

SENATE BILL 516

C8, R2

2lr1339
CF HB 710

By: **Senator Augustine**

Introduced and read first time: January 28, 2022

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 10, 2022

CHAPTER _____

1 AN ACT concerning

2 **Equitable and Inclusive Transit-Oriented Development Enhancement Act**

3 FOR the purpose of ~~altering the More Jobs for Marylanders Program to allow certain~~
4 ~~business entities located in certain transit-oriented developments to qualify for~~
5 ~~certain Program benefits; extending the deadline after which the Department of~~
6 ~~Commerce may not certify certain business entities to participate in the Program;~~
7 establishing the Transit-Oriented Development Capital Grant and Revolving Loan
8 Fund as a special, nonlapsing fund; requiring interest earnings of the Fund to be
9 credited to the Fund; authorizing the Department of Transportation, in collaboration
10 with the Department of Housing and Community Development, to use the Fund to
11 provide financial assistance to local jurisdictions to be used for certain purposes
12 within a transit-oriented development; and generally relating to transit-oriented
13 development in the State.

14 ~~BY repealing and reenacting, with amendments,~~
15 ~~Article — Economic Development~~
16 ~~Section 6-801 and 6-805~~
17 ~~Annotated Code of Maryland~~
18 ~~(2018 Replacement Volume and 2021 Supplement)~~

19 ~~BY repealing and reenacting, without amendments,~~
20 ~~Article — Economic Development~~
21 ~~Section 6-804~~
22 ~~Annotated Code of Maryland~~
23 ~~(2018 Replacement Volume and 2021 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 BY repealing and reenacting, without amendments,
 2 Article – Transportation
 3 Section 7–101(a), (l), (m), and (o)
 4 Annotated Code of Maryland
 5 (2020 Replacement Volume and 2021 Supplement)
- 6 BY repealing and reenacting, with amendments,
 7 Article – Transportation
 8 Section 7–102(a)
 9 Annotated Code of Maryland
 10 (2020 Replacement Volume and 2021 Supplement)
- 11 BY adding to
 12 Article – Transportation
 13 Section 7–103; and 7–1201 through 7–1205 to be under the new subtitle “Subtitle 12.
 14 Transit–Oriented Development Capital Grant and Revolving Loan Fund”
 15 Annotated Code of Maryland
 16 (2020 Replacement Volume and 2021 Supplement)
- 17 BY repealing and reenacting, without amendments,
 18 Article – State Finance and Procurement
 19 Section 6–226(a)(2)(i) and 10–306(a)
 20 Annotated Code of Maryland
 21 (2021 Replacement Volume)
- 22 BY repealing and reenacting, with amendments,
 23 Article – State Finance and Procurement
 24 Section 6–226(a)(2)(ii)144. and 145. and 10–306(c)
 25 Annotated Code of Maryland
 26 (2021 Replacement Volume)
- 27 BY adding to
 28 Article – State Finance and Procurement
 29 Section 6–226(a)(2)(ii)146.
 30 Annotated Code of Maryland
 31 (2021 Replacement Volume)
- 32 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 33 That the Laws of Maryland read as follows:
- 34 ~~Article – Economic Development~~
- 35 ~~6–801.~~
- 36 (a) ~~In this subtitle the following words have the meanings indicated.~~

1 ~~(b) "Benefit year" means a taxable year in which a qualified business entity~~
 2 ~~claims a program benefit established under § 6-805 of this subtitle.~~

3 ~~(e) (1) "Business entity" means a person conducting or operating a trade or~~
 4 ~~business that is:~~

5 ~~(i) primarily engaged in activities that, in accordance with the~~
 6 ~~North American Industrial Classification System (NAICS), United States Manual, United~~
 7 ~~States Office of Management and Budget, 2012 Edition, would be included in Sector 31, 32,~~
 8 ~~or 33; [or]~~

9 ~~(ii) located in an opportunity zone; OR~~

10 ~~(iii) LOCATED IN A TRANSIT-ORIENTED DEVELOPMENT.~~

11 ~~(2) "Business entity" does not include:~~

12 ~~(i) a refiner, as defined in § 10-101 of the Business Regulation~~
 13 ~~Article;~~

