

SENATE BILL 277

R2, B5

8lr1964
CF 8lr0955

By: **Senators Feldman, Benson, Currie, Guzzone, Kagan, King, Lee, Madaleno, Manno, Middleton, Muse, Peters, Pinsky, Ramirez, Rosapepe, Smith, Young, and Zucker**

Introduced and read first time: January 22, 2018

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Metro Funding Act**

3 FOR the purpose of establishing the Maryland Metro Dedicated Fund Account in the
4 Transportation Trust Fund; repealing a requirement that the Secretary of
5 Transportation approve certain grants to the Washington Suburban Transit District;
6 requiring the Governor to include an appropriation in the annual State budget of at
7 least a certain amount for the sole purpose of providing grants to the Washington
8 Suburban Transit District to pay the capital costs of the Washington Metropolitan
9 Area Transit Authority; providing that the Governor is not required to make a
10 certain appropriation unless the Washington Metropolitan Area Transit Authority
11 provides certain information to the Department of Transportation regarding capital
12 projects; requiring a certain appropriation to be made from the Transportation Trust
13 Fund; providing that the Maryland Metro Dedicated Fund Account consists of
14 certain motor vehicle excise tax revenue and certain other funds; requiring the
15 Department of Transportation to provide an annual grant of at least a certain
16 amount from the Account to the Washington Suburban Transit District to pay the
17 capital costs of the Washington Metropolitan Area Transit Authority; providing that
18 the Account may be used only for the purpose of a certain grant to the Washington
19 Suburban Transit District; providing that a certain grant to the Washington
20 Suburban Transit District is in addition to a certain appropriation; altering the
21 distribution of motor vehicle excise tax revenue; making certain provisions of this
22 Act contingent on enactment of certain legislation by the Commonwealth of Virginia
23 and the District of Columbia; requiring the Department of Transportation to notify
24 the Department of Legislative Services when a certain contingency has been met;
25 providing for the application of certain mandated appropriations to certain fiscal
26 years; and generally relating to capital funding for the Washington Metropolitan
27 Area Transit Authority.

28 BY repealing and reenacting, without amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – Transportation
2 Section 3–216(a), (b), and (d)(1) and 8–402(a) and (b)
3 Annotated Code of Maryland
4 (2015 Replacement Volume and 2017 Supplement)

5 BY repealing and reenacting, with amendments,
6 Article – Transportation
7 Section 3–216(c)(2)(i) and 10–205
8 Annotated Code of Maryland
9 (2015 Replacement Volume and 2017 Supplement)

10 BY repealing and reenacting, without amendments,
11 Article – Transportation
12 Section 13–809(b)(1)
13 Annotated Code of Maryland
14 (2012 Replacement Volume and 2017 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Transportation
17 Section 13–814
18 Annotated Code of Maryland
19 (2012 Replacement Volume and 2017 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 3–216.

24 (a) There is a Transportation Trust Fund for the Department.

25 (b) Except as otherwise expressly provided by statute, there shall be credited to
26 the Transportation Trust Fund for the account of the Department all taxes, fees, charges,
27 and revenues collected or received by or paid, appropriated, or credited to the account of
28 the Department or any of its units in the exercise of their rights, powers, duties, or
29 obligations, including the cash proceeds of the sale of consolidated transportation bonds,
30 notes, or other evidences of obligation issued by the Department, any General Fund
31 appropriations, and the proceeds of any State loan or federal grant made for transportation
32 purposes.

33 (c) (2) (i) The Gasoline and Motor Vehicle Revenue Account, the Driver
34 Education Account, [and] the Motorcycle Safety Program Account, **AND THE MARYLAND**
35 **METRO DEDICATED FUND ACCOUNT** shall be maintained in the Transportation Trust
36 Fund.

37 (d) (1) After meeting its debt service requirements, the Department may use

1 the funds in the Transportation Trust Fund for any lawful purpose related to the exercise
2 of its rights, powers, duties, and obligations.

3 8–402.

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

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

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

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

11 (3) Except for revenues collected under Parts III and IV of Title 13, Subtitle
12 9 of this article, vehicle registration fees;

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

15 (5) 80 percent of the funds distributed on short-term vehicle rentals under
16 § 2–1302.1 of the Tax – General Article to the Transportation Trust Fund from the sales
17 and use tax.

18 10–205.

19 (a) In accordance with and subject to the principle that, if there is substantial
20 State financial support for the planned rapid rail mass transit system in one metropolitan
21 area of this State, there should be substantial State financial support for the planned rapid
22 rail mass transit system in the other metropolitan area of this State, and subject to the
23 appropriation requirements and budgetary provisions of § 3–216(d) of this article, the
24 Department shall provide for grants to the Washington Suburban Transit District in an
25 amount equal to the current expenditures required of the Washington Suburban Transit
26 District in accordance with capital contributions agreements between the Washington
27 Metropolitan Area Transit Authority, the Washington Suburban Transit District, and other
28 participating jurisdictions. The Washington Suburban Transit District shall consult with
29 the Secretary of Transportation prior to the execution of any capital contributions
30 agreement. [Expenditures required of the Washington Suburban Transit District for
31 projects and programs not included in the “Adopted Regional System – 1968” revised as of
32 January 1, 1992, are only eligible for State funding in accordance with subsection (f) of this
33 section.]

