

SENATE BILL 516

R1

(8lr2420)

ENROLLED BILL

— Budget and Taxation/Environment and Transportation —

Introduced 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**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

President.

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; requiring that certain capital
6 highway grants may be made only under certain circumstances; ~~altering the~~
7 ~~percentages in~~ requiring that in certain fiscal years ~~of~~ highway user revenues ~~that~~
8 are required to be used as authorized under the Transportation Trust Fund;
9 repealing certain obsolete distributions and transfers of highway user revenues for
10 certain fiscal years; repealing certain obsolete distributions of highway user
11 revenues to Baltimore City, counties, and municipalities for certain fiscal years;
12 altering a certain definition; providing for a delayed effective date for certain

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.

Italics indicate opposite chamber/conference committee amendments.



1 *provisions of this Act*; making certain conforming changes; and generally relating to
2 the ~~distribution~~ appropriation of highway user revenues.

3 BY repealing and reenacting, without amendments,

4 Article – Transportation

5 Section 8–401(a) and (d), 8–404, and 8–405

6 Annotated Code of Maryland

7 (2015 Replacement Volume and 2017 Supplement)

8 BY repealing and reenacting, with amendments,

9 Article – Transportation

10 Section ~~8–402~~ 8–401(d), 8–402, and 8–403

11 Annotated Code of Maryland

12 (2015 Replacement Volume and 2017 Supplement)

13 ~~BY repealing and reenacting, without amendments,~~

14 ~~Article – Transportation~~

15 ~~Section 8–405~~

16 ~~Annotated Code of Maryland~~

17 ~~(2015 Replacement Volume and 2017 Supplement)~~

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

19 That the Laws of Maryland read as follows:

20 **Article – Transportation**

21 8–401.

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

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

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

27 8–402.

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

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

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

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

3 (3) Except for revenues collected under Parts III and IV of Title 13, Subtitle
4 9 of this article, vehicle registration fees;

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

7 (5) 80 percent of the funds distributed on short-term vehicle rentals under
8 § 2-1302.1 of the Tax – General Article to the Transportation Trust Fund from the sales
9 and use tax.

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

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

14 ~~(ii) (2) (i) FOR FISCAL YEAR 2021 AND EACH FISCAL YEAR~~
15 ~~THEREAFTER, 86.8% OF THE REVENUE CREDITED TO THE ACCOUNT MAY BE USED~~
16 ~~AS PROVIDED IN § 3-216 OF THIS ARTICLE; AND~~

17 ~~[(ii)] (2) [The] IN EACH FISCAL YEAR, THE balance of the Account~~
18 ~~shall be used to pay the allocations of highway user revenues provided by this subtitle to~~
19 ~~the counties, municipalities, and Baltimore City.~~

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

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

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

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

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

31 1. 19.5% for fiscal year 2010;

32 2. 23% for fiscal year 2011; and

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

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

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

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

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

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

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

14 **(B) (1) FOR SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, FOR**
15 **FISCAL YEARS 2020 THROUGH 2024, THE FOLLOWING AMOUNTS SHALL BE**
16 **APPROPRIATED FROM THE TRANSPORTATION TRUST FUND AS CAPITAL**
17 **TRANSPORTATION GRANTS:**

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

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

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

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

30 **(I) 7.7% OF THE AMOUNT ALLOCATED TO THE**
31 **TRANSPORTATION TRUST FUND UNDER § 8 402(C)(2) OF THIS SUBTITLE TO**
32 **BALTIMORE CITY;**

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

~~(HH) 0.4% OF THE AMOUNT ALLOCATED TO THE
TRANSPORTATION TRUST FUND UNDER § 8-402(C)(2) OF THIS SUBTITLE TO THE
MUNICIPALITIES TO BE DISTRIBUTED AS PROVIDED IN § 8-405 OF THIS SUBTITLE.
CAPITAL GRANTS SHALL BE APPROPRIATED FROM THE TRANSPORTATION TRUST
FUND AS PROVIDED IN § 3-216 OF THIS ARTICLE BASED ON THE FOLLOWING
CALCULATIONS:~~

~~(I) AN AMOUNT EQUAL TO 8.3% OF FUNDS CREDITED TO THE
GASOLINE AND MOTOR VEHICLE REVENUE ACCOUNT SHALL BE APPROPRIATED TO
BALTIMORE CITY;~~