14 ~~(ii) a person conducting or operating a trade or business that is:~~

15 ~~1. providing adult entertainment, as determined by the~~
 16 ~~Department;~~

17 ~~2. primarily engaged in retail activities, unless the person is~~
 18 ~~operating a grocery store located in an opportunity zone OR A TRANSIT-ORIENTED~~
 19 ~~DEVELOPMENT; or~~

20 ~~3. primarily engaged in the sale or distribution of alcoholic~~
 21 ~~beverages; or~~

22 ~~(iii) the following entities:~~

23 ~~1. a private or commercial golf course or country club;~~

24 ~~2. a tanning salon; or~~

25 ~~3. a bail bondsman.~~

26 ~~(d) "Eligible project" means a facility operated by a business entity in a Tier I area~~
 27 ~~or Tier II area.~~

28 ~~(e) "Existing business entity" means a business entity that is located in the State~~
 29 ~~at the time it notifies the Department under § 6-803(e) of this subtitle.~~

1 ~~(f) “Grocery store” has the meaning stated in § 9-254 of the Tax-Property~~
2 ~~Article.~~

3 ~~(g) “New business entity” means a business entity that is not located in the State~~
4 ~~at the time it notifies the Department under § 6-803(b) of this subtitle.~~

5 ~~(h) “Opportunity zone” means an area that has been designated as a qualified~~
6 ~~opportunity zone in the State under § 1400Z-1 of the Internal Revenue Code.~~

7 ~~(i) “Program” means the More Jobs for Marylanders Program established under~~
8 ~~this subtitle.~~

9 ~~(j) “Qualified business entity” means a new business entity or an existing~~
10 ~~business entity operating an eligible project under this subtitle.~~

11 ~~(k) (1) “Qualified position” means a position that:~~

12 ~~(i) is full-time and of indefinite duration;~~

13 ~~(ii) 1. except as provided in item 2 of this item, for a position in~~
14 ~~a facility that is located in an opportunity zone OR A TRANSIT-ORIENTED~~
15 ~~DEVELOPMENT, pays an average annual salary that exceeds \$50,000; or~~

16 ~~2. for a position in a facility of a business entity described~~
17 ~~under subsection (c)(1)(i) of this section, pays at least 120% of the State minimum wage;~~

18 ~~(iii) is located in a facility;~~

19 ~~(iv) is newly created at a single facility in the State; and~~

20 ~~(v) is filled.~~

21 ~~(2) “Qualified position” does not include a position that is:~~

22 ~~(i) created when an employment function is shifted from an existing~~
23 ~~facility of a business entity in the State to another facility of the same business entity if the~~
24 ~~position is not a net new job in the State;~~

25 ~~(ii) created through a change in ownership of a trade or business;~~

26 ~~(iii) created through a consolidation, merger, or restructuring of a~~
27 ~~business entity if the position is not a net new job in the State;~~

28 ~~(iv) created when an employment function is contractually shifted~~
29 ~~from an existing business entity to another business entity in the State if the position is~~
30 ~~not a net new job in the State; or~~

1 ~~(v) filled for a period of less than 12 months.~~

2 ~~(4) "Tier I area" means:~~

3 ~~(1) a Tier I county, as defined in § 1-101 of this article;~~

4 ~~(2) a county designated by the Department that is not a county described~~
5 ~~in item (1) of this subsection, not to exceed three counties; [or]~~

6 ~~(3) an opportunity zone; OR~~

7 ~~(4) A TRANSIT-ORIENTED DEVELOPMENT.~~

8 ~~(m) "Tier II area" means an area that is not an area described in subsection (l) of~~
9 ~~this section.~~

10 ~~(N) "TRANSIT-ORIENTED DEVELOPMENT" HAS THE MEANING STATED IN §~~
11 ~~7-101 OF THE TRANSPORTATION ARTICLE.~~

12 ~~6-804.~~

13 ~~(a) The Program benefits authorized under this section may be claimed by a~~
14 ~~qualified business entity for up to 10 consecutive benefit years.~~

15 ~~(b) On enrollment in the Program:~~

16 ~~(1) a new business entity in a Tier I area is eligible for:~~

17 ~~(i) a credit against the State income tax, established under §~~
18 ~~10-741(b) of the Tax General Article;~~

