## **HOUSE BILL 524**

R2, Q5, G1 HB 11/2SS12 – HRU CONSTITUTIONAL AMENDMENT

3lr1909 CF SB 643

By: Delegates Feldman, Arora, Barkley, Dumais, and Reznik Reznik, Conway, Proctor, Bohanan, James, Gaines, Guzzone, Jones, Haynes, Gutierrez, Zucker, Griffith, DeBoy, Sophocleus, B. Robinson, Mizeur, and M. Washington

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Committee Report: Favorable with amendments House action: Adopted with floor amendments

Read second time: April 4, 2013

CHAPTER \_\_\_\_\_

1 AN ACT concerning

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## End the Gridlock Transportation Trust Fund – Use of Funds

FOR the purpose of proposing an amendment to the Maryland Constitution relating to transportation financing; providing that the General Assembly may authorize a referendum on a transportation investment program; providing that a transportation investment program submitted to referendum may include a certain source of revenue or authorize the issuance of certain bonds; requiring that a transportation investment program submitted to referendum include a list of certain transportation projects; providing that a transportation investment program submitted to referendum becomes law, after approval by the voters of the State, at a time specified in a certain law; establishing to establish a Transportation Trust Fund to be used only for purposes relating to transportation except under certain circumstances; prohibiting the reversion or crediting of any part of the Transportation Trust Fund to the General Fund or a special fund of the State; prohibiting the transfer of funds in the Transportation Trust Fund to the General Fund or a special fund of the State except under certain circumstances; providing that this amendment does not prehibit apply to the allocation or use of certain funds in the Transportation Trust Fund for counties, municipalities, and Baltimore City as authorized by law or a transfer of funds in the Transportation Trust Fund to the Maryland Transportation Authority or the Maryland Transportation Authority Fund; requiring that

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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

1	certain taxes, fees, charges, and revenues be credited to the Transportation
2	Trust Fund; authorizing the use of funds in the Transportation Trust Fund for
3	defense or relief purposes if the State is invaded or a major catastrophe occurs
4	and the Governor and the General Assembly take certain actions and provide
5	for the repayment of the funds; authorizing funds in the Transportation Trust
6	Fund to be used for a purpose not related to transportation or transferred to the
7	General Fund or a special fund of the State if the Governor and the General
8	Assembly take certain actions; and submitting this amendment to the qualified
9	voters of the State for their adoption or rejection.
10	BY proposing an addition to the Maryland Constitution
11	Article III – Legislative Department
12	Section 53 <del>and 53A</del>
13	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
$\frac{10}{14}$	MARYLAND, (Three-fifths of all the members elected to each of the two Houses
15	concurring), That it be proposed that the Maryland Constitution read as follows:
1.0	Andiala III. I anialadina Dananturana
16	Article III – Legislative Department
17	<b>53.</b>
18	(A) THE GENERAL ASSEMBLY MAY, BY LAW, AUTHORIZE A
19	REFERENDUM ON A TRANSPORTATION INVESTMENT PROGRAM.
90	(D) A MDANGDODMAMION INVESTMENT DROCDAM CHIDMINTED MO
20	(B) A TRANSPORTATION INVESTMENT PROGRAM SUBMITTED TO
21	REFERENDUM UNDER THIS SECTION:
22	(1) Shall include a list of transportation projects to
23	BE COMPLETED THROUGH THE TRANSPORTATION INVESTMENT PROGRAM;
24	(2) May include a source of revenue that may be used
25	SOLELY TO FULLY OR PARTIALLY FINANCE THE PROJECTS IDENTIFIED IN THE
26	TRANSPORTATION INVESTMENT PROGRAM; AND
20	TRANSFORTATION INVESTMENT FROORAIN, AND
27	(3) MAY AUTHORIZE THE ISSUANCE OF BONDS SPECIFICALLY TO
28	FINANCE THE PROJECTS IDENTIFIED IN THE TRANSPORTATION INVESTMENT
29	<del>PROGRAM.</del>
30	(C) A TRANSPORTATION INVESTMENT PROGRAM SUBMITTED TO
31	REFERENDUM UNDER THIS SECTION SHALL BECOME LAW, AFTER APPROVAL BY
32	A MAJORITY OF THE QUALIFIED VOTERS IN THE STATE VOTING ON THE
33	QUESTION IN A GENERAL ELECTION, AT A TIME SPECIFIED BY THE GENERAL
34	ASSEMBLY IN THE LAW AUTHORIZING THE REFERENDUM.
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1	<del>0011.</del>