~~(II) AN AMOUNT EQUAL TO 3.2% OF FUNDS CREDITED TO THE
GASOLINE AND MOTOR VEHICLE REVENUE ACCOUNT SHALL BE APPROPRIATED TO
THE COUNTIES TO BE DISTRIBUTED AS PROVIDED IN § 8-404 OF THIS SUBTITLE; AND~~

~~(III) AN AMOUNT EQUAL TO 2.0% OF FUNDS CREDITED TO THE
GASOLINE AND MOTOR VEHICLE REVENUE ACCOUNT SHALL BE APPROPRIATED TO
THE MUNICIPALITIES TO BE DISTRIBUTED AS PROVIDED IN § 8-405 OF THIS
SUBTITLE.~~

~~(2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, FOR FISCAL
YEAR 2025 AND EACH FISCAL YEAR THEREAFTER, CAPITAL GRANTS SHALL BE
APPROPRIATED FROM THE TRANSPORTATION TRUST FUND AS PROVIDED IN §
3-216 OF THIS ARTICLE BASED ON THE FOLLOWING CALCULATIONS:~~

~~(I) AN AMOUNT EQUAL TO 7.7% OF FUNDS CREDITED TO THE
GASOLINE AND MOTOR VEHICLE REVENUE ACCOUNT SHALL BE APPROPRIATED TO
BALTIMORE CITY;~~

~~(II) AN AMOUNT EQUAL TO 1.5% OF FUNDS CREDITED TO THE
GASOLINE AND MOTOR VEHICLE REVENUE ACCOUNT SHALL BE APPROPRIATED TO
THE COUNTIES TO BE DISTRIBUTED AS PROVIDED IN § 8-404 OF THIS SUBTITLE; AND~~

~~(III) AN AMOUNT EQUAL TO 0.4% OF FUNDS CREDITED TO THE
GASOLINE AND MOTOR VEHICLE REVENUE ACCOUNT SHALL BE APPROPRIATED TO
THE MUNICIPALITIES TO BE DISTRIBUTED AS PROVIDED IN § 8-405 OF THIS
SUBTITLE.~~

~~(3) THE CAPITAL GRANTS MADE UNDER THIS SUBTITLE SHALL BE
APPROPRIATED ONLY IF ALL DEBT SERVICE REQUIREMENTS AND DEPARTMENTAL~~

1 **OPERATING EXPENSES HAVE BEEN FUNDED AND SUFFICIENT FUNDS ARE AVAILABLE**
2 **TO FUND THE CAPITAL PROGRAM.**

3 [(3) For fiscal year 2012:

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

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

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

10 (4) For fiscal year 2013:

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

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

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

17 8-404.

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

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

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

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

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

1 (2) The amount that results from applying to one half of these highway
2 user revenues the ratio that, as of December 1 of the preceding calendar year, the total
3 number of motor vehicles registered to owners having addresses in the county, not
4 including motor vehicles registered to owners having addresses in eligible municipalities
5 in the county, bears to the total number of motor vehicles registered to owners in all the
6 counties, not including motor vehicles registered to owners having addresses in eligible
7 municipalities in the State.

8 8–405.

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

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

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

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

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

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

24 (2) The amount that results from applying to one half of the available
25 revenues the ratio that, as of December 1 of the preceding calendar year, the total number
26 of motor vehicles registered to owners having addresses in the eligible municipality bears
27 to the total number of motor vehicles registered to owners having addresses in eligible
28 municipalities in the State.

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

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

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

1 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
2 as follows:

3 Article – Transportation

4 8-401.

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

6 (d) “Highway user revenues” means the [funds credited to the Gasoline and Motor
7 Vehicle Revenue Account of the Transportation Trust Fund] CAPITAL GRANTS
8 APPROPRIATED TO BALTIMORE CITY, COUNTIES, AND MUNICIPALITIES UNDER §
9 8-403(B) OF THIS SUBTITLE.

10 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take
11 effect July 1, 2019.

12 SECTION ~~2.~~ 4. AND BE IT FURTHER ENACTED, That, except as provided in
13 Section 3 of this Act, this Act shall take effect July 1, 2018.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.