34 (b) (1) Subject to the appropriation requirements and budgetary provisions of
35 § 3–216(d) of this article and upon receipt of an approval of a grant application in such form
36 and detail as the Secretary shall reasonably require, the Department shall provide for

1 annual grants to the Washington Suburban Transit District for a share of the operating
2 deficits of the regional transit system for which the District is responsible. “Operating
3 deficit” means operating costs less:

4 (i) The greater of operating revenues or 50 percent of the operating
5 costs; and

6 (ii) All federal operating assistance.

7 (2) The Department’s share shall equal 100 percent of the operating deficit.

8 (c) Subject to the appropriation requirements and budgetary provision of §
9 3–216(d) of this article, the Department shall provide for grants to the Washington
10 Suburban Transit District in an amount equal to 75 percent of the net debt service assigned
11 to the Washington Suburban Transit District on bonds issued by the Washington
12 Metropolitan Area Transit Authority. In no event shall the amount of net debt service,
13 including the refinancing of any debt, required of the Washington Suburban Transit
14 District exceed the amount presently assigned on a year by year basis to the Washington
15 Suburban Transit District, and payable through the year 2014. Nothing in this article shall
16 preclude the use of bond proceeds for capital improvements and replacements of the
17 “Adopted Regional System – 1968” revised as of January 1, 1992.

18 (d) (1) In accordance with and subject to the principle that, if there is
19 substantial State financial support for rapid rail and bus transit capital replacement costs
20 in one metropolitan area of this State, there should be substantial State financial support
21 for the costs of similar needs in the other metropolitan area of this State, and in recognition
22 of the fact that timely replacement of capital facilities and equipment is essential to safe
23 and reliable transit service, the Department shall provide grants to fully fund the
24 Washington Suburban Transit District’s share of the Washington Metropolitan Area
25 Transit Authority’s capital equipment replacement programs.

26 (2) The grants under this subsection:

27 (i) Shall be made subject to the appropriation and budgetary
28 provisions of § 3–216(d) of this article;

29 (ii) Shall be included in the State budget beginning in fiscal year
30 2000;

31 (iii) Notwithstanding any other provision of law, may be funded with
32 revenues derived from:

33 1. Any State–enacted transportation fees or taxes; or

34 2. Federal transportation grants available to the State to
35 fund transit capital equipment replacement; and

1 (iv) Shall be contingent on the receipt of a request by the District to
2 the Department, based on annual capital improvements programs adopted by the
3 Washington Metropolitan Area Transit Authority.

4 (e) Subject to the appropriation requirements and budgetary provisions of §
5 3-216(d) of this article, the Department shall provide grants from amounts derived from
6 the Transportation Trust Fund to the Washington Suburban Transit District for the
7 purpose of funding Maryland's required share of local funds for the Washington
8 Metropolitan Area Transit Authority to match any federal funds appropriated in any given
9 year authorized under Title VI, § 601, P.L. 110-432.

10 (f) [A grant by the Department to the Washington Suburban Transit District in
11 excess of the provisions of subsection (a) of this section may be made only after approval by
12 the Secretary.]

13 **(1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,**
14 **THE GOVERNOR SHALL INCLUDE AN APPROPRIATION IN THE ANNUAL BUDGET OF**
15 **AT LEAST THE AMOUNT SPECIFIED IN PARAGRAPH (4) OF THIS SUBSECTION FOR THE**
16 **SOLE PURPOSE OF PROVIDING GRANTS TO THE WASHINGTON SUBURBAN TRANSIT**
17 **DISTRICT TO PAY THE CAPITAL COSTS OF THE WASHINGTON METROPOLITAN AREA**
18 **TRANSIT AUTHORITY.**

19 **(2) THE GOVERNOR IS NOT REQUIRED TO MAKE THE APPROPRIATION**
20 **UNDER PARAGRAPH (1) OF THIS SUBSECTION IN A FISCAL YEAR UNLESS THE**
21 **DEPARTMENT CERTIFIES TO THE GOVERNOR IN WRITING BEFORE THE BEGINNING**
22 **OF THE IMMEDIATELY PRECEDING FISCAL YEAR THAT THE WASHINGTON**
23 **METROPOLITAN AREA TRANSIT AUTHORITY HAS SUBMITTED TO THE DEPARTMENT**
24 **A SUFFICIENTLY DETAILED DESCRIPTION OF ALL THE WASHINGTON**
25 **METROPOLITAN AREA TRANSIT AUTHORITY CAPITAL PROJECTS TO BE FUNDED IN**
26 **THE IMMEDIATELY PRECEDING FISCAL YEAR AND EACH OF THE SUBSEQUENT 5**
27 **FISCAL YEARS.**

28 **(3) THE GOVERNOR SHALL MAKE THE APPROPRIATION UNDER**
29 **PARAGRAPH (1) OF THIS SUBSECTION FROM THE TRANSPORTATION TRUST FUND.**

