

# HOUSE BILL 1370

R2, Q4, Q6

5lr2916  
CF SB 881

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By: **Delegates Spiegel, Amprey, Boafo, Fair, and Foley**

Introduced and read first time: February 7, 2025

Assigned to: Environment and Transportation and Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Transportation – Regional Transportation Authorities**

3 FOR the purpose of imposing certain transportation authority sales tax surcharges, hotel  
4 surcharges, and transfer tax surcharges; establishing the Baltimore Region, Capital  
5 Region, and Southern Maryland Region transportation authorities to develop and  
6 implement certain transportation plans; establishing the Baltimore Region, Capital  
7 Region, and Southern Maryland Region transportation funds as special, nonlapsing  
8 funds; requiring interest earnings of the funds to be credited to the funds;  
9 authorizing a transportation authority to issue certain bonds payable from certain  
10 revenues; and generally relating to regional transportation authorities.

11 BY repealing and reenacting, without amendments,  
12 Article – State Finance and Procurement  
13 Section 6–226(a)(2)(i)  
14 Annotated Code of Maryland  
15 (2021 Replacement Volume and 2024 Supplement)

16 BY repealing and reenacting, with amendments,  
17 Article – State Finance and Procurement  
18 Section 6–226(a)(2)(ii)204. and 205.  
19 Annotated Code of Maryland  
20 (2021 Replacement Volume and 2024 Supplement)

21 BY adding to  
22 Article – State Finance and Procurement  
23 Section 6–226(a)(2)(ii)206., 207., and 208.  
24 Annotated Code of Maryland  
25 (2021 Replacement Volume and 2024 Supplement)

26 BY repealing and reenacting, without amendments,  
27 Article – Tax – General

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 1–101(a)  
2 Annotated Code of Maryland  
3 (2022 Replacement Volume and 2024 Supplement)

4 BY adding to  
5 Article – Tax – General  
6 Section 1–101(c–1), (d–1), and (t–1) and 11–104(l)  
7 Annotated Code of Maryland  
8 (2022 Replacement Volume and 2024 Supplement)

9 BY repealing and reenacting, with amendments,  
10 Article – Tax – General  
11 Section 2–1303 and 11–102  
12 Annotated Code of Maryland  
13 (2022 Replacement Volume and 2024 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article – Tax – Property  
16 Section 13–201 and 13–202  
17 Annotated Code of Maryland  
18 (2019 Replacement Volume and 2024 Supplement)

19 BY repealing and reenacting, without amendments,  
20 Article – Tax – Property  
21 Section 13–203(a)  
22 Annotated Code of Maryland  
23 (2019 Replacement Volume and 2024 Supplement)

24 BY adding to  
25 Article – Tax – Property  
26 Section 13–203(c) and 13–209(j)  
27 Annotated Code of Maryland  
28 (2019 Replacement Volume and 2024 Supplement)

29 BY adding to  
30 Article – Transportation  
31 Section 10.5–101 through 10.5–413 to be under the new title “Title 10.5. Regional  
32 Transportation Authorities”  
33 Annotated Code of Maryland  
34 (2020 Replacement Volume and 2024 Supplement)

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

37 **Article – State Finance and Procurement**

38 6–226.

(a) (2) (i) 1. This subparagraph does not apply in fiscal years 2024 through 2028.

2. Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

204. Victims of Domestic Violence Program Grant Fund; [and]

205. the Proposed Programs Collaborative Grant Fund;

**206. THE BALTIMORE REGION TRANSPORTATION FUND;**

**207. THE CAPITAL REGION TRANSPORTATION FUND; AND**

**208. THE SOUTHERN MARYLAND TRANSPORTATION FUND.**

#### **Article – Tax – General**

1–101.

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

**(C–1) “BALTIMORE REGION” HAS THE MEANING STATED IN § 10.5–101 OF THE TRANSPORTATION ARTICLE.**

**(D–1) “CAPITAL REGION” HAS THE MEANING STATED IN § 10.5–201 OF THE TRANSPORTATION ARTICLE.**

**(T–1) “SOUTHERN MARYLAND REGION” HAS THE MEANING STATED IN § 10.5–301 OF THE TRANSPORTATION ARTICLE.**

2–1303.

**(A)** After making the distributions required under §§ 2–1301 through 2–1302.4 of this subtitle, the Comptroller shall pay:

(1) revenues from the hotel surcharge into the Dorchester County Economic Development Fund established under § 10–130 of the Economic Development Article;

**(2) FROM THE REVENUES FROM THE TRANSPORTATION AUTHORITY SURCHARGE ESTABLISHED UNDER § 11–102(C)(1) OF THIS ARTICLE THAT ARE ATTRIBUTABLE TO RETAIL SALES IN THE BALTIMORE REGION OR USES, IN THE BALTIMORE REGION, OF TANGIBLE PERSONAL PROPERTY, A DIGITAL CODE, A DIGITAL PRODUCT, OR A TAXABLE SERVICE:**

**(I) 70% TO THE BALTIMORE REGION TRANSPORTATION FUND ESTABLISHED UNDER § 10.5–109 OF THE TRANSPORTATION ARTICLE; AND**

**(II) 30% TO THE COUNTIES AND MUNICIPALITIES WITHIN THE BALTIMORE REGION DISTRIBUTED IN PROPORTION TO THE RETAIL SALES IN THE COUNTIES AND MUNICIPALITIES OR USES, IN THE COUNTIES OR MUNICIPALITIES, OF TANGIBLE PERSONAL PROPERTY, A DIGITAL CODE, A DIGITAL PRODUCT, OR A TAXABLE SERVICE;**

**(3) FROM THE REVENUES FROM THE TRANSPORTATION AUTHORITY HOTEL SURCHARGE ESTABLISHED UNDER § 11–102(C)(2) OF THIS ARTICLE THAT ARE ATTRIBUTABLE TO THE TRANSPORTATION AUTHORITY HOTEL SURCHARGE IN THE BALTIMORE REGION:**

**(I) 70% TO THE BALTIMORE REGION TRANSPORTATION FUND ESTABLISHED UNDER § 10.5–109 OF THE TRANSPORTATION ARTICLE; AND**

**(II) 30% TO THE COUNTIES AND MUNICIPALITIES WITHIN THE BALTIMORE REGION DISTRIBUTED IN PROPORTION TO THE TRANSPORTATION AUTHORITY HOTEL SURCHARGE FROM THE COUNTIES AND MUNICIPALITIES;**

**(4) FROM THE REVENUES FROM THE TRANSPORTATION AUTHORITY SURCHARGE ESTABLISHED UNDER § 11–102(C)(1) OF THIS ARTICLE THAT ARE ATTRIBUTABLE TO RETAIL SALES IN THE CAPITAL REGION OR USES, IN THE CAPITAL REGION, OF TANGIBLE PERSONAL PROPERTY, A DIGITAL CODE, A DIGITAL PRODUCT, OR A TAXABLE SERVICE:**

**(I) 70% TO THE CAPITAL REGION TRANSPORTATION FUND ESTABLISHED UNDER § 10.5–209 OF THE TRANSPORTATION ARTICLE; AND**

**(II) 30% TO THE COUNTIES AND MUNICIPALITIES WITHIN THE CAPITAL REGION DISTRIBUTED IN PROPORTION TO THE RETAIL SALES IN THE COUNTIES AND MUNICIPALITIES OR USES, IN THE COUNTIES OR MUNICIPALITIES, OF**

1 TANGIBLE PERSONAL PROPERTY, A DIGITAL CODE, A DIGITAL PRODUCT, OR A  
2 TAXABLE SERVICE;

3 (5) FROM THE REVENUES FROM THE TRANSPORTATION AUTHORITY  
4 HOTEL SURCHARGE ESTABLISHED UNDER § 11-102(C)(2) OF THIS ARTICLE THAT  
5 ARE ATTRIBUTABLE TO THE TRANSPORTATION AUTHORITY HOTEL SURCHARGE IN  
6 THE CAPITAL REGION:

7 (I) 70% TO THE CAPITAL REGION TRANSPORTATION FUND  
8 ESTABLISHED UNDER § 10.5-209 OF THE TRANSPORTATION ARTICLE; AND

9 (II) 30% TO THE COUNTIES AND MUNICIPALITIES WITHIN THE  
10 CAPITAL REGION DISTRIBUTED IN PROPORTION TO THE TRANSPORTATION  
11 AUTHORITY HOTEL SURCHARGE FROM THE COUNTIES AND MUNICIPALITIES;

12 (6) FROM THE REVENUES FROM THE TRANSPORTATION AUTHORITY  
13 SURCHARGE ESTABLISHED UNDER § 11-102(C)(1) OF THIS ARTICLE THAT ARE  
14 ATTRIBUTABLE TO RETAIL SALES IN THE SOUTHERN MARYLAND REGION OR USES,  
15 IN THE SOUTHERN MARYLAND REGION, OF TANGIBLE PERSONAL PROPERTY, A  
16 DIGITAL CODE, A DIGITAL PRODUCT, OR A TAXABLE SERVICE:

