

SENATE BILL 400

R1

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CF HB 410

By: **The President (By Request – Administration) and Senators Bailey, Carozza, Cassilly, Corderman, Eckardt, Edwards, Gallion, Hershey, Jennings, Ready, Salling, Simonaire, and West**

Introduced and read first time: January 24, 2022

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Transportation – Highway User Revenue – Distribution**

3 FOR the purpose of altering, beginning in a certain fiscal year, the amounts of certain
4 capital grants calculated based on highway user revenues that are required to be
5 appropriated to Baltimore City, counties, and municipalities; and generally relating
6 to the distribution of highway user revenues.

7 BY repealing and reenacting, without amendments,

8 Article – Transportation

9 Section 8–401(a)

10 Annotated Code of Maryland

11 (2020 Replacement Volume and 2021 Supplement)

12 BY repealing and reenacting, with amendments,

13 Article – Transportation

14 Section 8–401(d), 8–403, and 8–412

15 Annotated Code of Maryland

16 (2020 Replacement Volume and 2021 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

18 That the Laws of Maryland read as follows:

19 **Article – Transportation**

20 8–401.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (d) "Highway user revenues" means the capital grants appropriated to Baltimore
2 City, counties, and municipalities under ~~§ 8-403(b)~~ **§ 8-403** of this subtitle.

3 8-403.

4 (a) [Subject to §§ 3-307 and 3-308 of this article, for fiscal year 2019, from the
5 total highway user revenues:

6 (1) An amount equal to 7.7% of total highway user revenues shall be
7 distributed to Baltimore City in monthly installments;

8 (2) An amount shall be distributed to the counties at the times specified in
9 § 8-407 of this subtitle, to be allocated as provided in § 8-404 of this subtitle, equal to 1.5%
10 of total highway user revenues; and

11 (3) An amount shall be distributed to the municipalities at the times
12 specified in § 8-407 of this subtitle, to be allocated as provided in § 8-405 of this subtitle,
13 equal to 0.4% of the total highway user revenues.

14 (b) (1) ~~Subject to [paragraph (3) of this subsection]~~ **SUBSECTION (B) OF THIS**
15 **SECTION**, for fiscal ~~[years]~~ **YEAR 2020 [through 2024] AND EACH FISCAL YEAR**
16 **THEREAFTER**, capital grants shall be appropriated from the Transportation Trust Fund
17 as provided in § 3-216 of this article based on the following calculations:

18 ~~[(i)]~~ **(1)** An amount equal to 8.3% of funds credited to the Gasoline
19 and Motor Vehicle Revenue Account shall be appropriated to Baltimore City;

20 ~~[(ii)]~~ **(2)** An amount equal to 3.2% of funds credited to the Gasoline
21 and Motor Vehicle Revenue Account shall be appropriated to the counties to be distributed
22 as provided in § 8-404 of this subtitle; and

23 ~~[(iii)]~~ **(3)** An amount equal to 2.0% of funds credited to the Gasoline
24 and Motor Vehicle Revenue Account shall be appropriated to the municipalities to be
25 distributed as provided in § 8-405 of this subtitle.

26 ~~[(2)]~~ **(2)** Subject to paragraph (3) of this subsection, for fiscal year 2025 and each
27 fiscal year thereafter, capital grants shall be appropriated from the Transportation Trust
28 Fund as provided in § 3-216 of this article based on the following calculations:

29 (i) An amount equal to 7.7% of funds credited to the Gasoline and
30 Motor Vehicle Revenue Account shall be appropriated to Baltimore City;

31 (ii) An amount equal to 1.5% of funds credited to the Gasoline and
32 Motor Vehicle Revenue Account shall be appropriated to the counties to be distributed as
33 provided in § 8-404 of this subtitle; and

1 (iii) An amount equal to 0.4% of funds credited to the Gasoline and
2 Motor Vehicle Revenue Account shall be appropriated to the municipalities to be
3 distributed as provided in § 8–405 of this subtitle.]