30 **(4) THE APPROPRIATION UNDER PARAGRAPH (1) OF THIS**
31 **SUBSECTION SHALL EQUAL AT LEAST THE TOTAL AMOUNT PROVIDED IN THE**
32 **IMMEDIATELY PRECEDING FISCAL YEAR FOR GRANTS TO THE WASHINGTON**
33 **SUBURBAN TRANSIT DISTRICT TO PAY THE CAPITAL COSTS OF THE WASHINGTON**
34 **METROPOLITAN AREA TRANSIT AUTHORITY, INCREASED BY 3%.**

35 **(G) (1) THERE IS A MARYLAND METRO DEDICATED FUND ACCOUNT IN**
36 **THE TRANSPORTATION TRUST FUND.**

1 **(2) THE ACCOUNT CONSISTS OF:**

2 **(I) THE MOTOR VEHICLE EXCISE TAX REVENUE DISTRIBUTED**
3 **TO THE ACCOUNT UNDER § 13-814 OF THIS ARTICLE; AND**

4 **(II) ANY OTHER MONEY APPROPRIATED IN THE STATE BUDGET**
5 **TO THE ACCOUNT.**

6 **(3) THE DEPARTMENT SHALL PROVIDE AN ANNUAL GRANT OF AT**
7 **LEAST \$125,000,000 FROM THE ACCOUNT TO THE WASHINGTON SUBURBAN**
8 **TRANSIT DISTRICT TO BE USED ONLY TO PAY THE CAPITAL COSTS OF THE**
9 **WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY.**

10 **(4) THE GRANT REQUIRED UNDER PARAGRAPH (3) OF THIS**
11 **SUBSECTION IS IN ADDITION TO THE APPROPRIATION REQUIRED UNDER**
12 **SUBSECTION (F)(1) OF THIS SECTION.**

13 13-809.

14 (b) (1) Except as otherwise provided in this part, in addition to any other
15 charge required by the Maryland Vehicle Law, an excise tax is imposed:

16 (i) For each original and each subsequent certificate of title issued
17 in this State for a motor vehicle, a trailer, a semitrailer, a moped, a motor scooter, or an
18 off-highway recreational vehicle for which sales and use tax is not collected at the time of
19 purchase; and

20 (ii) Except as provided in paragraph (2) of this subsection, for each
21 motor vehicle, trailer, or semitrailer that is in interstate operation and registered under §
22 13-109(c) or (d) of this title without a certificate of title.

23 13-814.

24 **(A) [Money] MOTOR VEHICLE EXCISE TAX REVENUE** collected under this part
25 shall be deposited in the State Treasury and accounted for on the records of the State
26 Comptroller [and transferred to the Transportation Trust Fund].

27 **(B) THE COMPTROLLER SHALL DISTRIBUTE:**

28 **(1) TWO-THIRDS OF THE MOTOR VEHICLE EXCISE TAX REVENUE TO**
29 **THE GASOLINE AND MOTOR VEHICLE REVENUE ACCOUNT IN THE**
30 **TRANSPORTATION TRUST FUND;**

31 **(2) OF THE MOTOR VEHICLE EXCISE TAX REVENUE REMAINING**
32 **AFTER THE DISTRIBUTION UNDER ITEM (1) OF THIS SUBSECTION, AT LEAST**

1 **\$125,000,000 EACH FISCAL YEAR TO THE MARYLAND METRO DEDICATED FUND**
2 **ACCOUNT IN THE TRANSPORTATION TRUST FUND; AND**

3 **(3) ALL OF THE MOTOR VEHICLE EXCISE TAX REVENUE REMAINING**
4 **AFTER THE DISTRIBUTIONS UNDER ITEMS (1) AND (2) OF THIS SUBSECTION TO THE**
5 **TRANSPORTATION TRUST FUND TO BE USED AS PROVIDED IN § 3-216 OF THIS**
6 **ARTICLE.**

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

8 (a) Section 1 of this Act is contingent on the Commonwealth of Virginia and the
9 District of Columbia each enacting legislation providing for new dedicated capital funding
10 for the Washington Metropolitan Area Transit Authority of at least \$125,000,000.

11 (b) The Department of Transportation shall notify the Department of Legislative
12 Services in writing within 5 days after both the Commonwealth of Virginia and the District
13 of Columbia have enacted legislation that meets the requirements of subsection (a) of this
14 section.

15 (c) Section 1 of this Act shall take effect on the date that the Department of
16 Legislative Services receives notice under subsection (b) of this section.

17 SECTION 3. AND BE IT FURTHER ENACTED, That, subject to § 10-205(f)(2) of
18 the Transportation Article as enacted by Section 1 of this Act, the mandated appropriations
19 in § 10-205(f) and (g) of the Transportation Article as enacted by Section 1 of this Act shall
20 be applicable to the fiscal year that begins on the second succeeding July 1 after Section 1
21 of this Act takes effect, and to each subsequent fiscal year.

22 SECTION 4. AND BE IT FURTHER ENACTED, That, subject to Section 2 of this
23 Act, this Act shall take effect June 1, 2018.