17 (I) 70% TO THE SOUTHERN MARYLAND REGION  
18 TRANSPORTATION FUND ESTABLISHED UNDER § 10.5-309 OF THE  
19 TRANSPORTATION ARTICLE; AND

20 (II) 30% TO THE COUNTIES AND MUNICIPALITIES WITHIN THE  
21 SOUTHERN MARYLAND REGION DISTRIBUTED IN PROPORTION TO THE RETAIL  
22 SALES IN THE COUNTIES AND MUNICIPALITIES OR USES, IN THE COUNTIES OR  
23 MUNICIPALITIES, OF TANGIBLE PERSONAL PROPERTY, A DIGITAL CODE, A DIGITAL  
24 PRODUCT, OR A TAXABLE SERVICE;

25 (7) FROM THE REVENUES FROM THE TRANSPORTATION AUTHORITY  
26 HOTEL SURCHARGE ESTABLISHED UNDER § 11-102(C)(2) OF THIS ARTICLE THAT  
27 ARE ATTRIBUTABLE TO THE TRANSPORTATION AUTHORITY HOTEL SURCHARGE IN  
28 THE SOUTHERN MARYLAND REGION:

29 (I) 70% TO THE SOUTHERN MARYLAND REGION  
30 TRANSPORTATION FUND ESTABLISHED UNDER § 10.5-309 OF THE  
31 TRANSPORTATION ARTICLE; AND

32 (II) 30% TO THE COUNTIES AND MUNICIPALITIES WITHIN THE  
33 SOUTHERN MARYLAND REGION DISTRIBUTED IN PROPORTION TO THE

**TRANSPORTATION AUTHORITY HOTEL SURCHARGE FROM THE COUNTIES AND MUNICIPALITIES;**

**[(2)] (8)** to the Blueprint for Maryland's Future Fund established under § 5–206 of the Education Article, the following percentage of the remaining sales and use tax revenues:

(i) for fiscal year 2023, 9.2%;

(ii) for fiscal year 2024, 11.0%;

(iii) for fiscal year 2025, 11.3%;

(iv) for fiscal year 2026, 11.7%; and

(v) for fiscal year 2027 and each fiscal year thereafter, 12.1%; and

**[(3)] (9)** the remaining sales and use tax revenue into the General Fund of the State.

**(B) A COUNTY OR MUNICIPALITY THAT RECEIVES A PAYMENT UNDER SUBSECTION (A)(2) THROUGH (7) OF THIS SECTION MAY USE THE REVENUE ONLY FOR TRANSPORTATION PURPOSES.**

11–102.

(a) Except as otherwise provided in this title, a tax is imposed on:

(1) a retail sale in the State; and

(2) a use, in the State, of tangible personal property, a digital code, a digital product, or a taxable service.

(b) (1) Subject to paragraph (2) of this subsection, in addition to the tax imposed under subsection (a) of this section, a hotel surcharge is imposed in Dorchester County on the sale of a right to occupy a room or lodgings as a transient guest in an establishment that offers at least 380 rooms.

(2) The hotel surcharge imposed under paragraph (1) of this subsection may not be imposed if the Maryland Economic Development Corporation certifies to the Comptroller that the bonds issued by the Maryland Economic Development Corporation secured by the Dorchester County Economic Development Fund established under § 10–130 of the Economic Development Article have been paid in full.

(c) (1) IN ADDITION TO THE TAX IMPOSED UNDER SUBSECTION (A) OF THIS SECTION, A TRANSPORTATION AUTHORITY SURCHARGE IS IMPOSED IN THE BALTIMORE REGION, CAPITAL REGION, AND SOUTHERN MARYLAND REGION ON:

(I) A RETAIL SALE IN THE REGION; AND

(II) A USE, IN THE REGION, OF TANGIBLE PERSONAL PROPERTY, A DIGITAL CODE, A DIGITAL PRODUCT, OR A TAXABLE SERVICE.

(2) IN ADDITION TO THE TAX IMPOSED UNDER SUBSECTION (A) OF THIS SECTION AND THE SURCHARGE IMPOSED UNDER PARAGRAPH (1) OF THIS SUBSECTION, A TRANSPORTATION AUTHORITY HOTEL SURCHARGE IS IMPOSED ON THE SALE OF A RIGHT TO OCCUPY A ROOM OR LODGINGS AS A TRANSIENT GUEST IN THE BALTIMORE REGION, CAPITAL REGION, AND SOUTHERN MARYLAND REGION.

(D) (1) A county, municipal corporation, special taxing district, or other political subdivision of the State may not impose any retail sales or use tax except:

(i) a sales tax or use tax that was in effect on January 1, 1971;

(ii) a tax on the sale or use of:

1. fuels;

2. utilities;

3. space rentals; or

4. any controlled dangerous substance, as defined in § 5–101 of the Criminal Law Article, unless the sale is made by a person who registers under and complies with Title 5, Subtitle 3 of the Criminal Law Article; or

(iii) a tax imposed by a code county on the sale or use of food and beverages authorized under § 20–602 of the Local Government Article.

(2) Paragraph (1) of this subsection may not be construed as conferring authority to impose a sales and use tax.

11–104.

(L) (1) THE RATE OF THE TRANSPORTATION AUTHORITY SURCHARGE IMPOSED UNDER § 11–102(C)(1) OF THIS SUBTITLE IS 0.5%.

(2) THE RATE OF THE TRANSPORTATION AUTHORITY HOTEL SURCHARGE IMPOSED UNDER § 11–102(C)(2) OF THIS SUBTITLE IS 1%.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

**Article – Tax – Property**

13–201.

(A) In this subtitle[, “transfer”] **THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

(B) **“BALTIMORE REGION” HAS THE MEANING STATED IN § 10.5–101 OF THE TRANSPORTATION ARTICLE.**

(C) **“CAPITAL REGION” HAS THE MEANING STATED IN § 10.5–201 OF THE TRANSPORTATION ARTICLE.**

(D) **“SOUTHERN MARYLAND REGION” HAS THE MEANING STATED IN § 10.5–301 OF THE TRANSPORTATION ARTICLE.**

(E) **“TRANSFER tax” means the tax imposed under this subtitle.**

13–202.

(A) Except as otherwise provided in this subtitle, a transfer tax is imposed on an instrument of writing:

(1) recorded with the clerk of the circuit court for a county; or

(2) filed with the Department and described in § 12–103(d) of this article.

(B) **IN ADDITION TO THE TRANSFER TAX IMPOSED UNDER SUBSECTION (A) OF THIS SECTION, A TRANSPORTATION AUTHORITY TRANSFER TAX SURCHARGE IS IMPOSED ON AN INSTRUMENT OF WRITING THAT TRANSFERS NONRESIDENTIAL PROPERTY AND IS RECORDED WITH THE CLERK OF THE CIRCUIT COURT FOR A COUNTY THAT IS LOCATED WITHIN THE BALTIMORE REGION, THE CAPITAL REGION, AND THE SOUTHERN MARYLAND REGION.**

13–203.

(a) (1) Except as provided in subsections (a–1) and (b) of this section, the rate of the transfer tax is 0.5% of the consideration payable for the instrument of writing.

(2) The consideration:

(i) includes the amount of any mortgage or deed of trust assumed by the grantee; and

(ii) subject to item (i) of this paragraph, includes only the amount paid or delivered in return for the sale of the property and does not include the amount of any debt forgiven or no longer secured by a mortgage or deed of trust on the property.

**(C) THE RATE OF THE TRANSPORTATION AUTHORITY TRANSFER TAX SURCHARGE IMPOSED UNDER § 13-202 OF THIS SUBTITLE IS 0.15% OF THE CONSIDERATION PAYABLE FOR THE INSTRUMENT OF WRITING TRANSFERRING NONRESIDENTIAL PROPERTY.**

13-209.

