

# HOUSE BILL 1067

R2

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CF SB 664

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By: **Delegates Beitzel, Afzali, Arentz, Aumann, Bates, DeBoy, Eckardt, Elliott, Frank, George, Hogan, Impallaria, Kach, K. Kelly, Kipke, Krebs, McComas, McConkey, McDermott, McMillan, Myers, Otto, Ready, Schulz, Serafini, Stocksdale, Szeliga, Weir, and Wood**

Introduced and read first time: February 6, 2014

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Transportation – Motor Fuel Tax and Highway User Revenue – Increased**  
3 **Local Share**

4 FOR the purpose of increasing the portion of motor fuel tax revenue that is distributed  
5 to a certain account that is shared with Baltimore City, counties, and  
6 municipalities; increasing the portion of highway user revenue that is shared  
7 with Baltimore City, counties, and municipalities; altering the allocation of the  
8 local portion of highway user revenues among Baltimore City, the counties, and  
9 municipalities; requiring that a certain additional grant be made to  
10 municipalities for transportation purposes; repealing obsolete language; and  
11 generally relating to increasing the portion of motor fuel tax and highway user  
12 revenue that is shared with local governments.

13 BY repealing and reenacting, with amendments,  
14 Article – Tax – General  
15 Section 2–1103  
16 Annotated Code of Maryland  
17 (2010 Replacement Volume and 2013 Supplement)

18 BY repealing and reenacting, with amendments,  
19 Article – Transportation  
20 Section 8–402 and 8–403  
21 Annotated Code of Maryland  
22 (2008 Replacement Volume and 2013 Supplement)

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **Article – Tax – General**

2 2–1103.

3 After making the distributions required under §§ 2–1101 and 2–1102 of this  
4 subtitle, the Comptroller shall distribute:

5 (1) the remaining motor fuel tax revenue from aviation fuel to the  
6 Transportation Trust Fund;

7 (2) all remaining motor fuel tax revenue, equal to the average  
8 percentage by which the motor fuel tax rate exceeds 18.5 cents per gallon, not  
9 including [revenue attributable to an increase in the motor fuel tax rates under §  
10 9–305(b) of this article or] revenue attributable to the sales and use tax equivalent  
11 rate imposed under § 9–306 of this article, to the Gasoline and Motor Vehicle Revenue  
12 Account in the Transportation Trust Fund; **AND**

13 (3) [revenue attributable to an increase in the motor fuel tax rates  
14 imposed under § 9–305(b) of this article to the Transportation Trust Fund; and

15 (4)] revenue attributable to the sales and use tax equivalent rate  
16 imposed under § 9–306 of this article to the Transportation Trust Fund.

17 **Article – Transportation**

18 8–402.

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

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

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

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

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

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

30 (5) 80 percent of the funds distributed on short-term vehicle rentals  
31 under § 2–1302.1 of the Tax – General Article to the Transportation Trust Fund from  
32 the sales and use tax.

1 (c) (1) Except as provided in paragraph (2) of this subsection, for each  
2 fiscal year:

3 (i) [90.4%] **80%** of the revenue credited to the Account may be  
4 used as provided in § 3–216 of this article; and

5 (ii) The balance of the Account shall be used to pay the  
6 allocations of highway user revenues provided by this subtitle to the counties,  
7 municipalities, and Baltimore City.

8 (2) For fiscal years [2010] **2015** through [2013] **2017**, the Account  
9 shall be distributed as follows:

10 (i) [A portion to the General Fund of the State for fiscal years  
11 2010 through 2012 as follows:

12 1. 19.5% for fiscal year 2010;

13 2. 23% for fiscal year 2011; and

14 3. 11.3% for fiscal year 2012;

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

17 1. [70%] **90.4%** for fiscal year [2010] **2015**;

18 2. [68.5%] **86.9%** for fiscal year [2011] **2016**; AND

19 3. [Subject to paragraph (3) of this subsection, 79.8%]  
20 **82.3%** for fiscal year [2012] **2017**; and

21 [4. 90% for fiscal year 2013; and

22 (iii) **(II)** The balance to be used to pay the allocations of  
23 highway user revenues provided under this subtitle to the counties, municipalities,  
24 and Baltimore City.

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

29 8–403.

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

4 (1) An amount equal to ~~[7.7%]~~ **8.3%** of total highway user revenues  
5 shall be distributed to Baltimore City in monthly installments;

6 (2) An amount shall be distributed to the counties at the times  
7 specified in § 8–407 of this subtitle, to be allocated as provided in § 8–404 of this  
8 subtitle, equal to ~~[1.5%]~~ **10%** of total highway user revenues; and

9 (3) An amount shall be distributed to the municipalities at the times  
10 specified in § 8–407 of this subtitle, to be allocated as provided in § 8–405 of this  
11 subtitle, equal to ~~[0.4%]~~ **1.7%** of total highway user revenues.

12 (b) (1) For fiscal year ~~[2010]~~ **2015**:

13 (i) The amount distributed to Baltimore City under this  
14 subtitle shall equal ~~[8.6%]~~ **7.7%** of total highway user revenues;

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

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

19 (2) For fiscal year ~~[2011]~~ **2016**:

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

22 (ii) The amount distributed to the counties under this subtitle  
23 shall equal ~~[0.5%]~~ **4.3%** of total highway user revenues; and

24 (iii) The amount distributed to the municipalities under this  
25 subtitle shall equal ~~[0.1%]~~ **0.9%** of total highway user revenues.

26 (3) For fiscal year ~~[2012]~~ **2017**:

27 (i) The amount distributed to Baltimore City under this  
28 subtitle shall equal ~~[7.5%]~~ **8.2%** of total highway user revenues;

29 (ii) The amount distributed to the counties under this subtitle  
30 shall equal ~~[0.8%]~~ **8.1%** of total highway user revenues; and

1 (iii) The amount distributed to the municipalities under this  
2 subtitle shall equal ~~[0.6%]~~ 1.4% of total highway user revenues.

3 [(4) For fiscal year 2013:

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

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

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

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

11 (a) In addition to the revenue distributed to municipalities under § 8–403 of  
12 the Transportation Article as enacted by this Act, eligible municipalities shall receive  
13 an additional grant for transportation purposes to be allocated in accordance with §  
14 8–405 of the Transportation Article.

15 (b) The amount of the grant under this section shall be as follows:

16 (1) \$16,000,000 for fiscal year 2015; and

17 (2) \$8,000,000 for fiscal year 2016.

18 (c) Notwithstanding any other law, the grant under this section shall be  
19 made from the portion of the Gasoline and Motor Vehicle Revenue Account allocated to  
20 the Transportation Trust Fund under § 8–402(c)(2)(i)1 and 2 of the Transportation  
21 Article as enacted by this Act.

22 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
23 July 1, 2014.