4 **[(3) (B)** The capital grants made under this subtitle shall be appropriated
5 only if all debt service requirements and departmental operating expenses have been
6 funded and sufficient funds are available to fund the capital program.

7 8–412.

8 (a) (1) On or before January 1 of each year, Baltimore City, each county, and
9 each eligible municipality that received highway user revenues in the preceding fiscal year
10 shall submit to the Administration an accounting report that:

11 (i) Shows the actual costs of the preceding fiscal year;

12 (ii) Shows the expenditure budget of the current fiscal year;

13 (iii) As to items (i) and (ii) of this paragraph, accurately identifies the
14 costs for specific projects authorized in § 8–408 or § 8–409 of this subtitle;

15 (iv) Shows the amount of funds diverted from the general fund of the
16 county or municipality to pay for specific projects authorized in § 8–408 or § 8–409 of this
17 subtitle during the preceding fiscal year; and

18 (v) Lists specific projects authorized in § 8–408 or § 8–409 of this
19 subtitle that have been delayed due to a lack of funding.

20 **(2) ON OR BEFORE JULY 1 EACH YEAR, BALTIMORE CITY, EACH**
21 **COUNTY, AND EACH ELIGIBLE MUNICIPALITY THAT RECEIVED HIGHWAY USER**
22 **REVENUES IN THE PRECEDING FISCAL YEAR SHALL SUBMIT TO THE**
23 **ADMINISTRATION AN ACCOUNTING REPORT THAT, TO THE EXTENT PRACTICABLE:**

24 **(I) SHOWS THE ACTUAL COSTS FOR THE FIRST 6 MONTHS OF**
25 **THE PRECEDING FISCAL YEAR;**

26 **(II) SHOWS THE EXPENDITURE BUDGET OF THE CURRENT**
27 **FISCAL YEAR;**

28 **(III) AS TO ITEMS (I) AND (II) OF THIS PARAGRAPH, ACCURATELY**
29 **IDENTIFIES THE COSTS FOR SPECIFIC PROJECTS AUTHORIZED IN § 8–408 OR §**
30 **8–409 OF THIS SUBTITLE;**

31 **(IV) SHOWS THE AMOUNT OF FUNDS DIVERTED FROM THE**
32 **GENERAL FUND OF THE COUNTY OR MUNICIPALITY TO PAY FOR SPECIFIC PROJECTS**

1 AUTHORIZED IN § 8-408 OR § 8-409 OF THIS SUBTITLE DURING THE FIRST 6 MONTHS
2 OF THE PRECEDING FISCAL YEAR; AND

3 (v) LISTS SPECIFIC PROJECTS AUTHORIZED IN § 8-408 OR §
4 8-409 OF THIS SUBTITLE THAT HAVE BEEN DELAYED DUE TO A LACK OF FUNDING.

5 [(2)] (3) On or before December 1 of each year, the Administration shall
6 provide Baltimore City, each county, and each eligible municipality with an electronic copy
7 of an accounting report form to be used to submit the information reported under
8 [paragraph (1)] PARAGRAPHS (1) AND (2) of this subsection.

9 (b) The Administration shall compile, summarize, and analyze the information
10 reported by Baltimore City and each county and municipality under subsection (a)(1) AND
11 (2) of this section in a single report that the Administration shall submit, on or before
12 February 1 of each year, to the Governor and, in accordance with § 2-1257 of the State
13 Government Article, the Senate Budget and Taxation Committee, the House
14 Appropriations Committee, the House Environment and Transportation Committee, and
15 the House Ways and Means Committee.

16 (c) The Administration may not make a disbursement of highway user revenues
17 under § 8-407 of this subtitle to any jurisdiction that has not submitted a report to the
18 Administration as required under subsection (a)(1) AND (2) of this section.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
20 1, 2022.