**(J) (1) THE REVENUE FROM THE TRANSPORTATION AUTHORITY TRANSFER TAX SURCHARGE ON AN INSTRUMENT OF WRITING RECORDED WITH THE CLERK OF THE CIRCUIT COURT FOR A COUNTY THAT IS LOCATED WITHIN THE BALTIMORE REGION SHALL BE DISTRIBUTED AS FOLLOWS:**

**(I) 70% TO THE BALTIMORE REGION TRANSPORTATION FUND ESTABLISHED UNDER § 10.5-109 OF THE TRANSPORTATION ARTICLE; AND**

**(II) 1. EXCEPT AS PROVIDED UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, 30% TO THE COUNTY WHERE THE PROPERTY IS LOCATED; OR**

**2. IF THE TRANSFERRED PROPERTY IS LOCATED IN A MUNICIPALITY, 30% TO THE MUNICIPALITY WHERE THE PROPERTY IS LOCATED.**

**(2) THE REVENUE FROM THE TRANSPORTATION AUTHORITY TRANSFER TAX SURCHARGE ON AN INSTRUMENT OF WRITING RECORDED WITH THE CLERK OF THE CIRCUIT COURT FOR A COUNTY THAT IS LOCATED WITHIN THE CAPITAL REGION SHALL BE DISTRIBUTED AS FOLLOWS:**

**(I) 70% TO THE CAPITAL REGION TRANSPORTATION FUND ESTABLISHED UNDER § 10.5-209 OF THE TRANSPORTATION ARTICLE; AND**

**(II) 1. EXCEPT AS PROVIDED UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, 30% TO THE COUNTY WHERE THE PROPERTY IS LOCATED; OR**

**2. IF THE TRANSFERRED PROPERTY IS LOCATED IN A MUNICIPALITY, 30% TO THE MUNICIPALITY WHERE THE PROPERTY IS LOCATED.**

**(3) THE REVENUE FROM THE TRANSPORTATION AUTHORITY TRANSFER TAX SURCHARGE ON AN INSTRUMENT OF WRITING RECORDED WITH THE CLERK OF THE CIRCUIT COURT FOR A COUNTY THAT IS LOCATED WITHIN THE SOUTHERN MARYLAND REGION SHALL BE DISTRIBUTED AS FOLLOWS:**

**(I) 70% TO THE SOUTHERN MARYLAND REGION TRANSPORTATION FUND ESTABLISHED UNDER § 10.5-309 OF THE TRANSPORTATION ARTICLE; AND**

**(II) 1. EXCEPT AS PROVIDED UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, 30% TO THE COUNTY WHERE THE PROPERTY IS LOCATED; OR**

**2. IF THE TRANSFERRED PROPERTY IS LOCATED IN A MUNICIPALITY, 30% TO THE MUNICIPALITY WHERE THE PROPERTY IS LOCATED.**

**(4) A COUNTY OR MUNICIPALITY THAT RECEIVES A DISTRIBUTION UNDER THIS SUBSECTION MAY USE THE REVENUE ONLY FOR TRANSPORTATION PURPOSES.**

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

#### **Article – Transportation**

#### **TITLE 10.5. REGIONAL TRANSPORTATION AUTHORITIES.**

#### **SUBTITLE 1. BALTIMORE REGION TRANSPORTATION AUTHORITY.**

#### **10.5-101.**

**(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

**(B) “AUTHORITY” MEANS THE BALTIMORE REGION TRANSPORTATION AUTHORITY.**

**(C) “BALTIMORE REGION” MEANS ANNE ARUNDEL COUNTY, BALTIMORE COUNTY, BALTIMORE CITY, AND HOWARD COUNTY.**

**(D) “TRANSPORTATION FACILITY” HAS THE MEANING STATED IN § 3-101 OF THIS ARTICLE.**

#### **10.5-102.**

1           **(A)    THERE IS A BALTIMORE REGION TRANSPORTATION AUTHORITY.**

2           **(B)    THE AUTHORITY IS A BODY POLITIC AND CORPORATE AND IS AN**  
3 **INSTRUMENTALITY OF THE STATE.**

4           **(C)    THE EXERCISE BY THE AUTHORITY OF A POWER UNDER THIS SUBTITLE**  
5 **IS THE PERFORMANCE OF AN ESSENTIAL GOVERNMENTAL FUNCTION.**

6 **10.5–103.**

7           **THE PURPOSE OF THE AUTHORITY IS TO PREPARE AND IMPLEMENT**  
8 **INVESTMENTS IN TRANSPORTATION PROJECTS THAT MAXIMIZE THE MOVEMENT OF**  
9 **PEOPLE AND PROMOTE EFFICIENCY, SAFETY, AND OTHER VALUES SUCH AS**  
10 **ENVIRONMENTAL AND SOCIAL JUSTICE IMPACTS.**

11 **10.5–104.**

12           **(A)    THE AUTHORITY CONSISTS OF THE FOLLOWING MEMBERS:**

13                   **(1)    THE MAYOR OF BALTIMORE CITY, OR THE MAYOR’S DESIGNEE;**

14                   **(2)    THE COUNTY EXECUTIVE OF ANNE ARUNDEL COUNTY, OR THE**  
15 **COUNTY EXECUTIVE’S DESIGNEE;**

16                   **(3)    THE COUNTY EXECUTIVE OF BALTIMORE COUNTY, OR THE**  
17 **COUNTY EXECUTIVE’S DESIGNEE;**

18                   **(4)    THE COUNTY EXECUTIVE OF HOWARD COUNTY, OR THE COUNTY**  
19 **EXECUTIVE’S DESIGNEE;**

20                   **(5)    ONE ELECTED OFFICIAL FROM EACH MUNICIPALITY WITHIN THE**  
21 **BALTIMORE REGION, APPOINTED BY THE GOVERNING BODY OF THE MUNICIPALITY;**

22                   **(6)    ONE MEMBER OF THE SENATE OF MARYLAND WHO RESIDES**  
23 **WITHIN THE BALTIMORE REGION, APPOINTED BY THE PRESIDENT OF THE SENATE;**

24                   **(7)    TWO MEMBERS OF THE HOUSE OF DELEGATES WHO RESIDE**  
25 **WITHIN THE BALTIMORE REGION, APPOINTED BY THE SPEAKER OF THE HOUSE;**  
26 **AND**

(8) TWO MEMBERS WITH EXPERIENCE IN TRANSPORTATION PLANNING, FINANCE, ENGINEERING, CONSTRUCTION, OR MANAGEMENT, APPOINTED BY THE GOVERNOR.

(B) THE SECRETARY SHALL SERVE AS A NONVOTING, EX OFFICIO MEMBER.

(C) (1) THE TERM OF A MEMBER IS 4 YEARS.

(2) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

(D) FROM AMONG ITS MEMBERS, THE AUTHORITY SHALL ELECT A CHAIR AND A VICE CHAIR.

(E) THE AUTHORITY SHALL ADOPT RULES AND REGULATIONS NECESSARY FOR THE CONDUCT OF ITS AFFAIRS.

10.5–105.

(A) (1) THE AUTHORITY SHALL EMPLOY AN EXECUTIVE DIRECTOR TO SERVE AS THE CHIEF EXECUTIVE OFFICER OF THE AUTHORITY.

(2) THE EXECUTIVE DIRECTOR SHALL SERVE AT THE PLEASURE OF THE AUTHORITY.

(B) THE AUTHORITY MAY EMPLOY OR RETAIN OFFICERS, STAFF, AND AGENTS, INCLUDING ENGINEERING, ARCHITECTURAL, FISCAL, AND CONSTRUCTION EXPERTS AND ATTORNEYS, AND SET THEIR COMPENSATION.

10.5–106.

(A) THE AUTHORITY MAY:

(1) ADOPT BYLAWS FOR THE CONDUCT OF ITS BUSINESS;

(2) ADOPT A SEAL;

(3) MAINTAIN OFFICES AT A PLACE IT DESIGNATES IN THE STATE;

(4) ACCEPT LOANS, GRANTS, OR ASSISTANCE OF ANY KIND FROM THE FEDERAL OR STATE GOVERNMENT, A LOCAL GOVERNMENT, A COLLEGE OR UNIVERSITY, OR A PRIVATE SOURCE;

1           **(5) ENTER INTO CONTRACTS AND OTHER LEGAL INSTRUMENTS;**

2           **(6) SUE OR BE SUED;**

3           **(7) ACQUIRE, PURCHASE, HOLD, LEASE AS LESSEE, AND USE:**

4                   **(I) A FRANCHISE, PATENT, OR LICENSE;**

5                   **(II) STOCK OR OTHER FORMS OF OWNERSHIP INTERESTS IN**  
6 **CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS, OR OTHER**  
7 **ENTITIES, WHETHER OPERATED FOR PROFIT OR NOT FOR PROFIT;**

8                   **(III) ANY REAL, PERSONAL, MIXED, TANGIBLE, OR INTANGIBLE**  
9 **PROPERTY; OR**

10                   **(IV) AN INTEREST IN A PROPERTY LISTED UNDER ITEMS (I)**  
11 **THROUGH (III) OF THIS ITEM;**

12           **(8) SELL, LEASE AS LESSOR, TRANSFER, LICENSE, ASSIGN, OR**  
13 **DISPOSE OF PROPERTY OR A PROPERTY INTEREST THAT IT ACQUIRES;**

14           **(9) FIX AND COLLECT RATES, RENTALS, FEES, ROYALTIES, AND**  
15 **CHARGES FOR SERVICES AND RESOURCES IT PROVIDES OR MAKES AVAILABLE;**

16           **(10) CREATE, OWN, CONTROL, OR BE A MEMBER OF A CORPORATION,**  
17 **LIMITED LIABILITY COMPANY, PARTNERSHIP, OR OTHER ENTITY, WHETHER**  
18 **OPERATED FOR PROFIT OR NOT FOR PROFIT;**

19           **(11) EXERCISE POWER USUALLY POSSESSED BY A PRIVATE**  
20 **CORPORATION IN PERFORMING SIMILAR FUNCTIONS UNLESS TO DO SO WOULD**  
21 **CONFLICT WITH STATE LAW; AND**

22           **(12) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE**  
23 **POWERS GRANTED BY THIS SUBTITLE.**

24           **(B) THE AUTHORITY MAY DELEGATE ANY POWER OR DUTY IT CONSIDERS**  
25 **APPROPRIATE TO A MEMBER, AN OFFICER, AN AGENT, OR AN EMPLOYEE OF THE**  
26 **AUTHORITY.**

27 **10.5–107.**

1           (A) (1) THE AUTHORITY SHALL PREPARE A REGIONAL TRANSPORTATION  
2 PLAN FOR THE BALTIMORE REGION THAT INCLUDES TRANSPORTATION  
3 IMPROVEMENTS OF REGIONAL SIGNIFICANCE.

