

Counties furious over Maryland raid of transportation fund

BEN GILES • | MARCH 31, 2012 AT 7:00 PM

ANNAPOLIS - County leaders and transportation officials are outraged over the Maryland Department of Transportation's assertion that the state has repaid all the money borrowed from the state's Transportation Trust Fund.

Roughly \$947.5 million was transferred from the Maryland Transportation Trust Fund in local highway user revenues to the state general fund to help balance the budget between 2003 and 2011. None of that has been transferred back, according to the state's Blue Ribbon Commission on Transportation Funding.

Highway user revenues are revenues from fuel taxes and parts of the vehicle titling tax and registration fees used by local jurisdictions to help fund the cost of repairing and maintaining roads.

The commission made protecting the trust fund the top recommendation in its final report to state officials in November 2011.

So when state Transportation Secretary Beverley Swaim-Staley said at a recent hearing that the state has returned all the money that it has borrowed from the fund, officials were livid.

"It'd be a great trick for bank robbers if you could go in afterwards and say, you know, the balance you had there isn't the correct balance, so therefore I didn't steal it," said Lon Anderson, spokesman for AAA Mid-Atlantic.

State transportation officials maintain that they have paid back nearly all of the funds, because technically the local highway user revenues the state borrowed were never in the trust fund.

Instead, Swaim-Staley was referring to \$571.1 million in state transportation funds, according to Jack Cahalan, spokesman for the Transportation Department. The commission itself said those funds have been repaid.

"We're not disputing the fact that highway user revenues have not been repaid in the levels that they had been," Cahalan said. "But that money is a separate pot of money. ... In the way the system is set up, they're taken from a variety of transportation sources before they ever get to the trust fund."

Counties are suffering now that their portion of the road money has been stripped down, and money borrowed by the state has never been returned, said Andrea Mansfield, legislative director for the Maryland Association of Counties.

Local jurisdictions are getting a pittance of the funds they used to rely on to maintain roads and make repairs, according to Drew Cobbs, executive director of the Maryland Petroleum Council.

Cahalan said that's why there are measures in O'Malley's gas tax proposal to protect the trust fund by requiring majority votes of certain House and Senate panels to use the funds in emergency budget circumstances.

But those measures don't go far enough, critics say.

"Unless you make a constitutional amendment" to protect the funds, "you really haven't done anything," Cobbs said.

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