R1 5lr0139 CF HB 484

By: The President (By Request - Administration) and Senators Bates, Cassilly, Eckardt, Edwards, Hershey, Hough, Jennings, Klausmeier, Muse, Norman, Ready, Reilly, Salling, Serafini, and Waugh

Introduced and read first time: February 6, 2015

Assigned to: Budget and Taxation

## A BILL ENTITLED

| 1  | AN ACT concerning                                                                         |  |  |  |  |
|----|-------------------------------------------------------------------------------------------|--|--|--|--|
| 2  | Transportation - Highway User Revenues - Phased Restoration                               |  |  |  |  |
| 3  | FOR the purpose of increasing the portion of highway user revenues that is distributed to |  |  |  |  |
| 4  | local governments; altering the allocation of the local share of highway user revenues    |  |  |  |  |
| 5  | among Baltimore City, counties, and municipalities; repealing obsolete language           |  |  |  |  |
| 6  | and generally relating to highway user revenues.                                          |  |  |  |  |
| 7  | BY repealing and reenacting, with amendments,                                             |  |  |  |  |
| 8  | Article – Transportation                                                                  |  |  |  |  |
| 9  | Section 8–402 and 8–403                                                                   |  |  |  |  |
| 10 | Annotated Code of Maryland                                                                |  |  |  |  |
| 11 | (2008 Replacement Volume and 2014 Supplement)                                             |  |  |  |  |
| 12 | SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,                             |  |  |  |  |
| 13 | ·                                                                                         |  |  |  |  |
| 14 | Article - Transportation                                                                  |  |  |  |  |
| 15 | 8–402.                                                                                    |  |  |  |  |
| 16 | (a) There is a Gasoline and Motor Vehicle Revenue Account in the Transportation           |  |  |  |  |
| 17 | Trust Fund.                                                                               |  |  |  |  |
| 18 | (b) All revenues collected from the following, after deductions provided by law,          |  |  |  |  |
| 19 | shall be credited to the Gasoline and Motor Vehicle Revenue Account:                      |  |  |  |  |
| 20 | (1) All of the motor vehicle fuel tax;                                                    |  |  |  |  |



## SENATE BILL 591

| $\begin{array}{c} 1 \\ 2 \end{array}$ | (2) Ex tax;                                                                                                                                                                         | Except as otherwise provided by law, two-thirds of the vehicle titling |                                                                  |  |  |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------|--|--|
| 3<br>4                                | (3) Except for revenues collected under Parts III and IV of Title 13, Subtitle 9 of this article, vehicle registration fees;                                                        |                                                                        |                                                                  |  |  |
| 5<br>6                                | (4) The revenue disbursed to this Account under $\S$ 2–614 of the Tax – General Article; and                                                                                        |                                                                        |                                                                  |  |  |
| 7<br>8<br>9                           | (5) 80 percent of the funds distributed on short–term vehicle rentals under $\S 2-1302.1$ of the Tax – General Article to the Transportation Trust Fund from the sales and use tax. |                                                                        |                                                                  |  |  |
| 10<br>11                              |                                                                                                                                                                                     |                                                                        |                                                                  |  |  |
| 12<br>13                              | (i) provided in § 3–216 of                                                                                                                                                          |                                                                        | 6 of the revenue credited to the Account may be used as ele; and |  |  |
| 14<br>15<br>16                        | highway user revenues provided by this subtitle to the counties, municipalities, and                                                                                                |                                                                        |                                                                  |  |  |
| 17<br>18                              | (2) For follows:                                                                                                                                                                    | r fiscal ye                                                            | ears 2010 through 2013, the Account shall be distributed as      |  |  |
| 19<br>20                              | (i) through 2012 as follow                                                                                                                                                          | -                                                                      | rtion to the General Fund of the State for fiscal years 2010     |  |  |
| 21                                    |                                                                                                                                                                                     | 1.                                                                     | 19.5% for fiscal year 2010;                                      |  |  |
| 22                                    |                                                                                                                                                                                     | 2.                                                                     | 23% for fiscal year 2011; and                                    |  |  |
| 23                                    |                                                                                                                                                                                     | 3.                                                                     | 11.3% for fiscal year 2012;                                      |  |  |
| 24<br>25                              | follows:                                                                                                                                                                            | A poi                                                                  | rtion to be used as provided in § 3–216 of this article, as      |  |  |
| 26                                    |                                                                                                                                                                                     | 1.                                                                     | 70% for fiscal year 2010;                                        |  |  |
| 27                                    |                                                                                                                                                                                     | 2.                                                                     | 68.5% for fiscal year 2011;                                      |  |  |
| 28<br>29                              | year 2012; and                                                                                                                                                                      | 3.                                                                     | Subject to paragraph (3) of this subsection, 79.8% for fiscal    |  |  |
| 30                                    |                                                                                                                                                                                     | 4.                                                                     | 90% for fiscal year 2013; and                                    |  |  |

