

SENATE BILL 516

R1
SB 564/17 – B&T

8lr2420
CF HB 807

By: **Senators Madaleno, Manno, Edwards, Astle, Cassilly, Currie, Eckardt, Feldman, Guzzone, Hershey, Hough, Jennings, Kagan, King, Lee, ~~Manno~~, Mathias, McFadden, Norman, Peters, Ready, Rosapepe, Serafini, Smith, Young, and Zucker**

Introduced and read first time: January 29, 2018
Assigned to: Budget and Taxation

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 16, 2018

CHAPTER _____

1 AN ACT concerning

2 **Transportation – Highway User Revenues – Distribution**

3 FOR the purpose of altering the ~~percentages of~~ amounts of and process for appropriating
4 highway user ~~revenues~~ funds that are required to be distributed to Baltimore City,
5 counties, and municipalities in certain fiscal years; ~~altering the percentages in~~
6 requiring that in certain fiscal years ~~of~~ highway user revenues ~~that~~ are required to
7 be used as authorized under the Transportation Trust Fund; repealing certain
8 obsolete distributions and transfers of highway user revenues for certain fiscal years;
9 repealing certain obsolete distributions of highway user revenues to Baltimore City,
10 counties, and municipalities for certain fiscal years; altering a certain definition;
11 making certain conforming changes; and generally relating to the ~~distribution~~
12 appropriation of highway user revenues.

13 BY repealing and reenacting, without amendments,
14 Article – Transportation
15 Section 8–401(a), 8–404, and 8–405
16 Annotated Code of Maryland
17 (2015 Replacement Volume and 2017 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – Transportation
20 Section ~~8–402~~ 8–401(d), 8–402, and 8–403

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Annotated Code of Maryland
2 (2015 Replacement Volume and 2017 Supplement)

3 ~~BY repealing and reenacting, without amendments,~~
4 ~~Article – Transportation~~
5 ~~Section 8–405~~
6 ~~Annotated Code of Maryland~~
7 ~~(2015 Replacement Volume and 2017 Supplement)~~

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

10 **Article – Transportation**

11 8–401.

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

13 (d) **(1)** “Highway user revenues” means the funds credited to the Gasoline and
14 Motor Vehicle Revenue Account of the Transportation Trust Fund.

15 **(2)** “HIGHWAY USER REVENUES” INCLUDES FUNDS USED FOR
16 CAPITAL TRANSPORTATION GRANTS MADE UNDER § 8–403 OF THIS SUBTITLE.

17 8–402.

18 (a) There is a Gasoline and Motor Vehicle Revenue Account in the Transportation
19 Trust Fund.

20 (b) All revenues collected from the following, after deductions provided by law,
21 shall be credited to the Gasoline and Motor Vehicle Revenue Account:

22 (1) All of the motor vehicle fuel tax;

23 (2) Except as otherwise provided by law, two-thirds of the vehicle titling
24 tax;

25 (3) Except for revenues collected under Parts III and IV of Title 13, Subtitle
26 9 of this article, vehicle registration fees;

27 (4) The revenue disbursed to this Account under § 2–614 of the Tax –
28 General Article; and

29 (5) 80 percent of the funds distributed on short-term vehicle rentals under
30 § 2–1302.1 of the Tax – General Article to the Transportation Trust Fund from the sales
31 and use tax.

1 ~~(e) [(1) Except as provided in paragraph (2) of this subsection, for each fiscal~~
 2 ~~year] THE ACCOUNT SHALL BE DISTRIBUTED AS FOLLOWS:~~

3 ~~[(i)] (1) (i) [90.4%] FOR FISCAL YEAR 2020, 88% of the~~
 4 ~~revenue credited to the Account may be used as provided in § 3-216 of this article; and~~

5 ~~(ii) (2) [The] IN EACH FISCAL YEAR, THE balance of the Account~~
 6 ~~THEREAFTER, 86.8% OF THE REVENUE CREDITED TO THE ACCOUNT MAY BE USED~~
 7 ~~AS PROVIDED IN § 3-216 OF THIS ARTICLE; AND~~

8 ~~(i) (1) [The] IN EACH FISCAL YEAR, THE balance of the Account~~
 9 ~~shall be used to pay the allocations of highway user revenues provided by this subtitle to~~
 10 ~~the counties, municipalities, and Baltimore City.~~

11 (c) (1) [Except as provided in paragraph (2) of this subsection, for each] FOR
 12 fiscal year 2019:

13 (i) 90.4% of the revenue credited to the Account may be used as
 14 provided in § 3-216 of this article; and

15 (ii) The balance of the Account shall be used to pay the allocations of
 16 highway user revenues provided by this subtitle to the counties, municipalities, and
 17 Baltimore City.

