

SENATE BILL 946

R1

2lr3244

By: **Senator Washington**

Introduced and read first time: February 13, 2022

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Transportation – Highway User Revenues – Distribution**

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

10 BY repealing and reenacting, with amendments,
11 Article – Transportation
12 Section 3–302, 8–401(d), 8–402, and 8–403
13 Annotated Code of Maryland
14 (2020 Replacement Volume and 2021 Supplement)

15 BY repealing and reenacting, without amendments,
16 Article – Transportation
17 Section 8–401(a)
18 Annotated Code of Maryland
19 (2020 Replacement Volume and 2021 Supplement)

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

22 **Article – Transportation**

23 3–302.

24 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.



- 1 (1) Accelerate programs of road construction and reconstruction;
- 2 (2) Provide local participating funds for federally aided transportation
3 projects;
- 4 (3) Make major road repairs as necessary to eliminate damage caused to
5 county roads by severe and unforeseen weather conditions; [and]
- 6 (4) Generally finance the capital cost of transportation facilities;

7 **(5) PROVIDE LOCAL PARTICIPATING FUNDS FOR STATE-AIDED**
8 **TRANSPORTATION PROJECTS; AND**

9 **(6) PROVIDE FOR LOCAL CAPITAL IMPROVEMENT PROJECTS ALONG:**

10 **(I) STATE ROADWAYS MAINTAINED BY LOCAL GOVERNMENTS;**
11 **AND**

12 **(II) MARYLAND TRANSIT ADMINISTRATION PRIORITY BUS**
13 **ROUTES.**

14 8-401.

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

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

20 8-402.

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

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

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

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

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

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

3 (5) [80 percent] **80%** of the funds distributed on short-term vehicle rentals
4 under § 2–1302.1 of the Tax – General Article to the Transportation Trust Fund from the
5 sales and use tax.

6 (c) (1) For fiscal year 2019:

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

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

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

15 **(3) FOR FISCAL YEARS 2024 THROUGH 2026:**

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

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

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

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

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

27 8–403.

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

30 (1) An amount equal to 7.7% of total highway user revenues shall be
31 distributed to Baltimore City in monthly installments;

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

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

7 (b) (1) Subject to paragraph (3) of this subsection, for fiscal years 2020 through
8 **[2024,] 2023**, capital grants shall be appropriated from the Transportation Trust Fund as
9 provided in § 3–216 of this article based on the following calculations:

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

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

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

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

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

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

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

29 (3) The capital grants made under this [subtitle] **SUBSECTION** shall be
30 appropriated only if all debt service requirements and departmental operating expenses
31 have been funded and sufficient funds are available to fund the capital program.

32 **(C) SUBJECT TO §§ 3–307 AND 3–308 OF THIS ARTICLE, FOR FISCAL YEARS**
33 **2024 THROUGH 2026, FROM THE TOTAL HIGHWAY USER REVENUES:**

1 **(1) AN AMOUNT EQUAL TO 15% OF TOTAL HIGHWAY USER REVENUES**
2 **SHALL BE DISTRIBUTED TO BALTIMORE CITY;**

3 **(2) AN AMOUNT SHALL BE DISTRIBUTED TO THE COUNTIES AT THE**
4 **TIMES SPECIFIED IN § 8-407 OF THIS SUBTITLE, TO BE ALLOCATED AS PROVIDED IN**
5 **§ 8-404 OF THIS SUBTITLE, EQUAL TO 10% OF TOTAL HIGHWAY USER REVENUES;**
6 **AND**

7 **(3) AN AMOUNT SHALL BE DISTRIBUTED TO THE MUNICIPALITIES AT**
8 **THE TIMES SPECIFIED IN § 8-407 OF THIS SUBTITLE, TO BE ALLOCATED AS**
9 **PROVIDED IN § 8-405 OF THIS SUBTITLE, EQUAL TO 5% OF TOTAL HIGHWAY USER**
10 **REVENUES.**

11 **(D) SUBJECT TO §§ 3-307 AND 3-308 OF THIS ARTICLE, FOR FISCAL YEAR**
12 **2027 AND EACH FISCAL YEAR THEREAFTER, FROM THE TOTAL HIGHWAY USER**
13 **REVENUES:**

14 **(1) AN AMOUNT EQUAL TO 11.5% OF TOTAL HIGHWAY USER**
15 **REVENUES SHALL BE DISTRIBUTED TO BALTIMORE CITY;**

16 **(2) AN AMOUNT SHALL BE DISTRIBUTED TO THE COUNTIES AT THE**
17 **TIMES SPECIFIED IN § 8-407 OF THIS SUBTITLE, TO BE ALLOCATED AS PROVIDED IN**
18 **§ 8-404 OF THIS SUBTITLE, EQUAL TO 5.5% OF TOTAL HIGHWAY USER REVENUES;**
19 **AND**

20 **(3) AN AMOUNT SHALL BE DISTRIBUTED TO THE MUNICIPALITIES AT**
21 **THE TIMES SPECIFIED IN § 8-407 OF THIS SUBTITLE, TO BE ALLOCATED AS**
22 **PROVIDED IN § 8-405 OF THIS SUBTITLE, EQUAL TO 3% OF TOTAL HIGHWAY USER**
23 **REVENUES.**

24 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July**
25 **1, 2022.**