4           (2) THE AUTHORITY MAY REVISE THE REGIONAL TRANSPORTATION  
5 PLAN.

6           (B) AFTER THE ADOPTION OF A REGIONAL TRANSPORTATION PLAN, THE  
7 AUTHORITY MAY CONSTRUCT OR ACQUIRE, BY PURCHASE, LEASE, CONTRACT, OR  
8 OTHERWISE, THE TRANSPORTATION FACILITIES SPECIFIED IN THE REGIONAL  
9 TRANSPORTATION PLAN.

10 10.5–108.

11           (A) THE AUTHORITY SHALL HAVE THE FOLLOWING DUTIES AND  
12 RESPONSIBILITIES:

13           (1) GENERAL OVERSIGHT OF REGIONAL TRANSPORTATION  
14 PROGRAMS;

15           (2) LONG-RANGE REGIONAL PLANNING FOR THE BALTIMORE  
16 REGION, BOTH FISCALLY CONSTRAINED AND UNCONSTRAINED;

17           (3) RECOMMENDING TO STATE, REGIONAL, AND FEDERAL AGENCIES  
18 REGIONAL TRANSPORTATION PRIORITIES, INCLUDING PUBLIC-PRIVATE  
19 TRANSPORTATION PROJECTS, AND FUNDING ALLOCATIONS;

20           (4) ALLOCATING TO PRIORITY REGIONAL TRANSPORTATION  
21 PROJECTS ANY FUNDS MADE AVAILABLE TO THE AUTHORITY AND, AT THE  
22 DISCRETION OF THE AUTHORITY, DIRECTLY OVERSEEING THE PROJECTS;

23           (5) RECOMMENDING TO THE DEPARTMENT PRIORITY REGIONAL  
24 TRANSPORTATION PROJECTS FOR RECEIPT OF FEDERAL AND STATE FUNDS;

25           (6) RECOMMENDING TO THE DEPARTMENT USE OR CHANGES IN USE  
26 OF TOLLS OR CHARGES FOR FACILITIES IN THE BALTIMORE REGION;

27           (7) GENERAL OVERSIGHT OF REGIONAL TRANSPORTATION ISSUES OF  
28 A MULTI JURISDICTIONAL NATURE, INCLUDING INTELLIGENT TRANSPORTATION  
29 SYSTEMS, SIGNALIZATION, AND PREPARATION FOR AND RESPONSE TO  
30 EMERGENCIES;

1           **(8) SERVING AS AN ADVOCATE FOR THE TRANSPORTATION NEEDS OF**  
2 **THE BALTIMORE REGION BEFORE THE STATE AND FEDERAL GOVERNMENTS; AND**

3           **(9) APPLYING TO AND NEGOTIATING WITH THE FEDERAL**  
4 **GOVERNMENT AND THE STATE FOR GRANTS AND ANY OTHER FUNDS AVAILABLE TO**  
5 **CARRY OUT THE PURPOSES OF THIS SUBTITLE.**

6           **(B) THE AUTHORITY SHALL CONSULT WITH THE DEPARTMENT,**  
7 **METROPOLITAN PLANNING ORGANIZATIONS, AND OTHER STAKEHOLDERS IN**  
8 **RECOMMENDING OR PRIORITIZING ANY TRANSPORTATION PROJECT.**

9 **10.5–109.**

10           **(A) IN THIS SECTION, “FUND” MEANS THE BALTIMORE REGION**  
11 **TRANSPORTATION FUND.**

12           **(B) THERE IS A BALTIMORE REGION TRANSPORTATION FUND.**

13           **(C) THE PURPOSE OF THE FUND IS TO FINANCE TRANSPORTATION**  
14 **FACILITIES IN THE BALTIMORE REGION.**

15           **(D) THE EXECUTIVE DIRECTOR OF THE AUTHORITY SHALL ADMINISTER**  
16 **THE FUND.**

17           **(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**  
18 **SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

19                   **(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**  
20 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

21           **(F) THE FUND CONSISTS OF:**

22                   **(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

23                   **(2) INTEREST EARNINGS;**

24                   **(3) REVENUE DISTRIBUTED TO THE FUND UNDER § 2–1303 OF THE**  
25 **TAX – GENERAL ARTICLE;**

26                   **(4) REVENUE DISTRIBUTED TO THE FUND UNDER § 13–209 OF THE**  
27 **TAX – PROPERTY ARTICLE; AND**

(5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(G) THE FUND MAY BE USED ONLY FOR THE FINANCING OF TRANSPORTATION FACILITIES IN THE BALTIMORE REGION.

(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

(J) MONEY EXPENDED FROM THE FUND FOR FINANCING TRANSPORTATION FACILITIES IN THE BALTIMORE REGION IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR TRANSPORTATION FACILITIES IN THE BALTIMORE REGION.

10.5–110.

ON OR BEFORE JANUARY 1, 2026, AND EACH JANUARY 1 THEREAFTER, THE AUTHORITY SHALL REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, ON THE ACTIVITIES OF THE AUTHORITY DURING THE PRIOR YEAR.

## SUBTITLE 2. CAPITAL REGION TRANSPORTATION AUTHORITY.

10.5–201.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “AUTHORITY” MEANS THE CAPITAL REGION TRANSPORTATION AUTHORITY.

(C) “CAPITAL REGION” MEANS FREDERICK COUNTY, MONTGOMERY COUNTY, AND PRINCE GEORGE’S COUNTY.

(D) “TRANSPORTATION FACILITY” HAS THE MEANING STATED IN § 3–101 OF THIS ARTICLE.

1   **10.5–202.**

2           **(A)   THERE IS A CAPITAL REGION TRANSPORTATION AUTHORITY.**

3           **(B)   THE AUTHORITY IS A BODY POLITIC AND CORPORATE AND IS AN**  
4 **INSTRUMENTALITY OF THE STATE.**

5           **(C)   THE EXERCISE BY THE AUTHORITY OF A POWER UNDER THIS SUBTITLE**  
6 **IS THE PERFORMANCE OF AN ESSENTIAL GOVERNMENTAL FUNCTION.**

7   **10.5–203.**

8           **THE PURPOSE OF THE AUTHORITY IS TO PREPARE AND IMPLEMENT**  
9 **INVESTMENTS IN TRANSPORTATION PROJECTS THAT MAXIMIZE THE MOVEMENT OF**  
10 **PEOPLE AND PROMOTE EFFICIENCY, SAFETY, AND OTHER VALUES SUCH AS**  
11 **ENVIRONMENTAL AND SOCIAL JUSTICE IMPACTS.**

12   **10.5–204.**

13           **(A)   THE AUTHORITY CONSISTS OF THE FOLLOWING MEMBERS:**

14                   **(1)   THE COUNTY EXECUTIVE OF FREDERICK COUNTY, OR THE**  
15 **COUNTY EXECUTIVE’S DESIGNEE;**

16                   **(2)   THE COUNTY EXECUTIVE OF MONTGOMERY COUNTY, OR THE**  
17 **COUNTY EXECUTIVE’S DESIGNEE;**

18                   **(3)   THE COUNTY EXECUTIVE OF PRINCE GEORGE’S COUNTY, OR THE**  
19 **COUNTY EXECUTIVE’S DESIGNEE;**

20                   **(4)   ONE MEMBER OF THE SENATE OF MARYLAND WHO RESIDES**  
21 **WITHIN THE CAPITAL REGION, APPOINTED BY THE PRESIDENT OF THE SENATE;**

22                   **(5)   TWO MEMBERS OF THE HOUSE OF DELEGATES WHO RESIDE**  
23 **WITHIN THE CAPITAL REGION, APPOINTED BY THE SPEAKER OF THE HOUSE;**

24                   **(6)   ONE REPRESENTATIVE OF THE MUNICIPALITIES IN FREDERICK**  
25 **COUNTY, DESIGNATED BY THE MUNICIPALITIES IN FREDERICK COUNTY;**

26                   **(7)   ONE REPRESENTATIVE OF THE MUNICIPALITIES IN**  
27 **MONTGOMERY COUNTY, DESIGNATED BY THE MUNICIPALITIES IN MONTGOMERY**  
28 **COUNTY;**

(8) ONE REPRESENTATIVE OF THE MUNICIPALITIES IN PRINCE GEORGE'S COUNTY, DESIGNATED BY THE MUNICIPALITIES IN PRINCE GEORGE'S COUNTY; AND

(9) TWO MEMBERS WITH EXPERIENCE IN TRANSPORTATION PLANNING, FINANCE, ENGINEERING, CONSTRUCTION, OR MANAGEMENT, APPOINTED BY THE GOVERNOR.

