

SENATE BILL 585

R1

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CF 6lr1948

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

A BILL ENTITLED

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 certain fiscal years for certain purposes; requiring
9 that certain additional distributions of highway user revenues be allocated among
10 municipalities in a certain manner; and generally relating to the distribution of
11 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)

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

24 **Article – Transportation**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 8-402.

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

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

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

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

9 (3) Except for revenues collected under Parts III and IV of Title 13, Subtitle
10 9 of this article, vehicle registration fees;

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

13 (5) 80 percent of the funds distributed on short-term vehicle rentals under
14 § 2-1302.1 of the Tax – General Article to the Transportation Trust Fund from the sales
15 and use tax.

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

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

20 [(ii) (2) The balance of the Account shall be used to pay the
21 allocations of highway user revenues provided by this subtitle to the counties,
22 municipalities, and Baltimore City.

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

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

27 1. 19.5% for fiscal year 2010;

28 2. 23% for fiscal year 2011; and

29 3. 11.3% for fiscal year 2012;

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

- 1 1. 70% for fiscal year 2010;
- 2 2. 68.5% for fiscal year 2011;
- 3 3. Subject to paragraph (3) of this subsection, 79.8% for fiscal
4 year 2012; and
- 5 4. 90% for fiscal year 2013; and

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

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

12 8–403.

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

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

17 (2) An amount shall be distributed to the counties at the times specified in
18 § 8–407 of this subtitle, to be allocated as provided in § 8–404 of this subtitle, equal to 1.5%
19 of total highway user revenues; and

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

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

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

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

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

30 (2) For fiscal year 2011:

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

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

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

7 (3) For fiscal year 2012:

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

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

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

14 (4) For fiscal year 2013:

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

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

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

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

27 **(I) FOR FISCAL YEAR 2017, AT LEAST \$30,000,000;**

28 **(II) FOR FISCAL YEAR 2018, AT LEAST \$35,000,000;**

29 **(III) FOR FISCAL YEAR 2019, AT LEAST \$40,000,000;**

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

1 **(V) FOR FISCAL YEAR 2021 AND EACH FISCAL YEAR**
2 **THEREAFTER, AT LEAST \$50,000,000.**

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

5 8-405.

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

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

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

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

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

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

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

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

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

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

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
33 1, 2016.

