

**SB0182/949533/1**

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 182  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “- Bonding Authority”; in line 3, after the first “of” insert “requiring the Maryland Transportation Authority each year to develop, adopt, and submit to the General Assembly at certain times a certain financial forecast for its operations; requiring the financial forecast to include certain components;”; in line 4, strike “Maryland Transportation”; in the same line, after “Authority;” insert “authorizing the Authority to issue certain notes of a certain maturity secured by a pledge of a certain line of credit; altering certain required General Fund appropriations for the financing of a certain highway; authorizing the Authority to issue certain notes for the financing of a certain highway; authorizing the Authority to use certain amounts from a certain line of credit for the financing of a certain highway; authorizing the Governor to transfer up to a certain amount from the Transportation Trust Fund to the Authority for the financing of a certain highway; requiring that certain amounts be repaid by the Authority to the Transportation Trust Fund from certain appropriations; requiring the Authority each year to develop, adopt, and submit to the General Assembly at certain times a certain financial plan of expenditures and funding for the construction of a certain highway; requiring the financial plan to include certain components; stating the intent of the General Assembly that the Authority provide certain cash flow changes for financing a certain highway;”; in the same line, after “to” insert “the”; in line 5, strike “revenue bonds and the issuance of debt” and substitute “and the financing of the Intercounty Connector”; after line 5, insert:

“BY adding to

Article - Transportation

Section 4-210 and 4-320.1

Annotated Code of Maryland

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(2001 Replacement Volume and 2007 Supplement)”;

and in line 8, after “4-306” insert “and 4-321”.

AMENDMENT NO. 2

On page 1, after line 13, insert:

**“4-210.**

**(A) EACH YEAR, THE AUTHORITY SHALL DEVELOP AND ADOPT A 10-YEAR FINANCIAL FORECAST FOR THE OPERATIONS OF THE AUTHORITY.**

**(B) IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE AUTHORITY SHALL SUBMIT TO THE GENERAL ASSEMBLY:**

**(1) A DRAFT OF THE FINANCIAL FORECAST ON SUBMISSION OF THE BUDGET BILL TO THE PRESIDING OFFICERS OF THE GENERAL ASSEMBLY; AND**

**(2) THE FINANCIAL FORECAST AS APPROVED BY THE AUTHORITY ON OR BEFORE JULY 1 OF EACH YEAR.**

**(C) THE FINANCIAL FORECAST SHALL INCLUDE THE FOLLOWING COMPONENTS:**

**(1) A SCHEDULE OF OPERATING EXPENSES;**

(2) A SCHEDULE OF REVENUES, INCLUDING CONCESSIONS INCOME, INVESTMENT INCOME, OTHER INCOME, AND TRANSFERS FROM THE DEPARTMENT;

(3) A SCHEDULE OF TOLL REVENUES, INCLUDING THE AVERAGE TOLL PER VEHICLE, THE AVERAGE TOLL INCREASE, THE NUMBER OF PAID VEHICLES, AND THE TOLL REVENUE BY TOLL FACILITY AND BY FISCAL YEAR;

(4) A SCHEDULE OF PLANNED BOND ISSUANCES, INCLUDING A DETAILED SUMMARY OF BONDS ISSUED TO FUND THE CAPITAL PROGRAM AND BONDS ISSUED TO FUND CAPITALIZED INTEREST;

(5) A SCHEDULE OF DEBT SERVICE IN EACH FISCAL YEAR FOR EACH BOND ISSUANCE OF ALL DEBT ISSUED OR PLANNED TO BE ISSUED BY THE AUTHORITY, INCLUDING REVENUE BONDS AND CONDUIT FINANCING; AND

(6) A SUMMARY SCHEDULE FOR THE AUTHORITY THAT INCLUDES:

(I) THE TOTAL CASH BALANCE;

(II) THE AMOUNT OF THE CASH BALANCE THAT IS ENCUMBERED;

(III) THE ANNUAL CASH SURPLUS OR DEFICIT;

(IV) REVENUES;

(V) TRANSFERS TO THE DEPARTMENT FROM THE AUTHORITY;

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(VI) TRANSFERS FROM THE AUTHORITY TO THE DEPARTMENT;

(VII) BOND SALES;

(VIII) EXPENDITURES FOR DEBT SERVICE;

(IX) OPERATING EXPENSES;

(X) CAPITAL EXPENSES;

(XI) MAINTENANCE AND OPERATIONS EXPENSE RESERVE ACCOUNTS;

(XII) FORECASTED BOND INTEREST RATES;

(XIII) TOTAL BONDS OUTSTANDING; AND

(XIV) FINANCIAL COVERAGE RATIOS, INCLUDING THE RATIO OF TOTAL CASH TO TOLL REVENUES, THE DEBT SERVICE COVERAGE RATIO, AND THE RATE COVENANT COMPLIANCE RATIO.

