

SENATE BILL 585

R1

6lr2026
CF HB 723

By: **Senators King, Peters, Astle, Benson, Cassilly, Currie, Eckardt, Edwards, Feldman, Hershey, Hough, Kagan, Madaleno, Manno, Mathias, Raskin, Ready, Rosapepe, Serafini, and Young**

Introduced and read first time: February 4, 2016

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 17, 2016

CHAPTER _____

1 AN ACT concerning

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

3 FOR the purpose of altering the authorized uses of highway user revenues; repealing
4 certain obsolete distributions and transfers of highway user revenues for certain
5 fiscal years; repealing certain obsolete distributions of highway user revenues to
6 Baltimore City, counties, and municipalities for certain fiscal years; requiring that
7 certain additional distributions of highway user revenues be made under certain
8 circumstances to municipalities in a certain fiscal ~~years~~ year for certain purposes;
9 requiring that certain additional distributions of highway user revenues be allocated
10 among municipalities in a certain manner; and generally relating to the distribution
11 of highway user revenues.

12 BY repealing and reenacting, with amendments,
13 Article – Transportation
14 Section 8–402 and 8–403
15 Annotated Code of Maryland
16 (2015 Replacement Volume and 2015 Supplement)

17 BY repealing and reenacting, without amendments,
18 Article – Transportation
19 Section 8–405
20 Annotated Code of Maryland
21 (2015 Replacement Volume and 2015 Supplement)

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

3 **Article – Transportation**

4 8–402.

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

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

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

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

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

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

16 (5) 80 percent of the funds distributed on short-term vehicle rentals under
17 § 2–1302.1 of the Tax – General Article to the Transportation Trust Fund from the sales
18 and use tax.

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

21 [(i)] **(1)** 90.4% of the revenue credited to the Account may be used
22 as provided in [§ 3–216] **§ 3–216** of this article **AND § 8–403(B) OF THIS SUBTITLE**; and

23 [(ii)] **(2)** The balance of the Account shall be used to pay the
24 allocations of highway user revenues provided by this subtitle to the counties,
25 municipalities, and Baltimore City.

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

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

30 1. 19.5% for fiscal year 2010;

1 2. 23% for fiscal year 2011; and

2 3. 11.3% for fiscal year 2012;

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

5 1. 70% for fiscal year 2010;

6 2. 68.5% for fiscal year 2011;

7 3. Subject to paragraph (3) of this subsection, 79.8% for fiscal
8 year 2012; and

9 4. 90% for fiscal year 2013; and

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

12 (3) For fiscal year 2012, from the amount allocated to the Transportation
13 Trust Fund under paragraph (2)(i)3 of this subsection, \$40,000,000 shall be transferred
14 from the Transportation Trust Fund to the Revenue Stabilization Account established
15 under § 7–311 of the State Finance and Procurement Article.]

16 8–403.

17 (a) Subject to §§ 3–307 and 3–308 of this article, [and except as provided in
18 subsection (b) of this section,] for each fiscal year, from the total highway user revenues:

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

21 (2) An amount shall be distributed to the counties at the times specified in
22 § 8–407 of this subtitle, to be allocated as provided in § 8–404 of this subtitle, equal to 1.5%
23 of total highway user revenues; and

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

27 [(b) (1) For fiscal year 2010:

28 (i) The amount distributed to Baltimore City under this subtitle
29 shall equal 8.6% of total highway user revenues;

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

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

3 (2) For fiscal year 2011:

4 (i) The amount distributed to Baltimore City under this subtitle
5 shall equal 7.9% of total highway user revenues;

6 (ii) The amount distributed to the counties under this subtitle shall
7 equal 0.5% of total highway user revenues; and

8 (iii) The amount distributed to the municipalities under this subtitle
9 shall equal 0.1% of total highway user revenues.

10 (3) For fiscal year 2012:

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

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

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

17 (4) For fiscal year 2013:

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

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

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

24 **(B) (1) AFTER DISTRIBUTIONS ARE MADE TO BALTIMORE CITY AND THE**
25 **COUNTIES UNDER SUBSECTION (A)(1) AND (2) OF THIS SECTION AND IN ADDITION**
26 **TO THE DISTRIBUTION TO MUNICIPALITIES UNDER SUBSECTION (A)(3) OF THIS**
27 **SECTION, ADDITIONAL DISTRIBUTIONS SHALL BE MADE, IF NECESSARY, TO ENSURE**
28 **THAT THE MINIMUM TOTAL DISTRIBUTION AMOUNTS AMOUNT TO MUNICIPALITIES,**
29 **INCLUDING ANY CAPITAL TRANSPORTATION GRANTS, ~~ARE PROVIDED AS FOLLOWS:~~**

30 **~~(1) FOR FISCAL YEAR 2017, AT LEAST \$30,000,000;~~**

1 ~~(H) FOR FISCAL YEAR 2018, AT LEAST \$35,000,000;~~

2 ~~(HH) FOR FISCAL YEAR 2019, AT LEAST \$40,000,000;~~

3 ~~(IV) FOR FISCAL YEAR 2020, AT LEAST \$45,000,000; AND~~

4 ~~(V) FOR FISCAL YEAR 2021 AND EACH FISCAL YEAR~~
5 ~~THEREAFTER, AT LEAST \$50,000,000 IS \$25,000,000 FOR FISCAL YEAR 2018.~~

6 (2) ANY ADDITIONAL DISTRIBUTIONS MADE UNDER THIS
7 SUBSECTION SHALL BE ALLOCATED AS PROVIDED IN § 8-405 OF THIS SUBTITLE.

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

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

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
4 1, 2016.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.