

of the Motor Vehicle Revenues (registration fees), the Excise Tax on the Issuance of Certificate of Title to Motor Vehicles, and Federal Aid appropriations.

State Highway Construction Bonds provide the Capital Funds. These were authorized under the issues provided by the 1947, 1953 and 1966 legislatures. The aggregate principal amount of bonds issued under Sections 191, 199, and 211A of Article 89B of the Code, outstanding and unpaid, is limited to \$360,000,000. The total principal amount of bonds which may be issued under these sections, however, is not limited to that amount. As of August 22, 1969, State Highway Construction Bonds at a total par value of \$468,000,000 will have been issued, of which amount \$285,900,000 is outstanding.

The State Highway Construction Bonds are secured by a pledge of appropriate portions of the Commission's share of the Gasoline Tax Fund and the Excise Tax on Issuance of Certificate of Title to Motor Vehicles. The remainder of such revenues, together with Federal appropriations and proceeds from the sale of State Highway Construction Bonds is available for construction purposes.

Chapter 447, Acts of 1968 increased registration fees by approximately thirty-three and one-third percent and revised the distribution of Highway Tax Revenues effective July 1, 1968. This legislation resulted from the report of the Redding Commission which recommended the revisions. Effective July 1, 1968, all gasoline taxes, titling taxes, registration fees, fines, etc., are termed "Highway User Revenues." After the required deductions for the budgets of the Maryland State Police, the Department of Motor Vehicles, etc., the net Highway User Fund is distributed with sixty percent to the State Roads Commission, twenty percent to the counties and the municipalities, and twenty percent to Baltimore City. Although the percentage of the distribution changed, revenue pledges to secure State Highway Construction Bonds remain in effect as originally enacted.

The same Act also provided for a new method of construction programming to replace all current programs. Any incomplete projects from the old six-year program will be included and given first priority in the new program. The first five-year program will cover the period from 1970 to 1974. Each year the program will be revised so that at all times construction will be based upon five-year planning which will include the current year and four future years.

Chapter 448, Acts of 1968 created for the Commission a \$25,000,000 bond authorization from the State's General Obligation Funds for an Advance Right-of-Way Revolving Fund. The debt service for these issues is to be paid to the State from the Commission's operating revenues. The Fund may be used to purchase, in advance, rights-of-way scheduled within the Commission's current five-year program or for future expressways without limitation on time. \$5,000,000 of these bonds were issued in August 1968 and are outstanding on June 30, 1969.

The Commission is also empowered to assist the several counties of the State in financing the construction, reconstruction and certain major repairs of county roads through the issuance by the Commission of County Highway Construction Bonds (Code 1957, 1964 Repl. Vol., Art 89B, sec. 211), secured by the pledge of certain of the State revenues allocated to the participating counties. Pursuant to the Act, the Commission is empowered to issue one series of its bonds in each year for a period of fourteen years, beginning July 1, 1954, on behalf of any of the several counties of the State, which indicate a desire to participate. The authority is granted subject to the limitation that at no time shall there be outstanding, under such authority, in excess of \$50,000,000 face amount of bonds. The fourteenth and final series was issued on August 1, 1967.