19 ~~(ii) a credit against the State property tax, established under §~~
20 ~~9-110 of the Tax Property Article;~~

21 ~~(iii) a refund of sales and use tax paid during the immediately~~
22 ~~preceding taxable year, as provided under § 11-411 of the Tax General Article; and~~

23 ~~(iv) a waiver of fees charged by the State Department of Assessments~~
24 ~~and Taxation, established under § 1-203.1 of the Corporations and Associations Article;~~
25 ~~and~~

26 ~~(2) except as provided in subsection (c) of this section, an existing business~~
27 ~~entity that operates an eligible project is eligible for a credit against the State income tax,~~
28 ~~established under § 10-741(b) of the Tax General Article.~~

~~(e) The income tax credit established under § 10-741(b) of the Tax General Article is not available to an existing business entity if the entity moves its facility to another county in the State on or after June 1, 2017.~~

~~(d) If the number of qualified positions at the eligible project decreases to a number less than the number established in the first benefit year, the project shall be removed from the Program and all program benefits terminate.~~

~~6-805.~~

~~(a) The Department shall provide to a qualified business entity a certificate that:~~

~~(1) certifies the eligible project that is enrolled in the Program;~~

~~(2) provides the duration of the certification; and~~

~~(3) provides any additional information necessary for the Comptroller and Department to administer the Program.~~

~~(b) The Department may not provide a qualified business entity a certificate on or after June 1, [2022] 2025.~~

Article – Transportation

7-101.

(a) In this title the following words have the meanings indicated.

(l) “Transit facility” includes any one or more or combination of tracks, rights-of-way, bridges, tunnels, subways, rolling stock, stations, terminals, ports, parking areas, equipment, fixtures, buildings, structures, other real or personal property, and services incidental to or useful or designed for use in connection with the rendering of transit service by any means, including rail, bus, motor vehicle, or other mode of transportation, but does not include any railroad facility.

(m) “Transit-oriented development” means a mix of private or public parking facilities, commercial and residential structures, and uses, improvements, and facilities customarily appurtenant to such facilities and uses, that:

(1) Is part of a deliberate development plan or strategy involving:

(i) Property that is adjacent to the passenger boarding and alighting location of a planned or existing transit station; or

(ii) Property, any part of which is located within one-half mile of the passenger boarding and alighting location of a planned or existing transit station;

1 (2) Is planned to maximize the use of transit, walking, and bicycling by
 2 residents and employees; and

3 (3) Is designated as a transit-oriented development by:

4 (i) The Secretary, after considering a recommendation of the Smart
 5 Growth Subcabinet established under § 9-1406 of the State Government Article; and

6 (ii) The local government or multicounty agency with land use and
 7 planning responsibility for the relevant area.

8 (o) (1) “Transit station” means any facility, the primary function of which
 9 relates to the boarding and alighting of passengers from transit vehicles.

10 (2) “Transit station” includes platforms, shelters, passenger waiting
 11 facilities, parking areas, access roadways, and other real property used to facilitate
 12 passenger access to transit service or railroad service.

13 7-102.

14 (a) (1) (I) The development of improved and expanded railroad facilities,
 15 railroad services, transit facilities, and transit services operating as a unified and
 16 coordinated regional transportation system, and the realization of transit-oriented
 17 development throughout the State, represent transportation purposes that are essential for
 18 the satisfactory movement of people and goods, the alleviation of present and future traffic
 19 congestion, the economic welfare and vitality, and the development of the metropolitan area
 20 of Baltimore and other political subdivisions of the State.

21 (II) IN ORDER TO REALIZE TRANSIT-ORIENTED DEVELOPMENT
 22 AS A TRANSPORTATION PURPOSE, IT IS THE INTENT OF THE GENERAL ASSEMBLY
 23 THAT THE DEPARTMENT, IN COLLABORATION WITH THE DEPARTMENT OF HOUSING
 24 AND COMMUNITY DEVELOPMENT, MAKE ALL REASONABLE ATTEMPTS TO INCLUDE
 25 TRANSIT-ORIENTED DEVELOPMENT AS PART OF THE PREFERRED PLAN FOR
 26 DEVELOPMENT IN AREAS SERVED BY TRANSIT SERVICES BY PROVIDING
 27 PREFERENCE TO PROPOSALS THAT FURTHER THIS PURPOSE WHEN:

28 1. DISTRIBUTING FUNDS FROM:

29 A. STATE PROGRAMS OFFERING GRANTS AND LOANS
 30 FOR DEVELOPMENT AND INFRASTRUCTURE INVESTMENT;

31 B. FEDERAL COMMUNITY DEVELOPMENT BLOCK
 32 GRANTS; AND

33 C. THE PROCEEDS OF GENERAL OBLIGATION BOND AND
 34 GRANT ANTICIPATION REVENUE VEHICLE ISSUANCES; AND

1 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
2 INDICATED.

