

# SENATE BILL 23

R2

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CF HB 11

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By: **Senator Pipkin**

Introduced and read first time: October 17, 2011

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Transportation Authority – Termination – Exchange of Bonds**

3 FOR the purpose of terminating the Maryland Transportation Authority; transferring,  
4 subject to certain exceptions, all functions, powers, duties, responsibilities,  
5 regulations, policies, property, equipment, assets, liabilities, and employees of  
6 the Authority to the Maryland Department of Transportation on a certain date;  
7 requiring the State to issue revenue refunding bonds in exchange for revenue  
8 bonds issued by the Authority before a certain date; requiring revenue  
9 refunding bonds to be secured by tolls or other charges for the use of  
10 transportation facilities projects; requiring the Department to fix, revise,  
11 charge, and collect tolls and other charges for the use of transportation facilities  
12 projects in an amount not greater than is necessary to pay the principal of and  
13 interest on refunding bonds issued by the State under this Act as they become  
14 due and payable; providing for the appointment, classification, and benefits of  
15 employees transferred from the Authority to the Department under this Act;  
16 providing that all contracts and agreements entered into by the Authority  
17 before a certain date are valid and binding on the Department; requiring the  
18 publishers of the Annotated Code of Maryland to correct any references that are  
19 rendered incorrect by this Act; defining certain terms; and generally relating to  
20 the termination of the Authority and the exchange of bonds issued by the  
21 Authority.

22 BY repealing

23 Article – Transportation  
24 Section 4–101 through 4–406 and the title “Title 4. Revenue Facilities”  
25 Annotated Code of Maryland  
26 (2008 Replacement Volume and 2011 Supplement)

27 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
28 MARYLAND, That Section(s) 4–101 through 4–406 and the title “Title 4. Revenue  
29 Facilities” of Article – Transportation of the Annotated Code of Maryland be repealed.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 2. AND BE IT FURTHER ENACTED, That:

2 (a) (1) In this section the following words have the meanings indicated.

3 (2) "Authority" means the former Maryland Transportation Authority  
4 as it existed before October 1, 2012.

5 (3) "Department" means the Maryland Department of Transportation.

6 (4) "Refunding" means the retirement and cancellation of bonds,  
7 including revenue bonds of prior issues, after their acquisition by or for the Maryland  
8 Transportation Authority, whether before, at, or after maturity, either in exchange for  
9 other bonds or by payment, purchase, or redemption with the proceeds of the sale of  
10 other bonds.

11 (5) "Transportation facilities project" means:

12 (i) The Susquehanna River Bridge, the Harry W. Nice  
13 Memorial Potomac River Bridge, the William Preston Lane, Jr. Memorial Chesapeake  
14 Bay Bridge and parallel Chesapeake Bay Bridge, the Baltimore Harbor Tunnel, the  
15 Fort McHenry Tunnel, the Francis Scott Key Bridge, and the John F. Kennedy  
16 Memorial Highway, together with their appurtenant causeways, approaches,  
17 interchanges, entrance plazas, toll stations, and service facilities;

18 (ii) A vehicle parking facility located in a priority funding area  
19 as defined in § 5-7B-02 of the State Finance and Procurement Article;

20 (iii) Any other project for transportation facilities that the  
21 Authority authorized to be acquired or constructed; and

22 (iv) Any additions, improvements, or enlargements to any of  
23 these projects.

24 (b) Except as otherwise provided in this section, on October 1, 2012, all  
25 functions, powers, duties, responsibilities, regulations, policies, property, equipment,  
26 assets, liabilities, and employees of the Authority shall be transferred to the  
27 Department.

28 (c) (1) The State shall issue revenue refunding bonds in exchange for  
29 revenue bonds, notes, or other evidences of obligation issued by the Authority before  
30 October 1, 2012.

31 (2) Refunding bonds issued under this subsection shall be secured by  
32 rentals, rates, fees, tolls, or other charges for the use of transportation facilities  
33 projects as provided in subsection (d) of this section.

1           (d)   (1)   The Department may not fix, revise, charge, or collect a rental,  
2 rate, fee, toll, or other charge for the use of any transportation facilities project except  
3 as provided in this subsection.

4           (2)   The Department shall fix, revise, charge, and collect rentals, rates,  
5 fees, tolls, or other charges for the use of transportation facilities projects in an  
6 amount not greater than is necessary to pay the principal of and interest on refunding  
7 bonds issued under subsection (c) of this section as they become due and payable.

8           (e)   An employee of the Authority whose position is transferred to the  
9 Department under this Act shall be appointed without further examination or  
10 qualification. The employee shall be placed in a classification that is comparable in  
11 duties and responsibilities to the employee's former position. The employee may not  
12 suffer a diminution of salary or wages, accrued leave, whether earned or granted, or  
13 seniority rights.

14          (f)   All contracts, agreements, grants, or other obligations entered into by the  
15 Authority before October 1, 2012, are hereby declared to be valid, legal, and binding  
16 obligations of the Department, enforceable in accordance with their terms.

17          (g)   That the publishers of the Annotated Code of Maryland, in consultation  
18 with and subject to the approval of the Department of Legislative Services, shall  
19 correct any agency names, titles, or other references throughout the Annotated Code  
20 that are rendered incorrect by this Act, with no further action required by the General  
21 Assembly. The publishers shall adequately describe any such correction in an editor's  
22 note following the section affected.

23           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
24 October 1, 2012.