- 2 (A) THERE IS A TRANSPORTATION TRUST FUND.
- 3 (B) EXCEPT AS PROVIDED IN SUBSECTION (F) (E) OF THIS SECTION, THE 4 FUNDS IN THE TRANSPORTATION TRUST FUND MAY BE USED ONLY:
- 5 (1) FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND 6 INTEREST ON TRANSPORTATION BONDS AS THEY BECOME DUE AND PAYABLE; 7 AND
- 8 (2) AFTER MEETING DEBT SERVICE REQUIREMENTS FOR 9 TRANSPORTATION BONDS, FOR ANY LAWFUL PURPOSE RELATED TO THE 10 CONSTRUCTION AND MAINTENANCE OF AN ADEQUATE HIGHWAY SYSTEM IN THE 11 STATE OR ANY OTHER PURPOSE RELATED TO TRANSPORTATION.
- 12 (C) No part of the Transportation Trust Fund may revert or 13 BE CREDITED TO THE GENERAL FUND OR A SPECIAL FUND OF THE STATE.
- 14 (D) THIS SECTION DOES NOT PROHIBIT AN ALLOCATION OR USE OF
  15 HIGHWAY USER REVENUES FOR THE COUNTIES, MUNICIPALITIES, OR
  16 BALTIMORE CITY THAT IS AUTHORIZED UNDER TITLE 8, SUBTITLE 4 OF THE
  17 TRANSPORTATION ARTICLE.
- 18 (E) THERE SHALL BE CREDITED TO THE TRANSPORTATION TRUST
  19 FUND THE FOLLOWING TAXES, FEES, CHARGES, AND REVENUES:
- 20 (1) THE CASH PROCEEDS OF THE SALE OF CONSOLIDATED
  21 TRANSPORTATION BONDS, NOTES, OR OTHER EVIDENCES OF OBLIGATION
  22 ISSUED FOR TRANSPORTATION PURPOSES;
- 23 (2) ALL FEDERAL FUNDS PROVIDED TO THE STATE FOR 24 TRANSPORTATION PURPOSES:
- 25 (3) NOT LESS THAN THE PORTION OF MOTOR FUEL TAX REVENUE
  26 DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER TITLE 2,
  27 SUBTITLE 11 OF THE TAX GENERAL ARTICLE AS IT WAS IN EFFECT ON JULY 1,
  28 2012;
- 29 (4) NOT LESS THAN THE PORTION OF MOTOR CARRIER TAX
  30 REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER TITLE
  31 2, Subtitle 10 of the Tax General Article as it was in effect on July
  32 1, 2012;

1	(5) NOT LESS THAN THE PORTION OF VEHICLE EXCISE TAX
2	REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER §
3	13-814 OF THE TRANSPORTATION ARTICLE AS IT WAS IN EFFECT ON JULY 1,
4	<del>2012;</del>
5	(6) NOT LESS THAN THE PORTION OF CORPORATE INCOME TAX
6	REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER §
7	2-614 OF THE TAX - GENERAL ARTICLE AS IT WAS IN EFFECT ON JULY 1, 2012;
8	(7) Not less than the portion of sales and use tax
9	REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER TITLE
10	2, SUBTITLE 13 OF THE TAX - GENERAL ARTICLE AS IT WAS IN EFFECT ON JULY
11	<del>1, 2012;</del>
12	(8) VEHICLE REGISTRATION FEES COLLECTED UNDER TITLE 13,
13	SUBTITLE 9, PART II OF THE TRANSPORTATION ARTICLE;
1 /	(0) Now I accuming the populor of Devenile from ALL OWNER
14	(9) NOT LESS THAN THE PORTION OF REVENUE FROM ALL OTHER FEES COLLECTED BY THE MOTOR VEHICLE ADMINISTRATION AND
15 10	DISTRIBUTED IN WHOLE OR IN PART TO THE TRANSPORTATION TRUST FUND
16 17	UNDER THE TRANSPORTATION ARTICLE AS IT WAS IN EFFECT ON JULY 1, 2012;
17	UNDER THE TRANSPORTATION ARTICLE AS IT WAS IN EFFECT ON SULT 1, 2012,
18	(10) OPERATING REVENUES FROM FARES, FEES, RATES, RENTALS,
19	AND OTHER CHARGES IMPOSED BY THE MARYLAND TRANSIT ADMINISTRATION,
20	THE MARYLAND AVIATION ADMINISTRATION, AND THE MARYLAND PORT
21	Administration for the use of their services or facilities; and
22	(11) ALL OTHER FUNDS DISTRIBUTED TO THE TRANSPORTATION
23	TRUST FUND UNDER A LAW IN EFFECT ON JULY 1, 2012.
24	(F) THE FUNDS IN THE TRANSPORTATION TRUST FUND MAY BE USED
2 <del>5</del>	FOR DEFENSE OR RELIEF PURPOSES IF:
26	(1) The State is invaded by land, sea, or air, or a major
27	CATASTROPHE OCCURS;
28	(2) THE GOVERNOR:
20	
29	(I) PROCLAIMS A STATE OF EMERGENCY;
30	(II) DECLARES THAT USE OF THE FUNDS FOR DEFENSE OR
31	RELIEF PURPOSES IS NECESSARY FOR THE IMMEDIATE PRESERVATION OF THE
32	PUBLIC HEALTH OR SAFETY; AND