3 (B) "FINANCIAL ASSISTANCE" MEANS A GRANT OR LOAN FROM THE FUND.

4 (C) "FUND" MEANS THE TRANSIT-ORIENTED DEVELOPMENT CAPITAL
5 GRANT AND REVOLVING LOAN FUND.

6 (D) "GAP FUNDING" MEANS FUNDING PROVIDED TO COMPENSATE FOR A
7 SHORTFALL BETWEEN THE EXPECTED DEVELOPMENT COSTS OF A PROJECT AND
8 THE AVAILABLE FUNDS FOR THE PROJECT.

9 (E) "LOCAL JURISDICTION" MEANS A COUNTY OR A MUNICIPAL
10 CORPORATION.

11 (F) "MUNICIPAL CORPORATION" MEANS A MUNICIPALITY AS DEFINED IN §
12 1-101 OF THE LOCAL GOVERNMENT ARTICLE.

13 7-1202.

14 (A) THERE IS A TRANSIT-ORIENTED DEVELOPMENT CAPITAL GRANT AND
15 REVOLVING LOAN FUND.

16 (B) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO
17 § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

18 7-1203.

19 (A) THE PURPOSE OF THE FUND IS TO PROMOTE THE EQUITABLE AND
20 INCLUSIVE DEVELOPMENT OF TRANSIT-ORIENTED DEVELOPMENTS THROUGHOUT
21 THE STATE.

22 (B) THE DEPARTMENT, IN COLLABORATION WITH THE DEPARTMENT OF
23 HOUSING AND COMMUNITY DEVELOPMENT, SHALL ADMINISTER THE FUND.

24 (C) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE
25 COMPTROLLER SHALL ACCOUNT FOR THE FUND.

26 ~~(E)~~ (D) (1) THE FUND CONSISTS OF:

27 (I) MONEY APPROPRIATED IN THE STATE BUDGET TO THE
28 FUND;

1 (II) MONEY MADE AVAILABLE FOR QUALIFYING USES BY THE
 2 FUND FROM OTHER GOVERNMENTAL SOURCES, INCLUDING COMMUNITY
 3 DEVELOPMENT BLOCK GRANTS ~~AND THE TRANSPORTATION TRUST FUND;~~

4 (III) GROUND RENTS OR LAND SALE PROCEEDS IN ACCORDANCE
 5 WITH § 10-306(C)(2) OF THE STATE FINANCE AND PROCUREMENT ARTICLE;

6 (IV) PAYMENTS OF PRINCIPAL OF AND INTEREST ON LOANS
 7 MADE UNDER THIS TITLE;

8 (V) INVESTMENT EARNINGS OF THE FUND; AND

9 (VI) ANY OTHER MONEY FROM ANY OTHER SOURCE, PUBLIC OR
 10 PRIVATE, ACCEPTED FOR THE BENEFIT OF THE FUND.

11 (2) CONTRIBUTIONS TO THE FUND UNDER PARAGRAPH (1)(III) OF
 12 THIS SUBSECTION SHALL:

13 (I) BE SEPARATELY ACCOUNTED FOR IN THE FUND; AND

14 (II) BE USED ONLY FOR THE BENEFIT OF TRANSIT-ORIENTED
 15 DEVELOPMENTS IN THE SAME COUNTY WHERE THE REAL PROPERTY SUBJECT TO
 16 THE GROUND RENT OR LAND SALE IS LOCATED.

