# **SENATE BILL 643**

R2, Q5, G1 SB 8/2SS12 – SRU CONSTITUTIONAL AMENDMENT

3lr1675 CF HB 524

### By: **Senators Rosapepe, Raskin, and Young** Introduced and read first time: February 1, 2013 Assigned to: Budget and Taxation

## A BILL ENTITLED

#### 1 AN ACT concerning

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#### **End the Gridlock**

3 FOR the purpose of proposing an amendment to the Maryland Constitution relating to 4 transportation financing; providing that the General Assembly may authorize a  $\mathbf{5}$ referendum on a transportation investment program; providing that a 6 transportation investment program submitted to referendum may include a 7 certain source of revenue or authorize the issuance of certain bonds; requiring 8 that a transportation investment program submitted to referendum include a 9 list of certain transportation projects; providing that a transportation investment program submitted to referendum becomes law, after approval by 10 the voters of the State, at a time specified in a certain law; establishing a 11 12Transportation Trust Fund to be used only for purposes relating to 13 transportation except under certain circumstances; prohibiting the reversion or 14crediting of any part of the Transportation Trust Fund to the General Fund or a 15special fund of the State; providing that this amendment does not prohibit the 16 allocation or use of certain funds in the Transportation Trust Fund for counties, 17municipalities, and Baltimore City as authorized by law; requiring that certain 18 taxes, fees, charges, and revenues be credited to the Transportation Trust Fund; 19authorizing the use of funds in the Transportation Trust Fund for defense or 20relief purposes if the State is invaded or a major catastrophe occurs and the 21Governor and the General Assembly take certain actions and provide for the 22repayment of the funds; and submitting this amendment to the qualified voters 23of the State for their adoption or rejection.

- 24 BY proposing an addition to the Maryland Constitution
- 25 Article III Legislative Department
- 26 Section 53 and 53A

27 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 28 MARYLAND, (Three-fifths of all the members elected to each of the two Houses 29 concurring), That it be proposed that the Maryland Constitution read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.



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| 1                          | Article III – Legislative Department  |
| 2                          | 53.   |
| $\frac{3}{4}$              | (A) THE GENERAL ASSEMBLY MAY, BY LAW, AUTHORIZE A REFERENDUM ON A TRANSPORTATION INVESTMENT PROGRAM.  |
| 5<br>6                     | (B) A TRANSPORTATION INVESTMENT PROGRAM SUBMITTED TO REFERENDUM UNDER THIS SECTION:   |
| 7<br>8                     | (1) SHALL INCLUDE A LIST OF TRANSPORTATION PROJECTS TO<br>BE COMPLETED THROUGH THE TRANSPORTATION INVESTMENT PROGRAM;   |
| 9<br>10<br>11              | (2) MAY INCLUDE A SOURCE OF REVENUE THAT MAY BE USED<br>SOLELY TO FULLY OR PARTIALLY FINANCE THE PROJECTS IDENTIFIED IN THE<br>TRANSPORTATION INVESTMENT PROGRAM; AND   |
| $12 \\ 13 \\ 14$           | (3) MAY AUTHORIZE THE ISSUANCE OF BONDS SPECIFICALLY TO<br>FINANCE THE PROJECTS IDENTIFIED IN THE TRANSPORTATION INVESTMENT<br>PROGRAM.   |
| 15<br>16<br>17<br>18<br>19 | (C) A TRANSPORTATION INVESTMENT PROGRAM SUBMITTED TO<br>REFERENDUM UNDER THIS SECTION SHALL BECOME LAW, AFTER APPROVAL BY<br>A MAJORITY OF THE QUALIFIED VOTERS IN THE STATE VOTING ON THE<br>QUESTION IN A GENERAL ELECTION, AT A TIME SPECIFIED BY THE GENERAL<br>ASSEMBLY IN THE LAW AUTHORIZING THE REFERENDUM. |
| 20                         | 53A.  |
| 21                         | (A) THERE IS A TRANSPORTATION TRUST FUND.   |
| $\frac{22}{23}$            | (B) EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THE FUNDS IN THE TRANSPORTATION TRUST FUND MAY BE USED ONLY:  |
| $24 \\ 25 \\ 26$           | (1) FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND<br>INTEREST ON TRANSPORTATION BONDS AS THEY BECOME DUE AND PAYABLE;<br>AND   |
| 27<br>28<br>29<br>30       | (2) AFTER MEETING DEBT SERVICE REQUIREMENTS FOR<br>TRANSPORTATION BONDS, FOR ANY LAWFUL PURPOSE RELATED TO THE<br>CONSTRUCTION AND MAINTENANCE OF AN ADEQUATE HIGHWAY SYSTEM IN THE<br>STATE OR ANY OTHER PURPOSE RELATED TO TRANSPORTATION.  |