(B) THE SECRETARY SHALL SERVE AS A NONVOTING, EX OFFICIO MEMBER.

(C) (1) THE TERM OF A MEMBER IS 4 YEARS.

(2) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

(D) FROM AMONG ITS MEMBERS, THE AUTHORITY SHALL ELECT A CHAIR AND A VICE CHAIR.

(E) THE AUTHORITY SHALL ADOPT RULES AND REGULATIONS NECESSARY FOR THE CONDUCT OF ITS AFFAIRS.

10.5-205.

(A) (1) THE AUTHORITY SHALL EMPLOY AN EXECUTIVE DIRECTOR TO SERVE AS THE CHIEF EXECUTIVE OFFICER OF THE AUTHORITY.

(2) THE EXECUTIVE DIRECTOR SHALL SERVE AT THE PLEASURE OF THE AUTHORITY.

(B) THE AUTHORITY MAY EMPLOY OR RETAIN OFFICERS, STAFF, AND AGENTS, INCLUDING ENGINEERING, ARCHITECTURAL, FISCAL, AND CONSTRUCTION EXPERTS AND ATTORNEYS, AND SET THEIR COMPENSATION.

10.5-206.

(A) THE AUTHORITY MAY:

(1) ADOPT BYLAWS FOR THE CONDUCT OF ITS BUSINESS;

(2) ADOPT A SEAL;

(3) MAINTAIN OFFICES AT A PLACE IT DESIGNATES IN THE STATE;

1           (4) ACCEPT LOANS, GRANTS, OR ASSISTANCE OF ANY KIND FROM THE  
2 FEDERAL OR STATE GOVERNMENT, A LOCAL GOVERNMENT, A COLLEGE OR  
3 UNIVERSITY, OR A PRIVATE SOURCE;

4           (5) ENTER INTO CONTRACTS AND OTHER LEGAL INSTRUMENTS;

5           (6) SUE OR BE SUED;

6           (7) ACQUIRE, PURCHASE, HOLD, LEASE AS LESSEE, AND USE:

7               (I) A FRANCHISE, PATENT, OR LICENSE;

8               (II) STOCK OR OTHER FORMS OF OWNERSHIP INTERESTS IN  
9 CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS, OR OTHER  
10 ENTITIES, WHETHER OPERATED FOR PROFIT OR NOT FOR PROFIT;

11              (III) ANY REAL, PERSONAL, MIXED, TANGIBLE, OR INTANGIBLE  
12 PROPERTY; OR

13              (IV) AN INTEREST IN A PROPERTY LISTED UNDER ITEMS (I)  
14 THROUGH (III) OF THIS ITEM;

15           (8) SELL, LEASE AS LESSOR, TRANSFER, LICENSE, ASSIGN, OR  
16 DISPOSE OF PROPERTY OR A PROPERTY INTEREST THAT IT ACQUIRES;

17           (9) FIX AND COLLECT RATES, RENTALS, FEES, ROYALTIES, AND  
18 CHARGES FOR SERVICES AND RESOURCES IT PROVIDES OR MAKES AVAILABLE;

19           (10) CREATE, OWN, CONTROL, OR BE A MEMBER OF A CORPORATION,  
20 LIMITED LIABILITY COMPANY, PARTNERSHIP, OR OTHER ENTITY, WHETHER  
21 OPERATED FOR PROFIT OR NOT FOR PROFIT;

22           (11) EXERCISE POWER USUALLY POSSESSED BY A PRIVATE  
23 CORPORATION IN PERFORMING SIMILAR FUNCTIONS UNLESS TO DO SO WOULD  
24 CONFLICT WITH STATE LAW; AND

25           (12) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE  
26 POWERS GRANTED BY THIS SUBTITLE.

27           (B) THE AUTHORITY MAY DELEGATE ANY POWER OR DUTY IT CONSIDERS  
28 APPROPRIATE TO A MEMBER, AN OFFICER, AN AGENT, OR AN EMPLOYEE OF THE  
29 AUTHORITY.

1 **10.5-207.**

2 (A) (1) THE AUTHORITY SHALL PREPARE A REGIONAL TRANSPORTATION  
3 PLAN FOR THE CAPITAL REGION THAT INCLUDES TRANSPORTATION  
4 IMPROVEMENTS OF REGIONAL SIGNIFICANCE.

5 (2) THE AUTHORITY MAY REVISE THE REGIONAL TRANSPORTATION  
6 PLAN.

7 (B) AFTER THE ADOPTION OF A REGIONAL TRANSPORTATION PLAN, THE  
8 AUTHORITY MAY CONSTRUCT OR ACQUIRE, BY PURCHASE, LEASE, CONTRACT, OR  
9 OTHERWISE, THE TRANSPORTATION FACILITIES SPECIFIED IN THE REGIONAL  
10 TRANSPORTATION PLAN.

11 **10.5-208.**

12 (A) THE AUTHORITY SHALL HAVE THE FOLLOWING DUTIES AND  
13 RESPONSIBILITIES:

14 (1) GENERAL OVERSIGHT OF REGIONAL TRANSPORTATION  
15 PROGRAMS;

16 (2) LONG-RANGE REGIONAL PLANNING FOR THE CAPITAL REGION,  
17 BOTH FISCALLY CONSTRAINED AND UNCONSTRAINED;

18 (3) RECOMMENDING TO STATE, REGIONAL, AND FEDERAL AGENCIES  
19 REGIONAL TRANSPORTATION PRIORITIES, INCLUDING PUBLIC-PRIVATE  
20 TRANSPORTATION PROJECTS, AND FUNDING ALLOCATIONS;

21 (4) ALLOCATING TO PRIORITY REGIONAL TRANSPORTATION  
22 PROJECTS ANY FUNDS MADE AVAILABLE TO THE AUTHORITY AND, AT THE  
23 DISCRETION OF THE AUTHORITY, DIRECTLY OVERSEEING THE PROJECTS;

24 (5) RECOMMENDING TO THE DEPARTMENT PRIORITY REGIONAL  
25 TRANSPORTATION PROJECTS FOR RECEIPT OF FEDERAL AND STATE FUNDS;

26 (6) RECOMMENDING TO THE DEPARTMENT USE OR CHANGES IN USE  
27 OF TOLLS OR CHARGES FOR FACILITIES IN THE CAPITAL REGION;

28 (7) GENERAL OVERSIGHT OF REGIONAL TRANSPORTATION ISSUES OF  
29 A MULTI-JURISDICTIONAL NATURE, INCLUDING INTELLIGENT TRANSPORTATION  
30 SYSTEMS, SIGNALIZATION, AND PREPARATION FOR AND RESPONSE TO  
31 EMERGENCIES;

1           **(8) SERVING AS AN ADVOCATE FOR THE TRANSPORTATION NEEDS OF**  
2 **THE CAPITAL REGION BEFORE THE STATE AND FEDERAL GOVERNMENTS; AND**

3           **(9) APPLYING TO AND NEGOTIATING WITH THE FEDERAL**  
4 **GOVERNMENT AND THE STATE FOR GRANTS AND ANY OTHER FUNDS AVAILABLE TO**  
5 **CARRY OUT THE PURPOSES OF THIS SUBTITLE.**

6           **(B) THE AUTHORITY SHALL CONSULT WITH THE DEPARTMENT,**  
7 **METROPOLITAN PLANNING ORGANIZATIONS, AND OTHER STAKEHOLDERS IN**  
8 **RECOMMENDING OR PRIORITIZING ANY TRANSPORTATION PROJECT.**

9 **10.5–209.**

10           **(A) IN THIS SECTION, “FUND” MEANS THE CAPITAL REGION**  
11 **TRANSPORTATION FUND.**

12           **(B) THERE IS A CAPITAL REGION TRANSPORTATION FUND.**

13           **(C) THE PURPOSE OF THE FUND IS TO FINANCE TRANSPORTATION**  
14 **FACILITIES IN THE CAPITAL REGION.**

15           **(D) THE EXECUTIVE DIRECTOR OF THE AUTHORITY SHALL ADMINISTER**  
16 **THE FUND.**

17           **(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**  
18 **SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

19                   **(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**  
20 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

21           **(F) THE FUND CONSISTS OF:**

22                   **(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

23                   **(2) INTEREST EARNINGS;**

24                   **(3) REVENUE DISTRIBUTED TO THE FUND UNDER § 2–1303 OF THE**  
25 **TAX – GENERAL ARTICLE;**

26                   **(4) REVENUE DISTRIBUTED TO THE FUND UNDER § 13–209 OF THE**  
27 **TAX – PROPERTY ARTICLE; AND**

(5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(G) THE FUND MAY BE USED ONLY FOR THE FINANCING OF TRANSPORTATION FACILITIES IN THE CAPITAL REGION.