17 ~~(D)~~ (E) FOR EACH FISCAL YEAR 2024, THE GOVERNOR SHALL INCLUDE IN
 18 THE ANNUAL BUDGET BILL AN A GENERAL FUND APPROPRIATION SUFFICIENT TO
 19 ~~ENSURE A FUND BALANCE OF AT LEAST \$10,000,000 AT THE START OF THE FISCAL~~
 20 ~~YEAR TO THE FUND.~~

21 7-1204.

22 (A) (1) THE FUND MAY BE USED BY THE DEPARTMENT, IN
 23 COLLABORATION WITH THE DEPARTMENT OF HOUSING AND COMMUNITY
 24 DEVELOPMENT, TO PROVIDE FINANCIAL ASSISTANCE TO LOCAL JURISDICTIONS
 25 FOR:

26 (I) DESIGN PLANS FOR A TRANSIT-ORIENTED DEVELOPMENT,
 27 PROVIDED THAT THE TRANSIT-ORIENTED DEVELOPMENT WILL BE DESIGNED TO
 28 MEET EQUITY GOALS ESTABLISHED BY THE DEPARTMENT;

29 (II) PUBLIC INFRASTRUCTURE IMPROVEMENTS WITHIN A
 30 TRANSIT-ORIENTED DEVELOPMENT; OR

1 (III) GAP FUNDING FOR PUBLIC OR PRIVATE DEVELOPMENT
2 WITHIN A TRANSIT-ORIENTED DEVELOPMENT.

3 (2) A PRIVATE ENTITY, INCLUDING A NONPROFIT ENTITY,
4 PARTICIPATING IN THE DEVELOPMENT OF A TRANSIT-ORIENTED DEVELOPMENT
5 MAY PARTNER WITH A LOCAL JURISDICTION TO SUBMIT AN APPLICATION FOR
6 FINANCIAL ASSISTANCE UNDER PARAGRAPH (1)(III) OF THIS SUBSECTION.

7 (B) (1) THE DEPARTMENT, IN COLLABORATION WITH THE DEPARTMENT
8 OF HOUSING AND COMMUNITY DEVELOPMENT, SHALL:

9 (I) ESTABLISH ELIGIBILITY REQUIREMENTS AND SCORING
10 STANDARDS FOR THE REVIEW OF APPLICATIONS FOR FINANCIAL ASSISTANCE; ~~AND~~

11 (II) PUBLISH THE ELIGIBILITY REQUIREMENTS AND SCORING
12 STANDARDS ON THE DEPARTMENT'S WEBSITE; AND

13 (III) PRIORITIZE GEOGRAPHIC EQUITY IN ITS ALLOCATIONS OF
14 GRANTS AND LOANS.

15 (2) THE DEPARTMENT, IN COLLABORATION WITH THE DEPARTMENT
16 OF HOUSING AND COMMUNITY DEVELOPMENT, MAY NOT ALLOCATE MORE THAN
17 50% OF THE FUNDS AVAILABLE IN A FISCAL YEAR TO A SINGLE APPLICANT.

18 (3) THE DEPARTMENT, IN COLLABORATION WITH THE DEPARTMENT
19 OF HOUSING AND COMMUNITY DEVELOPMENT, MAY ESTABLISH:

20 (I) DIFFERENT ELIGIBILITY REQUIREMENTS AND SCORING
21 STANDARDS FOR DIFFERENT TYPES OF FINANCIAL ASSISTANCE; AND

22 (II) SCORING PREFERENCES FOR APPLICATIONS THAT
23 DEMONSTRATE THAT THE PROPOSED PROJECT WILL:

24 1. ENHANCE ACCESS TO TRANSIT FOR LOW-INCOME
25 AND MINORITY RESIDENTS OF THE LOCAL JURISDICTION;

26 2. ENHANCE ACCESS TO TRANSIT IN AREAS WITH
27 AFFORDABLE HOUSING AND A DIVERSITY OF JOB AND EDUCATIONAL
28 OPPORTUNITIES; OR

29 3. ENCOURAGE DEVELOPMENT AROUND
30 UNDERDEVELOPED AND UNDERUTILIZED TRANSIT STATIONS IN
31 TRANSIT-ORIENTED DEVELOPMENTS.