18 [(2) For fiscal years 2010 through 2013, the Account shall be distributed as
 19 follows:

20 (i) A portion to the General Fund of the State for fiscal years 2010
 21 through 2012 as follows:

- 22 1. 19.5% for fiscal year 2010;
- 23 2. 23% for fiscal year 2011; and
- 24 3. 11.3% for fiscal year 2012;

25 (ii) A portion to be used as provided in § 3-216 of this article, as
 26 follows:

- 27 1. 70% for fiscal year 2010;
- 28 2. 68.5% for fiscal year 2011;
- 29 3. Subject to paragraph (3) of this subsection, 79.8% for fiscal

30 year 2012; and

1 4. 90% for fiscal year 2013; and

2 (iii) The balance to be used to pay the allocations of highway user
3 revenues provided under this subtitle to the counties, municipalities, and Baltimore City.

4 (3) For fiscal year 2012, from the amount allocated to the Transportation
5 Trust Fund under paragraph (2)(ii)3 of this subsection, \$40,000,000 shall be transferred
6 from the Transportation Trust Fund to the Revenue Stabilization Account established
7 under § 7-311 of the State Finance and Procurement Article.]

8 **(2) FOR FISCAL YEAR 2020 AND EACH FISCAL YEAR THEREAFTER,**
9 **REVENUE CREDITED TO THE ACCOUNT SHALL BE USED AS PROVIDED IN § 3-216 OF**
10 **THIS ARTICLE.**

11 8-403.

12 (a) Subject to §§ 3-307 and 3-308 of this article, ~~and except as provided in~~
13 ~~subsection (b) of this section, for each fiscal year~~ **FOR FISCAL YEAR 2019**, from the total
14 highway user revenues:

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

17 (2) An amount shall be distributed to the counties at the times specified in
18 § 8-407 of this subtitle, to be allocated as provided in § 8-404 of this subtitle, equal to 1.5%
19 of total highway user revenues; and

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

23 ~~(b) (1) For fiscal year [2010] 2020:~~

24 ~~(i) The amount distributed to Baltimore City under this subtitle~~
25 ~~shall equal [8.6%] 8.3% of total highway user revenues;~~

26 ~~(ii) The amount distributed to the counties under this subtitle shall~~
27 ~~equal 1.5% of total highway user revenues; and~~

28 ~~(iii) The amount distributed to the municipalities under this subtitle~~
29 ~~shall equal [0.4%] 2.2% of total highway user revenues.~~

30 ~~(2) For fiscal year [2011] 2021 AND EACH FISCAL YEAR THEREAFTER:~~

31 ~~(i) The amount distributed to Baltimore City under this subtitle~~
32 ~~shall equal [7.9%] 8.9% of total highway user revenues;~~

1 (ii) ~~The amount distributed to the counties under this subtitle shall~~
2 ~~equal [0.5%] 1.5% of total highway user revenues; and~~

3 (iii) ~~The amount distributed to the municipalities under this subtitle~~
4 ~~shall equal [0.1%] 2.8% of total highway user revenues.~~

5 **(B) (1) FOR FISCAL YEARS 2020 THROUGH 2024, THE FOLLOWING**
6 **AMOUNTS SHALL BE APPROPRIATED FROM THE TRANSPORTATION TRUST FUND AS**
7 **CAPITAL TRANSPORTATION GRANTS:**

8 **(I) 8.3% OF THE AMOUNT ALLOCATED TO THE**
9 **TRANSPORTATION TRUST FUND UNDER § 8-402(C)(2) OF THIS SUBTITLE TO**
10 **BALTIMORE CITY;**

11 **(II) 3.2% OF THE AMOUNT ALLOCATED TO THE**
12 **TRANSPORTATION TRUST FUND UNDER § 8-402(C)(2) OF THIS SUBTITLE TO THE**
13 **COUNTIES TO BE DISTRIBUTED AS PROVIDED IN § 8-404 OF THIS SUBTITLE; AND**

14 **(III) 2.0% OF THE AMOUNT ALLOCATED TO THE**
15 **TRANSPORTATION TRUST FUND UNDER § 8-402(C)(2) OF THIS SUBTITLE TO THE**
16 **MUNICIPALITIES TO BE DISTRIBUTED AS PROVIDED IN § 8-405 OF THIS SUBTITLE.**

17 **(2) FOR FISCAL YEAR 2025 AND EACH FISCAL YEAR THEREAFTER,**
18 **THE FOLLOWING AMOUNTS SHALL BE APPROPRIATED FROM THE TRANSPORTATION**
19 **TRUST FUND AS CAPITAL TRANSPORTATION GRANTS:**