(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

(J) MONEY EXPENDED FROM THE FUND FOR FINANCING TRANSPORTATION FACILITIES IN THE CAPITAL REGION IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR TRANSPORTATION FACILITIES IN THE CAPITAL REGION.

10.5-210.

ON OR BEFORE JANUARY 1, 2026, AND EACH JANUARY 1 THEREAFTER, THE AUTHORITY SHALL REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON THE ACTIVITIES OF THE AUTHORITY DURING THE PRIOR YEAR.

SUBTITLE 3. SOUTHERN MARYLAND REGION TRANSPORTATION AUTHORITY.

10.5-301.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "AUTHORITY" MEANS THE SOUTHERN MARYLAND REGION TRANSPORTATION AUTHORITY.

(C) "SOUTHERN MARYLAND REGION" MEANS CALVERT COUNTY, CHARLES COUNTY, AND ST. MARY'S COUNTY.

(D) "TRANSPORTATION FACILITY" HAS THE MEANING STATED IN § 3-101 OF THIS ARTICLE.

1   **10.5–302.**

2           **(A)   THERE IS A SOUTHERN MARYLAND REGION TRANSPORTATION**  
3 **AUTHORITY.**

4           **(B)   THE AUTHORITY IS A BODY POLITIC AND CORPORATE AND IS AN**  
5 **INSTRUMENTALITY OF THE STATE.**

6           **(C)   THE EXERCISE BY THE AUTHORITY OF A POWER UNDER THIS SUBTITLE**  
7 **IS THE PERFORMANCE OF AN ESSENTIAL GOVERNMENTAL FUNCTION.**

8   **10.5–303.**

9           **THE PURPOSE OF THE AUTHORITY IS TO PREPARE AND IMPLEMENT**  
10 **INVESTMENTS IN TRANSPORTATION PROJECTS THAT MAXIMIZE THE MOVEMENT OF**  
11 **PEOPLE AND PROMOTE EFFICIENCY, SAFETY, AND OTHER VALUES SUCH AS**  
12 **ENVIRONMENTAL AND SOCIAL JUSTICE IMPACTS.**

13   **10.5–304.**

14           **(A)   THE AUTHORITY CONSISTS OF THE FOLLOWING MEMBERS:**

15                   **(1)   ONE MEMBER APPOINTED BY THE GOVERNING BODY OF CALVERT**  
16 **COUNTY;**

17                   **(2)   ONE MEMBER APPOINTED BY THE GOVERNING BODY OF CHARLES**  
18 **COUNTY;**

19                   **(3)   ONE MEMBER APPOINTED BY THE GOVERNING BODY OF ST.**  
20 **MARY’S COUNTY;**

21                   **(4)   ONE ELECTED OFFICIAL FROM EACH MUNICIPALITY WITHIN THE**  
22 **SOUTHERN MARYLAND REGION, APPOINTED BY THE GOVERNING BODY OF THE**  
23 **MUNICIPALITY;**

24                   **(5)   ONE MEMBER OF THE SENATE OF MARYLAND WHO RESIDES**  
25 **WITHIN THE SOUTHERN MARYLAND REGION, APPOINTED BY THE PRESIDENT OF**  
26 **THE SENATE;**

27                   **(6)   TWO MEMBERS OF THE HOUSE OF DELEGATES WHO RESIDE**  
28 **WITHIN THE SOUTHERN MARYLAND REGION, APPOINTED BY THE SPEAKER OF THE**  
29 **HOUSE; AND**

(7) TWO MEMBERS WITH EXPERIENCE IN TRANSPORTATION PLANNING, FINANCE, ENGINEERING, CONSTRUCTION, OR MANAGEMENT, APPOINTED BY THE GOVERNOR.

(B) THE SECRETARY SHALL SERVE AS A NONVOTING, EX OFFICIO MEMBER.

(C) (1) THE TERM OF A MEMBER IS 4 YEARS.

(2) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

(D) FROM AMONG ITS MEMBERS, THE AUTHORITY SHALL ELECT A CHAIR AND A VICE CHAIR.

(E) THE AUTHORITY SHALL ADOPT RULES AND REGULATIONS NECESSARY FOR THE CONDUCT OF ITS AFFAIRS.

**10.5–305.**

(A) (1) THE AUTHORITY SHALL EMPLOY AN EXECUTIVE DIRECTOR TO SERVE AS THE CHIEF EXECUTIVE OFFICER OF THE AUTHORITY.

(2) THE EXECUTIVE DIRECTOR SHALL SERVE AT THE PLEASURE OF THE AUTHORITY.

(B) THE AUTHORITY MAY EMPLOY OR RETAIN OFFICERS, STAFF, AND AGENTS, INCLUDING ENGINEERING, ARCHITECTURAL, FISCAL, AND CONSTRUCTION EXPERTS AND ATTORNEYS, AND SET THEIR COMPENSATION.

**10.5–306.**

(A) THE AUTHORITY MAY:

(1) ADOPT BYLAWS FOR THE CONDUCT OF ITS BUSINESS;

(2) ADOPT A SEAL;

(3) MAINTAIN OFFICES AT A PLACE IT DESIGNATES IN THE STATE;

(4) ACCEPT LOANS, GRANTS, OR ASSISTANCE OF ANY KIND FROM THE FEDERAL OR STATE GOVERNMENT, A LOCAL GOVERNMENT, A COLLEGE OR UNIVERSITY, OR A PRIVATE SOURCE;

1           **(5) ENTER INTO CONTRACTS AND OTHER LEGAL INSTRUMENTS;**

2           **(6) SUE OR BE SUED;**

3           **(7) ACQUIRE, PURCHASE, HOLD, LEASE AS LESSEE, AND USE:**

4                   **(I) A FRANCHISE, PATENT, OR LICENSE;**

5                   **(II) STOCK OR OTHER FORMS OF OWNERSHIP INTERESTS IN**  
6 **CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS, OR OTHER**  
7 **ENTITIES, WHETHER OPERATED FOR PROFIT OR NOT FOR PROFIT;**

8                   **(III) ANY REAL, PERSONAL, MIXED, TANGIBLE, OR INTANGIBLE**  
9 **PROPERTY; OR**

10                   **(IV) AN INTEREST IN A PROPERTY LISTED UNDER ITEMS (I)**  
11 **THROUGH (III) OF THIS ITEM;**

12           **(8) SELL, LEASE AS LESSOR, TRANSFER, LICENSE, ASSIGN, OR**  
13 **DISPOSE OF PROPERTY OR A PROPERTY INTEREST THAT IT ACQUIRES;**

14           **(9) FIX AND COLLECT RATES, RENTALS, FEES, ROYALTIES, AND**  
15 **CHARGES FOR SERVICES AND RESOURCES IT PROVIDES OR MAKES AVAILABLE;**

16           **(10) CREATE, OWN, CONTROL, OR BE A MEMBER OF A CORPORATION,**  
17 **LIMITED LIABILITY COMPANY, PARTNERSHIP, OR OTHER ENTITY, WHETHER**  
18 **OPERATED FOR PROFIT OR NOT FOR PROFIT;**

19           **(11) EXERCISE POWER USUALLY POSSESSED BY A PRIVATE**  
20 **CORPORATION IN PERFORMING SIMILAR FUNCTIONS UNLESS TO DO SO WOULD**  
21 **CONFLICT WITH STATE LAW; AND**

22           **(12) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE**  
23 **POWERS GRANTED BY THIS SUBTITLE.**

24           **(B) THE AUTHORITY MAY DELEGATE ANY POWER OR DUTY IT CONSIDERS**  
25 **APPROPRIATE TO A MEMBER, AN OFFICER, AN AGENT, OR AN EMPLOYEE OF THE**  
26 **AUTHORITY.**

27 **10.5-307.**

(A) (1) THE AUTHORITY SHALL PREPARE A REGIONAL TRANSPORTATION PLAN FOR THE SOUTHERN MARYLAND REGION THAT INCLUDES TRANSPORTATION IMPROVEMENTS OF REGIONAL SIGNIFICANCE.

(2) THE AUTHORITY MAY REVISE THE REGIONAL TRANSPORTATION PLAN.

