lottery terminal device and the associated equipment and software used  
31 by the facility before January 1, 2019;

32 (8) beginning after the issuance of a video lottery operation license for a  
33 video lottery facility in Prince George’s County, 8% to the video lottery operation licensee  
34 in Anne Arundel County and 7% to the licensee in Baltimore City for:

1 (i) marketing, advertising, and promotional costs required under §  
2 9–1A–23 of this subtitle; and

3 (ii) capital improvements at the video lottery facilities;

4 (9) to each video lottery operation licensee, an amount equal to 20% of the  
5 amount paid by the video lottery licensee under § 9–1A–13 of this subtitle, for costs required  
6 under § 9–1A–23 of this subtitle for marketing, advertising, and promotions that  
7 exclusively target out-of-state audiences; [and]

8 (10) **TO THE DISABLED VETERANS GUARANTEED BASIC INCOME**  
9 **FUND, TO BE AVAILABLE FOR THE APPROPRIATION REQUIRED UNDER § 9–964 OF**  
10 **THIS TITLE; AND**

11 (11) the remainder to the Education Trust Fund established under §  
12 9–1A–30 of this subtitle.

13 9–901.

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

15 (c) “Department” means the Department of Veterans Affairs.

16 **9–958. RESERVED.**

17 **9–959. RESERVED.**

18 **PART IX. DISABLED VETERANS GUARANTEED BASIC INCOME.**

19 **9–960.**

20 (A) **IN THIS PART THE FOLLOWING WORDS HAVE THE MEANINGS**  
21 **INDICATED.**

22 (B) **“DISABLED VETERAN” MEANS AN INDIVIDUAL WHO:**

23 (1) **IS HONORABLY DISCHARGED OR RELEASED UNDER HONORABLE**  
24 **CIRCUMSTANCES FROM ACTIVE MILITARY, NAVAL, AIR, OR SPACE SERVICE AS**  
25 **DEFINED IN 38 U.S.C. § 101 AFTER 4 OR MORE YEARS OF ACTIVE DUTY SERVICE;**

26 (2) **IS AT LEAST 6 MONTHS REMOVED FROM THE SEPARATION OF**  
27 **SERVICE THAT QUALIFIES THE INDIVIDUAL UNDER ITEM (3) OF THIS SUBSECTION;**  
28 **AND**

1           **(3) HAS BEEN DECLARED BY THE U.S. DEPARTMENT OF VETERANS**  
2 **AFFAIRS TO HAVE A PERMANENT 70% SERVICE-CONNECTED DISABILITY THAT**  
3 **RESULTS FROM BLINDNESS OR ANY OTHER DISABLING CAUSE THAT:**

4           **(I) IS REASONABLY CERTAIN TO CONTINUE FOR THE LIFE OF**  
5 **THE VETERAN; AND**

6           **(II) WAS NOT CAUSED OR INCURRED BY MISCONDUCT OF THE**  
7 **VETERAN.**

8           **(C) "ENROLLED" MEANS THE DEPARTMENT HAS REVIEWED AND ACCEPTED**  
9 **AN INDIVIDUAL'S APPLICATION TO RECEIVE BASIC INCOME THROUGH THE**  
10 **PROGRAM.**

11           **(D) "FUND" MEANS THE DISABLED VETERANS GUARANTEED BASIC**  
12 **INCOME FUND.**

13           **(E) "PROGRAM" MEANS THE DISABLED VETERANS GUARANTEED BASIC**  
14 **INCOME PROGRAM.**

15 **9-961.**

16           **(A) THERE IS A DISABLED VETERANS GUARANTEED BASIC INCOME**  
17 **PROGRAM.**

18           **(B) THE PROGRAM SHALL BE ADMINISTERED BY THE DEPARTMENT.**

19 **9-962.**

20           **(A) THE DEPARTMENT SHALL:**

21           **(1) ESTABLISH A PROCESS TO REVIEW THE ELIGIBILITY OF A**  
22 **DISABLED VETERAN TO ENROLL IN THE PROGRAM;**

23           **(2) ENROLL ELIGIBLE DISABLED VETERANS INTO THE PROGRAM;**  
24 **AND**

25           **(3) DISTRIBUTE \$200 PER MONTH FROM THE FUND TO AN ENROLLED**  
26 **DISABLED VETERAN.**

27           **(B) THE DEPARTMENT SHALL REVIEW THE ELIGIBILITY OF AN ENROLLED**  
28 **DISABLED VETERAN ON A REGULAR BASIS.**

1 (C) THE DEPARTMENT MAY ADOPT REGULATIONS TO IMPLEMENT THIS  
2 PART.

3 9-963.

4 (A) THERE IS A DISABLED VETERANS GUARANTEED BASIC INCOME FUND.

5 (B) THE PURPOSE OF THE FUND IS TO PROVIDE ADEQUATE FUNDING FOR A  
6 GUARANTEED BASIC INCOME BENEFIT FOR DISABLED VETERANS.

7 (C) THE DEPARTMENT SHALL ADMINISTER THE FUND.

8 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT  
9 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

10 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,  
11 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

12 (E) THE FUND CONSISTS OF:

13 (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

14 (2) INTEREST EARNINGS; AND

15 (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR  
16 THE BENEFIT OF THE FUND.

17 (F) THE FUND MAY BE USED ONLY FOR:

18 (1) PROVIDING GUARANTEED BASIC INCOME TO DISABLED VETERANS  
19 ENROLLED IN THE PROGRAM; AND

20 (2) ADMINISTRATIVE EXPENSES.

21 (G) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN  
22 THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

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

25 9-964.

1           **(A) FOR FISCAL YEAR 2025 AND EACH FISCAL YEAR THEREAFTER, THE**  
2 **GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF**  
3 **\$5,000,000 TO THE FUND.**

4           **(B) TO MAKE THE APPROPRIATION REQUIRED UNDER SUBSECTION (A) OF**  
5 **THIS SECTION, THE GOVERNOR MAY DRAW FROM:**

6                   **(1) THE STATE LOTTERY FUND; OR**

7                   **(2) THE PROCEEDS OF VIDEO LOTTERY TERMINALS AT EACH VIDEO**  
8 **LOTTERY FACILITY, AS PROVIDED IN § 9-1A-27 OF THIS TITLE.**

9           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
10 1, 2024.