- 1 The balance to be used to pay the allocations of highway user 2 revenues provided under this subtitle to the counties, municipalities, and Baltimore City. 3 For fiscal year 2012, from the amount allocated to the Transportation Trust Fund under paragraph (2)(ii)3 of this subsection, \$40,000,000 shall be transferred 4 from the Transportation Trust Fund to the Revenue Stabilization Account established 5 6 under § 7–311 of the State Finance and Procurement Article. 7 (C) THE ACCOUNT SHALL BE DISTRIBUTED AS FOLLOWS: 8 A PORTION TO BE USED AS PROVIDED IN § 3-216 OF THIS ARTICLE, **(1)** 9 **AS FOLLOWS:** 10 **(I) 90.4%** FOR FISCAL YEAR **2016**; 11 (II)87.5% FOR FISCAL YEAR 2017; 12 (III) 85% FOR FISCAL YEAR 2018; 13 (IV) 82.5% FOR FISCAL YEAR 2019; 14 (V) **80%** FOR FISCAL YEAR **2020**; **77.5% FOR FISCAL YEAR 2021;** 15 (VI) (VII) 75% FOR FISCAL YEAR 2022; 16 17 (VIII) 72.5% FOR FISCAL YEAR 2023; AND 70% FOR FISCAL YEAR 2024 AND EACH FISCAL YEAR 18 (IX)19 THEREAFTER; AND 20 **(2)** THE BALANCE TO BE USED TO PAY THE ALLOCATIONS OF 21HIGHWAY USER REVENUES PROVIDED UNDER THIS SUBTITLE TO THE COUNTIES, 22 MUNICIPALITIES, AND BALTIMORE CITY. 23 8-403.
- 24 (a) Subject to §§ 3–307 and 3–308 of this article, and except as provided in subsection (b) of this section, for each fiscal year, from the total highway user revenues:
- 26 (1) An amount equal to [7.7%] **12.1%** of total highway user revenues shall be distributed to Baltimore City in monthly installments;

- An amount shall be distributed to the counties at the times specified in 1 (2)2 § 8-407 of this subtitle, to be allocated as provided in § 8-404 of this subtitle, equal to [1.5%] **15.4**% of total highway user revenues; and 3 4 An amount shall be distributed to the municipalities at the times (3) 5 specified in § 8–407 of this subtitle, to be allocated as provided in § 8–405 of this subtitle, 6 equal to [0.4%] 2.5% of total highway user revenues. 7 (b) For fiscal year [2010] **2016**: (1) 8 (i) The amount distributed to Baltimore City under this subtitle 9 shall equal [8.6%] 7.7% of total highway user revenues; 10 The amount distributed to the counties under this subtitle shall 11 equal 1.5% of total highway user revenues; and 12 The amount distributed to the municipalities under this subtitle (iii) 13 shall equal 0.4% of total highway user revenues. 14 (2) For fiscal year [2011] **2017**: 15 (i) The amount distributed to Baltimore City under this subtitle 16 shall equal [7.9%] 8% of total highway user revenues; 17 The amount distributed to the counties under this subtitle shall (ii) equal [0.5%] 3% of total highway user revenues; and 18 19 The amount distributed to the municipalities under this subtitle (iii) shall equal [0.1%] 1.5% of total highway user revenues. 20 21(3) For fiscal year [2012] **2018**: 22 The amount distributed to Baltimore City under this subtitle shall equal [7.5%] **8.3%** of total highway user revenues; 2324 The amount distributed to the counties under this subtitle shall equal [0.8%] 5.1% of total highway user revenues; and 25 26 The amount distributed to the municipalities under this subtitle (iii) 27 shall equal [0.6%] **1.6%** of total highway user revenues.
- 28 (4) For fiscal year [2013] **2019**:
- 29 (i) The amount distributed to Baltimore City under this subtitle 30 shall equal [8.1%] **8.7**% of total highway user revenues;