(B) AFTER THE ADOPTION OF A REGIONAL TRANSPORTATION PLAN, THE AUTHORITY MAY CONSTRUCT OR ACQUIRE, BY PURCHASE, LEASE, CONTRACT, OR OTHERWISE, THE TRANSPORTATION FACILITIES SPECIFIED IN THE REGIONAL TRANSPORTATION PLAN.

**10.5-308.**

(A) THE AUTHORITY SHALL HAVE THE FOLLOWING DUTIES AND RESPONSIBILITIES:

(1) GENERAL OVERSIGHT OF REGIONAL TRANSPORTATION PROGRAMS;

(2) LONG-RANGE REGIONAL PLANNING FOR THE SOUTHERN MARYLAND REGION, BOTH FISCALLY CONSTRAINED AND UNCONSTRAINED;

(3) RECOMMENDING TO STATE, REGIONAL, AND FEDERAL AGENCIES REGIONAL TRANSPORTATION PRIORITIES, INCLUDING PUBLIC-PRIVATE TRANSPORTATION PROJECTS, AND FUNDING ALLOCATIONS;

(4) ALLOCATING TO PRIORITY REGIONAL TRANSPORTATION PROJECTS ANY FUNDS MADE AVAILABLE TO THE AUTHORITY AND, AT THE DISCRETION OF THE AUTHORITY, DIRECTLY OVERSEEING THE PROJECTS;

(5) RECOMMENDING TO THE DEPARTMENT PRIORITY REGIONAL TRANSPORTATION PROJECTS FOR RECEIPT OF FEDERAL AND STATE FUNDS;

(6) RECOMMENDING TO THE DEPARTMENT USE OR CHANGES IN USE OF TOLLS OR CHARGES FOR FACILITIES IN THE SOUTHERN MARYLAND REGION;

(7) GENERAL OVERSIGHT OF REGIONAL TRANSPORTATION ISSUES OF A MULTIJURISDICTIONAL NATURE, INCLUDING INTELLIGENT TRANSPORTATION SYSTEMS, SIGNALIZATION, AND PREPARATION FOR AND RESPONSE TO EMERGENCIES;

1           **(8) SERVING AS AN ADVOCATE FOR THE TRANSPORTATION NEEDS OF**  
2 **THE SOUTHERN MARYLAND REGION BEFORE THE STATE AND FEDERAL**  
3 **GOVERNMENTS; AND**

4           **(9) APPLYING TO AND NEGOTIATING WITH THE FEDERAL**  
5 **GOVERNMENT AND THE STATE FOR GRANTS AND ANY OTHER FUNDS AVAILABLE TO**  
6 **CARRY OUT THE PURPOSES OF THIS SUBTITLE.**

7           **(B) THE AUTHORITY SHALL CONSULT WITH THE DEPARTMENT,**  
8 **METROPOLITAN PLANNING ORGANIZATIONS, AND OTHER STAKEHOLDERS IN**  
9 **RECOMMENDING OR PRIORITIZING ANY TRANSPORTATION PROJECT.**

10 **10.5-309.**

11           **(A) IN THIS SECTION, “FUND” MEANS THE SOUTHERN MARYLAND REGION**  
12 **TRANSPORTATION FUND.**

13           **(B) THERE IS A SOUTHERN MARYLAND REGION TRANSPORTATION FUND.**

14           **(C) THE PURPOSE OF THE FUND IS TO FINANCE TRANSPORTATION**  
15 **FACILITIES IN THE SOUTHERN MARYLAND REGION.**

16           **(D) THE EXECUTIVE DIRECTOR OF THE AUTHORITY SHALL ADMINISTER**  
17 **THE FUND.**

18           **(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**  
19 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

20                   **(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**  
21 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

22           **(F) THE FUND CONSISTS OF:**

23                   **(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

24                   **(2) INTEREST EARNINGS;**

25                   **(3) REVENUE DISTRIBUTED TO THE FUND UNDER § 2-1303 OF THE**  
26 **TAX – GENERAL ARTICLE;**

27                   **(4) REVENUE DISTRIBUTED TO THE FUND UNDER § 13-209 OF THE**  
28 **TAX – PROPERTY ARTICLE; AND**

(5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(G) THE FUND MAY BE USED ONLY FOR THE FINANCING OF TRANSPORTATION FACILITIES IN THE SOUTHERN MARYLAND REGION.

(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

(J) MONEY EXPENDED FROM THE FUND FOR FINANCING TRANSPORTATION FACILITIES IN THE SOUTHERN MARYLAND REGION IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR TRANSPORTATION FACILITIES IN THE SOUTHERN MARYLAND REGION.

10.5-310.

ON OR BEFORE JANUARY 1, 2026, AND EACH JANUARY 1 THEREAFTER, THE AUTHORITY SHALL REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON THE ACTIVITIES OF THE AUTHORITY DURING THE PRIOR YEAR.

#### SUBTITLE 4. FINANCING OF TRANSPORTATION PROJECTS.

10.5-401.

IN THIS SUBTITLE, "AUTHORITY" MEANS:

(1) THE BALTIMORE REGION TRANSPORTATION AUTHORITY ESTABLISHED UNDER § 10.5-102 OF THIS TITLE;

(2) THE CAPITAL REGION TRANSPORTATION AUTHORITY ESTABLISHED UNDER § 10.5-202 OF THIS TITLE; AND

(3) THE SOUTHERN MARYLAND REGION TRANSPORTATION AUTHORITY ESTABLISHED UNDER § 10.5-302 OF THIS TITLE.

1   **10.5-402.**

2           **(A) TO FINANCE THE COST OF TRANSPORTATION FACILITIES AND**  
3 **PROJECTS, AN AUTHORITY MAY ISSUE BONDS, NOTES, OR OTHER EVIDENCE OF**  
4 **OBLIGATION, PAYABLE SOLELY FROM THE REVENUES DISTRIBUTED TO THE**  
5 **AUTHORITY.**

6           **(B) BOND PROCEEDS MAY BE USED SOLELY FOR PAYING THE COST OF**  
7 **TRANSPORTATION FACILITIES AND PROJECTS.**

8   **10.5-403.**

9           **(A) BONDS ISSUED BY AN AUTHORITY UNDER THIS SUBTITLE MAY NOT:**

10                   **(1) CONSTITUTE A DEBT OF THE STATE OR A POLITICAL SUBDIVISION**  
11 **OF THE STATE OTHER THAN THE AUTHORITY, AND SHALL SO STATE ON THEIR FACE;**

12                   **(2) CONSTITUTE A PLEDGE OF THE FULL FAITH AND CREDIT OF THE**  
13 **STATE OR A POLITICAL SUBDIVISION OF THE STATE; OR**

14                   **(3) DIRECTLY OR INDIRECTLY OBLIGATE THE STATE OR A POLITICAL**  
15 **SUBDIVISION OF THE STATE TO IMPOSE ANY TAX, AND SHALL CONTAIN A**  
16 **STATEMENT ON THEIR FACE TO THAT EFFECT.**

17           **(B) AN AUTHORITY SHALL DETERMINE THE FOLLOWING CONCERNING**  
18 **BONDS ISSUED BY THE AUTHORITY:**

19                   **(1) DATE OF ISSUE;**

20                   **(2) INTEREST RATE;**

21                   **(3) DATE AND AMOUNT OF MATURITY, EXCEPT THAT A BOND MAY NOT**  
22 **MATURE MORE THAN 40 YEARS AFTER ITS DATE OF ISSUE;**

23                   **(4) FORM AND MANNER OF EXECUTION;**

24                   **(5) MANNER OF SALE; AND**

25                   **(6) ANY OTHER MATTER RELATING TO THE FORM, TERMS,**  
26 **CONDITIONS, ISSUANCE, SALE, AND DELIVERY OF THE BONDS.**

27           **(C) AN AUTHORITY MAY ISSUE BONDS:**

(1) WITHOUT OBTAINING THE CONSENT OF ANY INSTRUMENTALITY, AGENCY, OR UNIT OF THE STATE; AND

(2) WITHOUT ANY PROCEEDINGS OR THE OCCURRENCE OF ANY CONDITIONS OR OBLIGATIONS OTHER THAN THOSE SPECIFICALLY REQUIRED BY THIS SUBTITLE.

(D) (1) BONDS SHALL BE EXECUTED ON BEHALF OF AN AUTHORITY BY THE MANUAL OR FACSIMILE SIGNATURES OF THE INDIVIDUALS DESIGNATED BY THE GOVERNING BODY OF THE AUTHORITY.

(2) OTHER SIGNATURES ON THE BONDS MAY BE EITHER MANUAL OR FACSIMILE.

(E) IF AN INDIVIDUAL WHOSE MANUAL OR FACSIMILE SIGNATURE APPEARS ON ANY BOND OR COUPON CEASES TO SERVE IN AN AUTHORIZED CAPACITY BEFORE THE DELIVERY OF THE BOND, THE SIGNATURE NEVERTHELESS IS AS VALID AND SUFFICIENT FOR ALL PURPOSES AS IF THE INDIVIDUAL HAD REMAINED IN THAT CAPACITY UNTIL DELIVERY OF THE BOND.