NO PART OF THE TRANSPORTATION TRUST FUND MAY REVERT OR 1 (C)  $\mathbf{2}$ BE CREDITED TO THE GENERAL FUND OR A SPECIAL FUND OF THE STATE. 3 **(D)** THIS SECTION DOES NOT PROHIBIT AN ALLOCATION OR USE OF HIGHWAY USER REVENUES FOR THE COUNTIES, MUNICIPALITIES, OR 4 BALTIMORE CITY THAT IS AUTHORIZED UNDER TITLE 8, SUBTITLE 4 OF THE  $\mathbf{5}$ 6 **TRANSPORTATION ARTICLE.** 7**(E)** THERE SHALL BE CREDITED TO THE TRANSPORTATION TRUST 8 FUND THE FOLLOWING TAXES, FEES, CHARGES, AND REVENUES: 9 THE CASH PROCEEDS OF THE SALE OF CONSOLIDATED (1) TRANSPORTATION BONDS, NOTES, OR OTHER EVIDENCES OF OBLIGATION 10 **ISSUED FOR TRANSPORTATION PURPOSES:** 11 12(2) ALL FEDERAL FUNDS PROVIDED TO THE STATE FOR **TRANSPORTATION PURPOSES;** 13 14 NOT LESS THAN THE PORTION OF MOTOR FUEL TAX REVENUE (3) DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER TITLE 2, 15SUBTITLE 11 OF THE TAX - GENERAL ARTICLE AS IT WAS IN EFFECT ON JULY 1, 16172012; 18 NOT LESS THAN THE PORTION OF MOTOR CARRIER TAX (4) **REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER TITLE** 19 202, SUBTITLE 10 OF THE TAX – GENERAL ARTICLE AS IT WAS IN EFFECT ON JULY 211,2012; 22NOT LESS THAN THE PORTION OF VEHICLE EXCISE TAX (5) **REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER §** 2313-814 OF THE TRANSPORTATION ARTICLE AS IT WAS IN EFFECT ON JULY 1, 24252012; 26NOT LESS THAN THE PORTION OF CORPORATE INCOME TAX (6) 27**REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER §** 2-614 OF THE TAX – GENERAL ARTICLE AS IT WAS IN EFFECT ON JULY 1, 2012; 28NOT LESS THAN THE PORTION OF SALES AND USE TAX 29(7) 30 **REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER TITLE** 2, SUBTITLE 13 OF THE TAX – GENERAL ARTICLE AS IT WAS IN EFFECT ON JULY 31321, 2012;

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VEHICLE REGISTRATION FEES COLLECTED UNDER TITLE 13,

 $\mathbf{2}$ SUBTITLE 9, PART II OF THE TRANSPORTATION ARTICLE; NOT LESS THAN THE PORTION OF REVENUE FROM ALL OTHER 3 (9) THE MOTOR VEHICLE ADMINISTRATION AND 4 FEES COLLECTED BY DISTRIBUTED IN WHOLE OR IN PART TO THE TRANSPORTATION TRUST FUND  $\mathbf{5}$ 6 UNDER THE TRANSPORTATION ARTICLE AS IT WAS IN EFFECT ON JULY 1, 2012; 7 (10) OPERATING REVENUES FROM FARES, FEES, RATES, RENTALS, AND OTHER CHARGES IMPOSED BY THE MARYLAND TRANSIT ADMINISTRATION, 8 9 THE MARYLAND AVIATION ADMINISTRATION, AND THE MARYLAND PORT 10 ADMINISTRATION FOR THE USE OF THEIR SERVICES OR FACILITIES; AND (11) ALL OTHER FUNDS DISTRIBUTED TO THE TRANSPORTATION 11 12TRUST FUND UNDER A LAW IN EFFECT ON JULY 1, 2012. THE FUNDS IN THE TRANSPORTATION TRUST FUND MAY BE USED 13 **(F)** FOR DEFENSE OR RELIEF PURPOSES IF: 14 15(1) THE STATE IS INVADED BY LAND, SEA, OR AIR, OR A MAJOR 16 CATASTROPHE OCCURS; (2) THE GOVERNOR: 17**(I)** 18 **PROCLAIMS A STATE OF EMERGENCY;** 19 **(II)** DECLARES THAT USE OF THE FUNDS FOR DEFENSE OR **RELIEF PURPOSES IS NECESSARY FOR THE IMMEDIATE PRESERVATION OF THE** 2021**PUBLIC HEALTH OR SAFETY; AND** 22(III) PROPOSES A PLAN TO REPAY THE TRANSPORTATION 23TRUST FUND, WITHIN 5 YEARS AFTER THE USE OF THE FUNDS, FOR ANY 24AMOUNTS USED UNDER THE AUTHORITY OF THIS SUBSECTION; AND THE GENERAL ASSEMBLY, BY LEGISLATION PASSED ON A YEA 25(3) AND NAY VOTE SUPPORTED BY THREE-FIFTHS OF ALL THE MEMBERS ELECTED 26TO EACH OF THE TWO HOUSES OF THE GENERAL ASSEMBLY, CONCURS THAT 2728THE USE OF THE FUNDS FOR DEFENSE OR RELIEF PURPOSES IS NECESSARY AND 29APPROVES THE REPAYMENT PLAN PROPOSED BY THE GOVERNOR. 30 SECTION 2. AND BE IT FURTHER ENACTED, That the General Assembly 31 determines that the amendment to the Maryland Constitution proposed by this Act 32affects multiple jurisdictions and that the provisions of Article XIV, § 1 of the

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1 Maryland Constitution concerning local approval of constitutional amendments do not 2 apply.

3 SECTION 3. AND BE IT FURTHER ENACTED, That the aforegoing section proposed as an amendment to the Maryland Constitution shall be submitted to the 4 qualified voters of the State at the next general election to be held in November 2014  $\mathbf{5}$ for their adoption or rejection pursuant to Article XIV of the Maryland Constitution. 6 7At that general election, the vote on this proposed amendment to the Constitution 8 shall be by ballot, and upon each ballot there shall be printed the words "For the 9 Constitutional Amendment" and "Against the Constitutional Amendment," as now provided by law. Immediately after the election, all returns shall be made to the 10 Governor of the vote for and against the proposed amendment, as directed by Article 11 XIV of the Maryland Constitution, and further proceedings had in accordance with 12Article XIV. 13