1	(III) PROPOSES A PLAN TO REPAY THE TRANSPORTATION
2	TRUST FUND, WITHIN 5 YEARS AFTER THE USE OF THE FUNDS, FOR ANY
3	AMOUNTS USED UNDER THE AUTHORITY OF THIS SUBSECTION; AND
4	(3) THE GENERAL ASSEMBLY, BY LEGISLATION PASSED ON A YEA
5	AND NAY VOTE SUPPORTED BY THREE FIFTHS OF ALL THE MEMBERS ELECTED
6	TO EACH OF THE TWO HOUSES OF THE GENERAL ASSEMBLY, CONCURS THAT
7	THE USE OF THE FUNDS FOR DEFENSE OR RELIEF PURPOSES IS NECESSARY AND
8	APPROVES THE REPAYMENT PLAN PROPOSED BY THE GOVERNOR.
9	(C) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, FUNDS
10	IN THE TRANSPORTATION TRUST FUND MAY NOT BE TRANSFERRED TO THE
11	GENERAL FUND OR A SPECIAL FUND OF THE STATE.
12	(D) THIS SECTION DOES NOT APPLY TO:
13	(1) AN ALLOCATION OR USE OF HIGHWAY USER REVENUES FOR
14	THE COUNTIES, MUNICIPALITIES, OR BALTIMORE CITY THAT IS AUTHORIZED
15	UNDER TITLE 8, SUBTITLE 4 OF THE TRANSPORTATION ARTICLE; OR
16	(2) A TRANSFER OF FUNDS IN THE TRANSPORTATION TRUST
17	FUND TO THE MARYLAND TRANSPORTATION AUTHORITY OR THE MARYLAND
18	TRANSPORTATION AUTHORITY FUND.
19	(E) FUNDS IN THE TRANSPORTATION TRUST FUND MAY BE USED FOR A
20	PURPOSE NOT RELATED TO TRANSPORTATION OR TRANSFERRED TO THE
21	GENERAL FUND OR A SPECIAL FUND OF THE STATE IF:
22	(1) THE GOVERNOR, BY EXECUTIVE ORDER, DECLARES A FISCAL
23	
25	EMERGENCY EXISTS; AND
24	(2) THE GENERAL ASSEMBLY, BY LEGISLATION PASSED ON A YEA
2 <del>5</del>	AND NAY VOTE SUPPORTED BY THREE-FIFTHS OF ALL THE MEMBERS ELECTED
26	TO EACH OF THE TWO HOUSES OF THE GENERAL ASSEMBLY, CONCURS WITH
27	THE USE OR TRANSFER OF THE FUNDS.
	THE USE OR TRANSPER OF THE PURDO.
28	SECTION 2. AND BE IT FURTHER ENACTED, That the General Assembly
29	determines that the amendment to the Maryland Constitution proposed by this Act
30	affects multiple jurisdictions and that the provisions of Article XIV, § 1 of the
31	Maryland Constitution concerning local approval of constitutional amendments do not
32	apply.
33	SECTION 3. AND BE IT FURTHER ENACTED, That the aforegoing section

proposed as an amendment to the Maryland Constitution shall be submitted to the qualified voters of the State at the next general election to be held in November 2014

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- 1 for their adoption or rejection pursuant to Article XIV of the Maryland Constitution.
- 2 At that general election, the vote on this proposed amendment to the Constitution
- 3 shall be by ballot, and upon each ballot there shall be printed the words "For the
- 4 Constitutional Amendment" and "Against the Constitutional Amendment," as now
- 5 provided by law. Immediately after the election, all returns shall be made to the
- 6 Governor of the vote for and against the proposed amendment, as directed by Article
- 7 XIV of the Maryland Constitution, and further proceedings had in accordance with
- 8 Article XIV.

oproved:	
	Governor.
	Speaker of the House of Delegates.
	President of the Senate.
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