**10.5-404.**

(A) WITHOUT THE APPROVAL OF THE GENERAL ASSEMBLY, AN AUTHORITY MAY ISSUE BONDS TO REFINANCE ALL OR ANY PART OF THE COST OF TRANSPORTATION FACILITIES OR PROJECTS FOR WHICH THE AUTHORITY PREVIOUSLY ISSUED BONDS UNDER THIS SUBTITLE.

(B) IF, BY REASON OF INCREASED CONSTRUCTION COSTS, ERROR IN ESTIMATES, OR OTHERWISE, THE PROCEEDS OF THE BONDS OF ANY ISSUE ARE LESS THAN THE AMOUNT REQUIRED FOR THE PURPOSE FOR WHICH THE BONDS ARE AUTHORIZED, ADDITIONAL BONDS MAY BE ISSUED IN A SIMILAR MANNER TO PROVIDE THE AMOUNT OF THE DEFICIENCY.

**10.5-405.**

(A) IN THIS SECTION, "REFUNDING" MEANS THE RETIREMENT AND CANCELLATION OF BONDS, INCLUDING BONDS OF PRIOR ISSUES, AFTER THEIR ACQUISITION BY OR FOR AN AUTHORITY, WHETHER BEFORE, AT, OR AFTER MATURITY, EITHER IN EXCHANGE FOR OTHER BONDS OR BY PAYMENT, PURCHASE, OR REDEMPTION WITH THE PROCEEDS OF THE SALE OF OTHER BONDS.

(B) AN AUTHORITY MAY ISSUE REFUNDING BONDS FOR:

1           **(1) REFUNDING ANY BONDS ISSUED UNDER THIS SUBTITLE OR ANY**  
2 **BONDS OF PRIOR ISSUES, INCLUDING THE PAYMENT OF ANY REDEMPTION PREMIUM**  
3 **ON THE BONDS AND ANY INTEREST ACCRUED OR TO ACCRUE TO THE DATE OF**  
4 **REDEMPTION OF THE BONDS; AND**

5           **(2) CONSTRUCTING IMPROVEMENTS OR EXTENSIONS TO OR**  
6 **ENLARGEMENTS OF ANY TRANSPORTATION FACILITY OR PROJECT.**

7 **10.5-406.**

8           **BEFORE THE PREPARATION OF DEFINITIVE BONDS, AN AUTHORITY MAY**  
9 **ISSUE INTERIM CERTIFICATES OR TEMPORARY BONDS, WITH OR WITHOUT**  
10 **COUPONS, EXCHANGEABLE FOR DEFINITIVE BONDS WHEN THE DEFINITIVE BONDS**  
11 **HAVE BEEN EXECUTED AND ARE AVAILABLE FOR DELIVERY.**

12 **10.5-407.**

13           **(A) AN AUTHORITY MAY ISSUE BOND ANTICIPATION NOTES PAYABLE TO**  
14 **THE BEARER OR REGISTERED HOLDER OF THE NOTES OUT OF THE FIRST PROCEEDS**  
15 **OF THE NEXT SALE OF BONDS ISSUED UNDER THIS SUBTITLE.**

16           **(B) THE ISSUANCE OF BOND ANTICIPATION NOTES, THE DETAILS OF THEIR**  
17 **ISSUANCE, THE RIGHTS OF THEIR HOLDERS, AND THE RIGHTS, DUTIES, AND**  
18 **OBLIGATIONS OF THE AUTHORITY WITH RESPECT TO THE BOND ANTICIPATION**  
19 **NOTES ARE GOVERNED BY THE PROVISIONS OF THIS SUBTITLE RELATING TO THE**  
20 **ISSUANCE OF THE BONDS IN ANTICIPATION OF THE SALE AT WHICH THE NOTES ARE**  
21 **ISSUED, INsofar AS THOSE PROVISIONS ARE APPLICABLE.**

22 **10.5-408.**

23           **(A) BONDS ISSUED UNDER THIS SUBTITLE MAY BE SECURED BY A TRUST**  
24 **AGREEMENT BETWEEN AN AUTHORITY AND A CORPORATE TRUSTEE, WHICH MAY BE**  
25 **ANY TRUST COMPANY OR BANK HAVING TRUST POWERS WITHIN OR OUTSIDE THE**  
26 **STATE.**

27           **(B) THE TRUST AGREEMENT MAY PLEDGE OR ASSIGN ALL OR ANY PART OF**  
28 **THE REVENUES OF AN AUTHORITY OR OF ANY TRANSPORTATION FACILITY OR**  
29 **PROJECT.**

30 **10.5-409.**

31           **THE REVENUE DESIGNATED AS SECURITY FOR BONDS ISSUED UNDER THIS**  
32 **SUBTITLE SHALL BE FIXED AND ADJUSTED SO AS TO PROVIDE FUNDS THAT ARE**  
33 **SUFFICIENT AS LONG AS THE BONDS ARE OUTSTANDING AND UNPAID TO PAY THE**

1 PRINCIPAL OF AND THE INTEREST ON THE BONDS AS THEY BECOME DUE AND  
2 PAYABLE.

3 10.5-410.

4 ALL MONEY THAT IS RECEIVED BY AN AUTHORITY AS PROCEEDS FROM THE  
5 SALE OF BONDS, NOTES, OR OTHER EVIDENCES OF OBLIGATION UNDER THIS  
6 SUBTITLE AND, BY WAY OF RENTALS, RATES, FEES, FARES, AND TAXES, THAT IS  
7 DESIGNATED BY ANY TRUST AGREEMENT AS SECURITY FOR THE BONDS, NOTES, OR  
8 OTHER EVIDENCES OF OBLIGATION SHALL BE DEEMED TO BE TRUST FUNDS TO BE  
9 HELD AND APPLIED ONLY AS PROVIDED IN THIS SUBTITLE.

10 10.5-411.

11 EXCEPT TO THE EXTENT RESTRICTED BY THE TRUST AGREEMENT, THE  
12 TRUSTEE OR ANY HOLDER OF BONDS ISSUED UNDER THIS SUBTITLE OR OF ANY OF  
13 THE COUPONS APPERTAINING TO THE BONDS MAY:

14 (1) BRING A SUIT OR ANY OTHER PROCEEDING TO PROTECT AND  
15 ENFORCE ANY RIGHT UNDER THE LAWS OF THE STATE OR UNDER THE TRUST  
16 AGREEMENT; AND

17 (2) ENFORCE AND COMPEL THE PERFORMANCE OF ALL DUTIES  
18 REQUIRED BY THIS SUBTITLE OR BY THE TRUST AGREEMENT TO BE PERFORMED BY  
19 AN AUTHORITY OR BY ANY OF ITS OFFICERS.

20 10.5-412.

21 BONDS ISSUED UNDER THIS SUBTITLE ARE SECURITIES:

22 (1) IN WHICH ALL PUBLIC OFFICERS AND PUBLIC BODIES OF THE  
23 STATE AND ITS POLITICAL SUBDIVISIONS, ALL INSURANCE COMPANIES, STATE  
24 BANKS AND TRUST COMPANIES, NATIONAL BANKING ASSOCIATIONS, SAVINGS  
25 BANKS, SAVINGS AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES, EXECUTORS,  
26 ADMINISTRATORS, TRUSTEES, AND OTHER FIDUCIARIES MAY PROPERLY AND  
27 LEGALLY INVEST FUNDS, INCLUDING CAPITAL IN THEIR CONTROL OR BELONGING  
28 TO THEM; AND

29 (2) THAT MAY BE PROPERLY AND LEGALLY DEPOSITED WITH AND  
30 RECEIVED BY ANY STATE OR COUNTY OFFICER OR ANY AGENCY OR POLITICAL  
31 SUBDIVISION OF THE STATE FOR ANY PURPOSE FOR WHICH THE DEPOSIT OF BONDS  
32 OR OBLIGATIONS OF THE STATE IS AUTHORIZED BY LAW.

33 10.5-413.

1       **THE BONDS, NOTES, AND OTHER EVIDENCES OF OBLIGATION ISSUED UNDER**  
2 **THIS SUBTITLE, THEIR TRANSFER, THE INTEREST PAYABLE ON THEM, AND ANY**  
3 **INCOME DERIVED FROM THEM, INCLUDING ANY PROFIT REALIZED IN THEIR SALE**  
4 **OR EXCHANGE, SHALL BE EXEMPT FROM TAXATION BY THE STATE OR BY ANY OF ITS**  
5 **POLITICAL SUBDIVISIONS, MUNICIPAL CORPORATIONS, OR PUBLIC AGENCIES.**

6       SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall be  
7 applicable to all instruments of writing recorded or filed on or after October 1, 2025.

8       SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect  
9 October 1, 2025.