

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

Senate Bill 853 (Senator Garagiola)
Budget and Taxation

Maryland Transportation Infrastructure Funding Task Force

This bill establishes a Maryland Transportation Infrastructure Funding Task Force. The Maryland Department of Transportation (MDOT) and the Department of Legislative Services (DLS) must provide staff support for the task force. The task force must submit an interim report by January 1, 2010, and a final report by January 1, 2011 providing findings and recommendations to the Governor and the General Assembly.

The bill takes effect July 1, 2009, and terminates June 30, 2011.

Fiscal Summary

State Effect: Given the State's fiscal difficulties, agency budgets have been constrained. Thus, the requirement to staff the task force is not absorbable within the existing budgeted resources of MDOT. Instead, Transportation Trust Fund (TTF) expenditures increase in FY 2010 and 2011, primarily for contractual staff to support the task force. DLS can handle the staffing requirement with existing resources; however, limited staff resources may be diverted from other responsibilities. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The task force must review and evaluate current State funding for TTF and make recommendations for sustainable, long-term revenue sources and options for

funding; public-private partnerships; economic development; and transit, highway, and bridge maintenance.

To the extent practicable, the task force must encompass regional, economic, ethnic, and gender diversity.

Members of the task force may not receive compensation but are entitled to reimbursement for expenses under the standard State travel regulations.

Background: TTF is a nonlapsing special fund that provides dedicated funding for transportation. It consists of tax and fee revenues, operating revenues, bond proceeds, and fund transfers. MDOT issues bonds backed by TTF revenues and invests the TTF fund balance to generate investment income. The Maryland Transit Administration, Motor Vehicle Administration, Maryland Port Administration, and Maryland Aviation Administration generate operating revenues that cover a portion of their operating expenditures.

The specific tax and fee revenues allocated to TTF include motor fuel taxes, rental car sales taxes, titling taxes, vehicle registration fees, a portion of the sales and corporate income taxes, and other miscellaneous motor vehicle fees. A portion of these revenues is credited to the Gasoline and Motor Vehicle Revenue Account (GMVRA). Then, 30% of GMVRA revenues is distributed to local jurisdictions and the remainder is retained by TTF for MDOT's capital program, debt service, and operating costs.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Transportation, Department of Legislative Services

Fiscal Note History: First Reader - March 17, 2009
ncs/ljm

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