

HOUSE BILL 845

R2

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By: **Delegates Parrott, Afzali, Aumann, Bates, Boteler, Cluster, Eckardt, Fisher, Frank, Glass, Hershey, Hogan, Hough, Jacobs, Kach, Kipke, Krebs, McComas, McDermott, W. Miller, Norman, Otto, Ready, Schulz, Serafini, Stocksdale, Szeliga, and Vitale**

Introduced and read first time: February 9, 2012

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

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

3 FOR the purpose of altering the allocation of funds in the Gasoline and Motor Vehicle
4 Revenue Account between the Department of Transportation and Baltimore
5 City, the counties, and the municipalities; altering the allocation of highway
6 user revenues to Baltimore City and the counties and municipalities; and
7 generally relating to the distribution of highway user revenues.

8 BY repealing and reenacting, without amendments,
9 Article – Transportation
10 Section 8–401, 8–404, and 8–405
11 Annotated Code of Maryland
12 (2008 Replacement Volume and 2011 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Transportation
15 Section 8–402 and 8–403
16 Annotated Code of Maryland
17 (2008 Replacement Volume and 2011 Supplement)

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

20 **Article – Transportation**

21 8–401.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) "County" does not include Baltimore City.

2 (c) "Debt service" means the amount annually needed to pay the maturing
3 principal of and interest on bonds, notes, and other evidences of obligation and to meet
4 sinking fund requirements for these purposes.

5 (c-1) "Eligible municipality" means a municipality authorized by law to
6 construct or maintain streets or roads.

7 (d) "Highway user revenues" means the funds credited to the Gasoline and
8 Motor Vehicle Revenue Account of the Transportation Trust Fund.

9 (e) "Municipality" means any municipal corporation, special taxing district,
10 or other political subdivision of this State other than a county or Baltimore City.

11 8-402.

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

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

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

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

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

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

23 (5) 80 percent of the funds distributed on short-term vehicle rentals
24 under § 2-1302.1 of the Tax - General Article to the Transportation Trust Fund from
25 the sales and use tax.

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

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

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

4 (2) For fiscal years 2010 through 2013, the Account shall be
5 distributed as follows:

6 (i) A portion to the General Fund of the State for fiscal years
7 2010 through 2012 as follows:

- 8 1. 19.5% for fiscal year 2010;
- 9 2. 23% for fiscal year 2011; and
- 10 3. 11.3% for fiscal year 2012;

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

- 13 1. 70% for fiscal year 2010;
- 14 2. 68.5% for fiscal year 2011;
- 15 3. Subject to paragraph (3) of this subsection, 79.8% for
16 fiscal year 2012; and
- 17 4. 90% for fiscal year 2013; and

18 (iii) The balance to be used to pay the allocations of highway
19 user revenues provided under this subtitle to the counties, municipalities, and
20 Baltimore City.

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

25 **(C) FOR EACH FISCAL YEAR:**

26 **(1) 70% OF THE REVENUE CREDITED TO THE ACCOUNT MAY BE**
27 **USED AS PROVIDED IN § 3–216 OF THIS ARTICLE; AND**

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

1 8-403.

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

5 (1) An amount equal to [7.7%] **12%** of total highway user revenues
6 shall be distributed to Baltimore City in monthly installments;

7 (2) An amount shall be distributed to the counties at the times
8 specified in § 8-407 of this subtitle, to be allocated as provided in § 8-404 of this
9 subtitle, equal to [1.5%] **15%** of total highway user revenues; and

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

13 [(b)] (1) For fiscal year 2010:

14 (i) The amount distributed to Baltimore City under this
15 subtitle shall equal 8.6% of total highway user revenues;

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

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

20 (2) For fiscal year 2011:

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

23 (ii) The amount distributed to the counties under this subtitle
24 shall equal 0.5% of total highway user revenues; and

25 (iii) The amount distributed to the municipalities under this
26 subtitle shall equal 0.1% of total highway user revenues.

27 (3) For fiscal year 2012:

28 (i) The amount distributed to Baltimore City under this
29 subtitle shall equal 7.5% of total highway user revenues;

30 (ii) The amount distributed to the counties under this subtitle
31 shall equal 0.8% of total highway user revenues; and

1 (iii) The amount distributed to the municipalities under this
2 subtitle shall equal 0.6% 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 8-404.

11 (a) Highway user revenues shall be allocated to the counties:

12 (1) One half on a county road mileage basis, as provided in subsection
13 (b)(1) of this section; and

14 (2) One half on a motor vehicle registration basis, as provided in
15 subsection (b)(2) of this section.

16 (b) The Administration shall allocate for the account of each county, out of
17 the highway user revenues to be distributed to the counties under § 8-403 of this
18 subtitle, the county's share, to be determined by adding:

19 (1) The amount that results from applying to one half of these
20 highway user revenues the ratio that, as of December 1 of the preceding calendar year,
21 the total mileage of county roads in the county, not including the total mileage of
22 county roads in eligible municipalities in the county, bears to the total mileage of
23 county roads in all of the counties, not including the total mileage of county roads in
24 eligible municipalities in the State; and

25 (2) The amount that results from applying to one half of these
26 highway user revenues the ratio that, as of December 1 of the preceding calendar year,
27 the total number of motor vehicles registered to owners having addresses in the
28 county, not including motor vehicles registered to owners having addresses in eligible
29 municipalities in the county, bears to the total number of motor vehicles registered to
30 owners in all the counties, not including motor vehicles registered to owners having
31 addresses in eligible municipalities in the State.

32 8-405.

1 (a) An eligible municipality may request its share of the highway user
2 revenues provided under this subtitle from the Administration. The request shall be
3 made in writing at least 6 months before the start of the fiscal year in which the funds
4 are desired.

5 (b) Highway user revenues shall be allocated to the eligible municipalities:

6 (1) One half on a municipal road mileage basis, as provided in
7 subsection (c)(1) of this section; and

8 (2) One half on a motor vehicle registration basis, as provided in
9 subsection (c)(2) of this section.

10 (c) The Administration shall allocate for the account of each eligible
11 municipality, out of the highway user revenues to be distributed to the municipalities
12 under § 8–403 of this subtitle the eligible municipality’s share, to be determined by
13 adding:

14 (1) The amount that results from applying to one half of the available
15 revenues the ratio that, as of December 1 of the preceding calendar year, the total
16 mileage of county roads in the eligible municipality bears to the total mileage of
17 county roads located in eligible municipalities in the State; and

18 (2) The amount that results from applying to one half of the available
19 revenues the ratio that, as of December 1 of the preceding calendar year, the total
20 number of motor vehicles registered to owners having addresses in the eligible
21 municipality bears to the total number of motor vehicles registered to owners having
22 addresses in eligible municipalities in the State.

23 (d) For purposes of the mileage formula distributions under this section, each
24 special improvement district in Prince George’s County in existence in January, 1953,
25 shall be treated as a municipality, but the amounts distributed shall be:

26 (1) Paid to the county and retained by it as credits to the district; and

27 (2) Applied to the cost of maintaining the streets and roads in the
28 district so long as the district has any indebtedness.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 July 1, 2012.