(D) THE FINANCIAL FORECAST SHALL INCLUDE, FOR EACH OF THE COMPONENTS SPECIFIED IN SUBSECTION (C) OF THIS SECTION:

(1) ACTUAL INFORMATION FOR THE LAST FULL FISCAL YEAR;  
AND

**(2) FORECASTS OF THE INFORMATION FOR EACH OF THE 10 SUBSEQUENT FISCAL YEARS, INCLUDING THE CURRENT FISCAL YEAR, THE FISCAL YEAR FOR THE PROPOSED BUDGET, AND THE NEXT 8 SUBSEQUENT FISCAL YEARS.**

**AMENDMENT NO. 3**

On page 2, after line 8, insert:

**“4-320.1.**

**(A) THE AUTHORITY MAY ISSUE BOND ANTICIPATION NOTES SECURED BY A PLEDGE OF A LINE OF CREDIT EXTENDED TO THE STATE UNDER THE FEDERAL TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT.**

**(B) NOTES ISSUED UNDER THIS SECTION SHALL HAVE A MATURITY DATE 3 YEARS AFTER THE DATE OF ISSUE.**

**(C) A PLEDGE OF A LINE OF CREDIT AS AUTHORIZED UNDER THIS SECTION DOES NOT CONSTITUTE THE PLEDGE OF FUTURE FEDERAL REVENUES, AND NOTES ISSUED UNDER THIS SECTION ARE NOT SUBJECT TO § 3-601(D) OF THIS ARTICLE OR § 4-320 OF THIS SUBTITLE.**

**4-321.**

**(a) In this section, “Intercounty Connector” means the east–west multimodal highway in Montgomery and Prince George’s counties between Interstate 270 and Interstate 95/U.S. Route 1, as described in the 2005 – 2010 Consolidated Transportation Plan.**

(b) The State and the Authority shall finance the Intercounty Connector as provided in this section.

(c) The Authority shall:

(1) Issue not more than an aggregate principal amount of \$750,000,000 in bonds secured by a pledge of future federal aid; and

(2) Issue revenue bonds under this subtitle that are not secured by a pledge of future federal aid.

(d) The Governor shall transfer from the Transportation Trust Fund to the Authority for the Intercounty Connector \$22,000,000 in fiscal 2005 and \$38,000,000 in fiscal 2006.

(e) The Governor shall transfer to the Authority for the Intercounty Connector:

(1) From the Transportation Trust Fund, at least \$30,000,000 each year for fiscal years 2007 through 2010;

(2) From the General Fund, an aggregate appropriation by fiscal year [2010] **2012** equal to \$264,913,000, [with a payment of at least \$50,000,000 each year for fiscal years 2007 through 2010; and] **AS FOLLOWS:**

(I) **\$53,000,000 FOR FISCAL YEAR 2007 AND FOR EACH OF FISCAL YEARS 2009 THROUGH 2011; AND**

(II) **\$52,913,000 FOR FISCAL YEAR 2012; AND**

(3) At least \$10,000,000 federal aid from any source in amounts as deemed prudent.

(F) (1) IN ADDITION TO OTHER AMOUNTS PROVIDED TO FINANCE THE INTERCOUNTY CONNECTOR UNDER THIS SECTION, THE AUTHORITY MAY:

(I) ISSUE BOND ANTICIPATION NOTES FOR THE INTERCOUNTY CONNECTOR SECURED BY A PLEDGE OF A LINE OF CREDIT EXTENDED TO THE STATE UNDER THE FEDERAL TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT AS AUTHORIZED UNDER § 4-320.1 OF THIS SUBTITLE; AND

(II) USE UP TO AN AMOUNT APPROVED BY THE U.S. DEPARTMENT OF TRANSPORTATION FROM A LINE OF CREDIT EXTENDED TO THE STATE UNDER THE FEDERAL TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT.

(2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, IN ADDITION TO AMOUNTS TRANSFERRED TO THE AUTHORITY UNDER SUBSECTIONS (D) AND (E)(1) OF THIS SECTION, THE GOVERNOR MAY TRANSFER UP TO \$75,000,000 FROM THE TRANSPORTATION TRUST FUND TO THE AUTHORITY FOR THE INTERCOUNTY CONNECTOR.

(II) ANY AMOUNTS TRANSFERRED FROM THE TRANSPORTATION TRUST FUND UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE REPAID BY THE AUTHORITY TO THE TRANSPORTATION TRUST FUND FROM THE GENERAL FUND APPROPRIATIONS TO THE AUTHORITY FOR FISCAL YEAR 2011 AND FISCAL YEAR 2012 UNDER SUBSECTION (E)(2) OF THIS SECTION.

[(f)] (G) (1) On or before December 1 of each year, in accordance with § 2-1246 of the State Government Article, the Authority shall submit a report on the

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status of the Intercounty Connector to the Senate Budget and Taxation Committee, the House Appropriations Committee, and the House Committee on Ways and Means.