20 **(I) 7.7% OF THE AMOUNT ALLOCATED TO THE**
21 **TRANSPORTATION TRUST FUND UNDER § 8-402(C)(2) OF THIS SUBTITLE TO**
22 **BALTIMORE CITY;**

23 **(II) 1.5% OF THE AMOUNT ALLOCATED TO THE**
24 **TRANSPORTATION TRUST FUND UNDER § 8-402(C)(2) OF THIS SUBTITLE TO THE**
25 **COUNTIES TO BE DISTRIBUTED AS PROVIDED IN § 8-404 OF THIS SUBTITLE; AND**

26 **(III) 0.4% OF THE AMOUNT ALLOCATED TO THE**
27 **TRANSPORTATION TRUST FUND UNDER § 8-402(C)(2) OF THIS SUBTITLE TO THE**
28 **MUNICIPALITIES TO BE DISTRIBUTED AS PROVIDED IN § 8-405 OF THIS SUBTITLE.**

29 **[(3) For fiscal year 2012:**

30 (i) The amount distributed to Baltimore City under this subtitle
31 shall equal 7.5% of total highway user revenues;

1 (ii) The amount distributed to the counties under this subtitle shall
2 equal 0.8% of total highway user revenues; and

3 (iii) The amount distributed to the municipalities under this subtitle
4 shall equal 0.6% of total highway user revenues.

5 (4) For fiscal year 2013:

6 (i) The amount distributed to Baltimore City under this subtitle
7 shall equal 8.1% of total highway user revenues;

8 (ii) The amount distributed to the counties under this subtitle shall
9 equal 1.5% of total highway user revenues; and

10 (iii) The amount distributed to the municipalities under this subtitle
11 shall equal 0.4% of total highway user revenues.]

12 8-404.

13 (a) Highway user revenues shall be allocated to the counties:

14 (1) One half on a county road mileage basis, as provided in subsection (b)(1)
15 of this section; and

16 (2) One half on a motor vehicle registration basis, as provided in subsection
17 (b)(2) of this section.

18 (b) The Administration shall allocate for the account of each county, out of the
19 highway user revenues to be distributed to the counties under § 8-403 of this subtitle, the
20 county's share, to be determined by adding:

21 (1) The amount that results from applying to one half of these highway
22 user revenues the ratio that, as of December 1 of the preceding calendar year, the total
23 mileage of county roads in the county, not including the total mileage of county roads in
24 eligible municipalities in the county, bears to the total mileage of county roads in all of the
25 counties, not including the total mileage of county roads in eligible municipalities in the
26 State; and

27 (2) The amount that results from applying to one half of these highway
28 user revenues the ratio that, as of December 1 of the preceding calendar year, the total
29 number of motor vehicles registered to owners having addresses in the county, not
30 including motor vehicles registered to owners having addresses in eligible municipalities
31 in the county, bears to the total number of motor vehicles registered to owners in all the
32 counties, not including motor vehicles registered to owners having addresses in eligible
33 municipalities in the State.

34 8-405.

1 (a) An eligible municipality may request its share of the highway user revenues
2 provided under this subtitle from the Administration. The request shall be made in writing
3 at least 6 months before the start of the fiscal year in which the funds are desired.

4 (b) Highway user revenues shall be allocated to the eligible municipalities:

5 (1) One half on a municipal road mileage basis, as provided in subsection
6 (c)(1) of this section; and

7 (2) One half on a motor vehicle registration basis, as provided in subsection
8 (c)(2) of this section.

9 (c) The Administration shall allocate for the account of each eligible municipality,
10 out of the highway user revenues to be distributed to the municipalities under § 8–403 of
11 this subtitle the eligible municipality’s share, to be determined by adding:

12 (1) The amount that results from applying to one half of the available
13 revenues the ratio that, as of December 1 of the preceding calendar year, the total mileage
14 of county roads in the eligible municipality bears to the total mileage of county roads located
15 in eligible municipalities in the State; and

16 (2) The amount that results from applying to one half of the available
17 revenues the ratio that, as of December 1 of the preceding calendar year, the total number
18 of motor vehicles registered to owners having addresses in the eligible municipality bears
19 to the total number of motor vehicles registered to owners having addresses in eligible
20 municipalities in the State.

21 (d) For purposes of the mileage formula distributions under this section, each
22 special improvement district in Prince George’s County in existence in January, 1953, shall
23 be treated as a municipality, but the amounts distributed shall be:

24 (1) Paid to the county and retained by it as credits to the district; and

25 (2) Applied to the cost of maintaining the streets and roads in the district
26 so long as the district has any indebtedness.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
28 1, 2018.