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DELAWARE STATE SENATE
148th GENERAL ASSEMBLY

SENATE BILL NO. 166

AN ACT PROPOSING AN AMENDMENT TO ARTICLE VIII OF THE DELAWARE CONSTITUTION RELATING TO THE TRANSPORTATION TRUST FUND.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Two-thirds of all members elected to each house thereof concurring therein):

Section 1. Amend Article VIII of the Delaware Constitution by making deletions as shown by strike through and insertions as shown by underline as follows:

Article VIII. Revenue and Taxation.

§ 12. The Transportation Trust Fund; use and restrictions.

(a) The State irrevocably pledges and assigns and continuously appropriates the proceeds derived from a motor vehicle registration fee, a motor vehicle document fee, a motor fuel tax, a motor carrier road use tax and registration fee, and the operation of the Delaware Turnpike to a special fund known as the Transportation Trust Fund.

(b) The moneys in the Transportation Trust Fund may be appropriated and used for the following purposes:

(1) Capital expenditures on the public transportation system, including the road system, grants and allocations for investments in transportation, the transit system, and the support systems for public transportation.

(2) Payment of the interest and principal on all indebtedness incurred before or after the effective date of this Act, including the payment of all other obligations incurred pursuant to any trust agreement related to such indebtedness, and secured by moneys in the Transportation Trust Fund.

(3) Other transportation-related purposes, including operating expenses, to which moneys in the Transportation Trust Fund are authorized on the effective date of this Act.

(c) No moneys in the Transportation Trust Fund may be appropriated for a purpose not listed in subsection (b) of this section except by an act of the General Assembly adopted with the concurrence of three-fourths of all members of each House and separate from an annual budget act, bond and capital improvement act, or grants-in-aid act.

19 (d) If moneys in the Transportation Trust Fund cease to be appropriated for a purpose under paragraph (b)(3) of
20 this section, the moneys may not again be appropriated for a purpose under paragraph (b)(3) of this section except by an act
21 of the General Assembly adopted with the concurrence of three-fourths of all members of each House and separate from an
22 annual budget act, bond and capital improvement act, or grants-in-aid act.

SYNOPSIS

This Act is the first leg of a constitutional amendment that will limit the ability of the State to appropriate Transportation Trust Fund moneys to a purpose other than (1) capital expenditures on the public transportation system, including the road system, grants and allocations for investments in transportation, the transit system, and the support systems for public transportation; (2) payment of the interest and principal on all bonds issued before or after the effective date of this Act and secured by moneys in the Transportation Trust Fund; and (3) other transportation-related purposes, including operating expenses funding the Delaware Department of Transportation, to which moneys in the Transportation Trust Fund are authorized on the effective date of this Act.

This Act essentially creates a lock box on the Transportation Trust Fund that can only be opened by the agreement of three-fourths of all the members of each House through a bill separate from an annual budget act, bond and capital improvement act, or grants-in-aid act. Additionally, if moneys in the Transportation Trust Fund cease to be appropriated for a transportation-related purpose, the moneys may not again be appropriated to such purpose except by the agreement of three-fourths of all the members of each House through a bill separate from an annual budget act, bond and capital improvement act, or grants-in-aid act.

Author: Sen. Lavelle