(2) The report required under this subsection shall include:

(i) An update on the progress of the project and a comparison of the actual progress to the project schedule provided to the committees in January 2005;

(ii) The revised estimate of the total project cost of the project and a statement of the reasons for any cost savings or cost overruns, relative to the estimate of \$2,447,000,000 provided to the committees in January 2005; and

(iii) A description of any changes to the financing plan for the project, including the impact of cost savings or cost overruns, and, consistent with the intent of the General Assembly to limit the overall amount of debt used for financing the Intercounty Connector, the specific identification of sources of funds that may be applied to address any cost overruns.

**(H) (1) EACH YEAR UNTIL COMPLETION OF ALL CASH FLOW FOR THE INTERCOUNTY CONNECTOR, THE AUTHORITY SHALL DEVELOP AND ADOPT AN UPDATED DETAILED FINANCIAL PLAN OF EXPENDITURES AND FUNDING FOR THE INTERCOUNTY CONNECTOR.**

**(2) IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE AUTHORITY SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY ON THE FINANCIAL PLAN FOR THE INTERCOUNTY CONNECTOR:**

**(I) ON SUBMISSION OF THE BUDGET BILL TO THE PRESIDING OFFICERS OF THE GENERAL ASSEMBLY; AND**



**(II) ON OR BEFORE JULY 1 OF EACH YEAR.**

**(3) THE REPORT REQUIRED UNDER THIS SUBSECTION SHALL INCLUDE REVENUES AND EXPENDITURES FOR EACH FISCAL YEAR BEGINNING WITH FISCAL YEAR 2004 AND CONTINUING THROUGH ANTICIPATED COMPLETION OF THE INTERCOUNTY CONNECTOR.**

**(4) THE REPORT SHALL INCLUDE:**

**(I) PLANNED EXPENDITURES BY YEAR, CATEGORIZED BY PLANNING AND ENGINEERING, RIGHT-OF-WAY ACQUISITIONS, AND CONSTRUCTION;**

**(II) FUNDING SOURCES BY YEAR, CATEGORIZED BY:**

**1. GRANT ANTICIPATION REVENUE VEHICLE BOND ISSUANCES;**

**2. TRANSFERS FROM THE TRANSPORTATION TRUST FUND;**

**3. TRANSFERS FROM THE GENERAL FUND;**

**4. FEDERAL FUNDS;**

**5. AUTHORITY CASH RESERVES;**

**6. AUTHORITY REVENUE BOND ISSUANCES;**

**7.     DRAWS ON A LINE OF CREDIT EXTENDED TO THE STATE UNDER THE FEDERAL TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT;**

**8.     BOND ANTICIPATION NOTES; AND**

**9.     ANY OTHER REVENUE SOURCE;**

**(III)   NONOWNERSHIP-RELATED PROJECT COMPONENTS, BY COMPONENT, SUCH AS ENVIRONMENTAL MITIGATION, TEMPORARY CONSTRUCTION EASEMENTS, CONSTRUCTION ON ANY NON-STATE-OWNED ROAD, AND ANY OTHER CATEGORY IDENTIFIED BY THE AUTHORITY IN ITS TAX DUE DILIGENCE REVIEW;**

**(IV)   A SCHEDULE OF DEBT SERVICE FOR THE GRANT ANTICIPATION REVENUE VEHICLE BOND ISSUANCES AND AUTHORITY REVENUE BOND ISSUANCES; AND**

**(V)   FINANCING ASSUMPTIONS, INCLUDING MATURITIES OF BOND ISSUANCES AND FORECASTED INTEREST RATES.**

**SECTION 2. AND BE IT FURTHER ENACTED, That:**

**(a)   It is the intent of the General Assembly that the Maryland Transportation Authority implement cash flow changes for financing the Intercounty Connector as follows:**

**(1)   for fiscal year 2009, the principal amount of the second tranche of Grant Anticipation Revenue Vehicle (“GARVEE”) bonds may be increased by \$17,000,000 to a total of \$425,000,000, plus any bond premium generated in conjunction with that issuance of GARVEE bonds;**

(2) for fiscal year 2010:

(i) the Authority may issue up to a \$75,000,000 3-year bond anticipation note secured by a pledge of a line of credit extended to the State under the federal Transportation Infrastructure Finance and Innovation Act, and General Fund appropriations to the Authority in fiscal years 2011 and 2012 may be invested for the purpose of generating sufficient interest income to offset the interest cost of the 3-year bond anticipation note; and

(ii) the Authority may use up to \$75,000,000 from its fiscal year 2010 unencumbered cash balance and return a like amount to its unencumbered cash balance in fiscal year 2011 and fiscal year 2012 from the General Fund appropriations received in those fiscal years; and

(3) the Authority may borrow up to \$75,000,000 interest free from the Transportation Trust Fund, to be repaid by the Authority from General Fund appropriations received in fiscal years 2011 and 2012.

(b) Funds received by the Authority from a line of credit extended to the State under the federal Transportation Infrastructure Finance and Innovation Act may be substituted for Maryland Transportation Authority toll-backed revenue bonds in the financing of the Intercounty Connector.”;

and in line 9, strike “2.” and substitute “3.”.