| 1<br>2   | (ii) The amount distributed to the counties under this subtitle shall equal [1.5%] <b>7.1</b> % of total highway user revenues; and |
|----------|-------------------------------------------------------------------------------------------------------------------------------------|
| 3<br>4   | (iii) The amount distributed to the municipalities under this subtitle shall equal [0.4%] 1.7% of total highway user revenues.      |
| 5        | (5) FOR FISCAL YEAR 2020:                                                                                                           |
| 6<br>7   | (I) THE AMOUNT DISTRIBUTED TO BALTIMORE CITY UNDER THIS SUBTITLE SHALL EQUAL 9.2% OF TOTAL HIGHWAY USER REVENUES;                   |
| 8<br>9   | (II) THE AMOUNT DISTRIBUTED TO THE COUNTIES UNDER THIS SUBTITLE SHALL EQUAL 9% OF TOTAL HIGHWAY USER REVENUES; AND                  |
| 10<br>11 | (III) THE AMOUNT DISTRIBUTED TO THE MUNICIPALITIES UNDER THIS SUBTITLE SHALL EQUAL 1.8% OF TOTAL HIGHWAY USER REVENUES.             |
| 12       | (6) FOR FISCAL YEAR 2021:                                                                                                           |
| 13<br>14 | (I) THE AMOUNT DISTRIBUTED TO BALTIMORE CITY UNDER THIS SUBTITLE SHALL EQUAL 9.7% OF TOTAL HIGHWAY USER REVENUES;                   |
| 15<br>16 | (II) THE AMOUNT DISTRIBUTED TO THE COUNTIES UNDER THIS SUBTITLE SHALL EQUAL $10.9\%$ OF TOTAL HIGHWAY USER REVENUES; AND            |
| 17<br>18 | (III) THE AMOUNT DISTRIBUTED TO THE MUNICIPALITIES UNDER THIS SUBTITLE SHALL EQUAL 1.9% OF TOTAL HIGHWAY USER REVENUES.             |
| 19       | (7) FOR FISCAL YEAR 2022:                                                                                                           |
| 20<br>21 | (I) THE AMOUNT DISTRIBUTED TO BALTIMORE CITY UNDER THIS SUBTITLE SHALL EQUAL $10.2\%$ OF TOTAL HIGHWAY USER REVENUES;               |
| 22<br>23 | (II) THE AMOUNT DISTRIBUTED TO THE COUNTIES UNDER THIS SUBTITLE SHALL EQUAL $12.7\%$ OF TOTAL HIGHWAY USER REVENUES; AND            |
| 24<br>25 | (III) THE AMOUNT DISTRIBUTED TO THE MUNICIPALITIES UNDER THIS SUBTITLE SHALL EQUAL $2.1\%$ OF TOTAL HIGHWAY USER REVENUES.          |
| 26       | (8) FOR FISCAL YEAR 2023:                                                                                                           |
| 27       | (I) THE AMOUNT DISTRIBUTED TO BALTIMORE CITY UNDER                                                                                  |

THIS SUBTITLE SHALL EQUAL 11.1% OF TOTAL HIGHWAY USER REVENUES;

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- 1 (II) THE AMOUNT DISTRIBUTED TO THE COUNTIES UNDER THIS 2 SUBTITLE SHALL EQUAL 14.1% OF TOTAL HIGHWAY USER REVENUES; AND
- 3 (III) THE AMOUNT DISTRIBUTED TO THE MUNICIPALITIES 4 UNDER THIS SUBTITLE SHALL EQUAL 2.3% OF TOTAL HIGHWAY USER REVENUES.
- 5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 6 1, 2015.