SENATE BILL 946

By: Senator Washington
Introduced and read first time: February 13, 2022
Assigned to: Rules

A BILL ENTITLED

AN ACT concerning

Transportation – Highway User Revenues – Distribution

FOR the purpose of altering the purposes for which certain county transportation bonds may be issued; altering, beginning in a certain fiscal year, the amount of revenue credited to the Gasoline and Motor Vehicle Revenue Account that may be used for a certain purpose; altering, beginning in a certain fiscal year, the percentage of highway user revenues required to be distributed to Baltimore City, counties, and municipalities; altering the process for distributing highway user revenues; and generally relating to the distribution of highway user revenues.

BY repealing and reenacting, with amendments,
Article – Transportation
Section 3–302, 8–401(d), 8–402, and 8–403
Annotated Code of Maryland
(2020 Replacement Volume and 2021 Supplement)

BY repealing and reenacting, without amendments,
Article – Transportation
Section 8–401(a)
Annotated Code of Maryland
(2020 Replacement Volume and 2021 Supplement)

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

Article – Transportation

3–302.

The purposes of this subtitle are to enable the counties of this State to:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
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(1) Accelerate programs of road construction and reconstruction;

(2) Provide local participating funds for federally aided transportation projects;

(3) Make major road repairs as necessary to eliminate damage caused to county roads by severe and unforeseen weather conditions; [and]

(4) Generally finance the capital cost of transportation facilities;

(5) PROVIDE LOCAL PARTICIPATING FUNDS FOR STATE–AIDED TRANSPORTATION PROJECTS; AND

(6) PROVIDE FOR LOCAL CAPITAL IMPROVEMENT PROJECTS ALONG:

(I) STATE ROADWAYS MAINTAINED BY LOCAL GOVERNMENTS;

AND

(II) MARYLAND TRANSIT ADMINISTRATION PRIORITY BUS ROUTES.

8–401.

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

(d) “Highway user revenues” means the [capital grants appropriated to Baltimore City, counties, and municipalities under § 8–403(b) of this subtitle] FUNDS CREDITED TO THE GASOLINE AND MOTOR VEHICLE REVENUE ACCOUNT OF THE TRANSPORTATION TRUST FUND.

8–402.

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

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

(1) All of the motor vehicle fuel tax;

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

(3) Except for revenues collected under Title 13, Subtitle 9, Parts III and IV of this article, vehicle registration fees;
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(4) The revenue disbursed to this Account under § 2–614 of the Tax –
General Article; and

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

(c) (1) For fiscal year 2019:

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

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

(2) For fiscal [year 2020 and each fiscal year thereafter,] YEARS 2020
THROUGH 2023, revenue credited to the Account shall be used as provided in § 3–216 of
this article.

(3) FOR FISCAL YEARS 2024 THROUGH 2026:

(I) 70% OF THE REVENUE CREDITED TO THE ACCOUNT MAY BE
USED AS PROVIDED IN § 3–216 OF THIS ARTICLE; AND

(II) THE BALANCE OF THE ACCOUNT SHALL BE USED TO PAY
THE ALLOCATIONS OF HIGHWAY USER REVENUES PROVIDED BY THIS SUBTITLE TO
THE COUNTIES, MUNICIPALITIES, AND BALTIMORE CITY.

(4) FOR FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER:

(I) 80% OF THE REVENUE CREDITED TO THE ACCOUNT MAY BE
USED AS PROVIDED IN § 3–216 OF THIS ARTICLE; AND

(II) THE BALANCE OF THE ACCOUNT SHALL BE USED TO PAY
THE ALLOCATIONS OF HIGHWAY USER REVENUES PROVIDED BY THIS SUBTITLE TO
THE COUNTIES, MUNICIPALITIES, AND BALTIMORE CITY.

(a) Subject to §§ 3–307 and 3–308 of this article, for fiscal year 2019, from the
total highway user revenues:

(1) An amount equal to 7.7% of total highway user revenues shall be
distributed to Baltimore City in monthly installments;
An amount shall be distributed to the counties at the times specified in § 8–407 of this subtitle, to be allocated as provided in § 8–404 of this subtitle, equal to 1.5% of total highway user revenues; and

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

(b) (1) Subject to paragraph (3) of this subsection, for fiscal years 2020 through 2023, capital grants shall be appropriated from the Transportation Trust Fund as provided in § 3–216 of this article based on the following calculations:

   (i) An amount equal to 8.3% of funds credited to the Gasoline and Motor Vehicle Revenue Account shall be appropriated to Baltimore City;

   (ii) An amount equal to 3.2% of funds credited to the Gasoline and Motor Vehicle Revenue Account shall be appropriated to the counties to be distributed as provided in § 8–404 of this subtitle; and

   (iii) An amount equal to 2.0% of funds credited to the Gasoline and Motor Vehicle Revenue Account shall be appropriated to the municipalities to be distributed as provided in § 8–405 of this subtitle.

(2) Subject to paragraph (3) of this subsection, for fiscal year 2025 and each fiscal year thereafter, capital grants shall be appropriated from the Transportation Trust Fund as provided in § 3–216 of this article based on the following calculations:

   (i) An amount equal to 7.7% of funds credited to the Gasoline and Motor Vehicle Revenue Account shall be appropriated to Baltimore City;

   (ii) An amount equal to 1.5% of funds credited to the Gasoline and Motor Vehicle Revenue Account shall be appropriated to the counties to be distributed as provided in § 8–404 of this subtitle; and

   (iii) An amount equal to 0.4% of funds credited to the Gasoline and Motor Vehicle Revenue Account shall be appropriated to the municipalities to be distributed as provided in § 8–405 of this subtitle.

(3) The capital grants made under this subsection shall be appropriated only if all debt service requirements and departmental operating expenses have been funded and sufficient funds are available to fund the capital program.

(C) Subject to §§ 3–307 and 3–308 of this article, for fiscal years 2024 through 2026, from the total highway user revenues:
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1 (1) An amount equal to 15% of total highway user revenues shall be distributed to Baltimore City;

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

3 (3) An amount shall be distributed to the municipalities at the times specified in § 8–407 of this subtitle, to be allocated as provided in § 8–405 of this subtitle, equal to 5% of total highway user revenues.

(d) Subject to §§ 3–307 and 3–308 of this article, for fiscal year 2027 and each fiscal year thereafter, from the total highway user revenues:

(1) An amount equal to 11.5% of total highway user revenues shall be distributed to Baltimore City;

2 (2) An amount shall be distributed to the counties at the times specified in § 8–407 of this subtitle, to be allocated as provided in § 8–404 of this subtitle, equal to 5.5% of total highway user revenues; and

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

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