1 (C) AN APPLICATION FOR FINANCIAL ASSISTANCE SHALL INCLUDE:

2 (1) COMMITMENTS FROM THE LOCAL JURISDICTION TO:

3 (I) ESTABLISH TRANSIT-SUPPORTIVE LAND USE
4 DESIGNATIONS FOR REAL PROPERTY WITHIN A TRANSIT-ORIENTED DEVELOPMENT;
5 AND

6 (II) IMPLEMENT, WHERE PRACTICABLE, IMPROVEMENTS TO
7 THE TRANSIT-ORIENTED DEVELOPMENT THAT PROMOTE THE COMPLETE STREETS
8 POLICY ADOPTED IN ACCORDANCE WITH § 2-112 OF THIS ARTICLE;

9 (2) IF A PRIVATE ENTITY PARTNERS WITH A LOCAL JURISDICTION TO
10 SUBMIT AN APPLICATION FOR FINANCIAL ASSISTANCE, COMMITMENTS FROM KEY
11 STAKEHOLDERS TO DEVELOP THE TRANSIT-ORIENTED DEVELOPMENT; AND

12 (3) IF THE APPLICATION IS FOR A GRANT TO SUPPORT THE DESIGN
13 OR CONSTRUCTION OF A PROPOSED ENHANCEMENT TO A TRANSIT-ORIENTED
14 DEVELOPMENT, CREDIBLE FUNDING STRATEGIES THAT DEMONSTRATE FULL
15 FUNDING OF THE DESIGN OR CONSTRUCTION COSTS FOR THE PROPOSED
16 ENHANCEMENT ON AWARD OF THE GRANT.

17 7-1205.

18 (A) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN
19 THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

20 (B) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO THE
21 FUND.

22 Article – State Finance and Procurement

23 6-226.

24 (a) (2) (i) Notwithstanding any other provision of law, and unless
25 inconsistent with a federal law, grant agreement, or other federal requirement or with the
26 terms of a gift or settlement agreement, net interest on all State money allocated by the
27 State Treasurer under this section to special funds or accounts, and otherwise entitled to
28 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
29 Fund of the State.

30 (ii) The provisions of subparagraph (i) of this paragraph do not apply
31 to the following funds:

1 144. the Health Equity Resource Community Reserve Fund;
2 [and]

3 145. the Access to Counsel in Evictions Special Fund; AND

4 **146. THE TRANSIT-ORIENTED DEVELOPMENT CAPITAL**
5 **GRANT AND REVOLVING LOAN FUND.**

6 10-306.

7 (a) In this section, “capital asset” means an asset of a substantial permanent
8 nature.

9 (c) (1) Except as provided in paragraphs (2) and (3) of this subsection, if cash
10 is received as consideration for the disposition of a capital asset of the State or any unit of
11 the State government, the cash shall be applied to the State Annuity Bond Fund Account
12 for the payment of the principal of and interest on the bonded indebtedness of the State.

13 (2) If the capital asset is real property that is being leased or sold to a
14 private party for the purpose of realizing a transit-oriented development as defined under
15 § 7-101 of the Transportation Article, at the discretion of the State agency that is disposing
16 of the property, all or a portion of the cash proceeds resulting from the transaction shall be
17 deposited in:

18 (I) the Baltimore City Community Enhancement Transit-Oriented
19 Development Fund established under Title 15 of the Economic Development Article for the
20 purposes of that Fund; OR

21 (II) **THE TRANSIT-ORIENTED DEVELOPMENT CAPITAL GRANT**
22 **AND REVOLVING LOAN FUND ESTABLISHED UNDER TITLE 7 OF THE**
23 **TRANSPORTATION ARTICLE FOR THE PURPOSES OF THAT FUND.**

24 (3) (i) If cash is received as consideration for the disposition of a capital
25 asset, and if the capital asset was originally purchased with special funds, the cash shall
26 be applied to the special fund.

27 (ii) Notwithstanding subparagraph (i) of this paragraph, cash
28 received as consideration for the disposition of helicopters, auxiliary helicopter equipment,
29 ground support equipment, or other capital equipment related to helicopters shall be
30 applied to the State Annuity Bond Fund Account for the payment of the principal of and
31 interest on the bonded indebtedness of the State.

32 (4) If cash is received as consideration for the disposition of any real or
33 personal property of the State or any unit of the State government, other than a capital
34 asset, the cash shall be accounted for and paid into the State Treasury.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
2 1, 2022.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.