

# HOUSE BILL 1622

Q7, C5, R2

6lr3721

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By: **Delegate Grammer**

Introduced and read first time: February 21, 2026

Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Aviation Administration and Local Governments – Transportation**  
3 **Network Services – Prohibition on Taxes, Fees, and Charges**

4 FOR the purpose of repealing certain provisions of law authorizing a county or municipal  
5 corporation to impose certain assessments on transportation network services;  
6 prohibiting a county or municipal corporation from imposing an assessment, a tax, a  
7 fee, or a charge on transportation network services; repealing the Transportation  
8 Network Assessment Fund; applying certain provisions of law to the administration  
9 and enforcement of transportation network company impact fees; requiring the  
10 Comptroller to enforce provisions of law regarding transportation network company  
11 impact fees; prohibiting the Maryland Aviation Administration from fixing any  
12 charges, rentals, or fees on the privilege of providing transportation network services  
13 at an airport or a facility; prohibiting certain political subdivisions from fixing any  
14 charges, rentals, or fees for the use of an airport or a facility to provide transportation  
15 network services; and generally relating to taxes, fees, and other charges on  
16 transportation network services.

17 BY repealing and reenacting, without amendments,  
18 Article – Public Utilities  
19 Section 10–101(a) and (n) and 10–408(a)(1) and (3) and (b)(1)  
20 Annotated Code of Maryland  
21 (2025 Replacement Volume and 2025 Supplement)

22 BY repealing and reenacting, with amendments,  
23 Article – Public Utilities  
24 Section 10–404(h)(2) and 10–408(e)  
25 Annotated Code of Maryland  
26 (2025 Replacement Volume and 2025 Supplement)

27 BY repealing  
28 Article – Public Utilities

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 10–406, 10–407, and 10–408(h)  
2 Annotated Code of Maryland  
3 (2025 Replacement Volume and 2025 Supplement)

4 BY adding to  
5 Article – Public Utilities  
6 Section 10–406 and 10–408(h)  
7 Annotated Code of Maryland  
8 (2025 Replacement Volume and 2025 Supplement)

9 BY repealing and reenacting, with amendments,  
10 Article – Transportation  
11 Section 5–408 and 5–418  
12 Annotated Code of Maryland  
13 (2020 Replacement Volume and 2025 Supplement)

14 BY renumbering  
15 Article – Public Utilities  
16 Section 10–408  
17 to be Section 10–407  
18 Annotated Code of Maryland  
19 (2025 Replacement Volume and 2025 Supplement)

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

22 **Article – Public Utilities**

23 10–101.

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

25 (n) (1) “Transportation network services” means the activities of an operator  
26 during:

27 (i) transportation network coverage period one, during which the  
28 operator is logged onto and ready to accept a prearranged ride request made through a  
29 transportation network company’s digital network application;

30 (ii) transportation network coverage period two, during which the  
31 operator accepts a ride request from a passenger that is prearranged through a  
32 transportation network company’s digital network application, and is traveling to a  
33 predetermined location to pick up the passenger; and

34 (iii) transportation network coverage period three, during which the  
35 operator transports the passenger and continuing until the passenger departs the motor  
36 vehicle.

1 (2) “Transportation network services” does not include:

2 (i) providing taxicab services, sedan services, or limousine services;

3 (ii) any shared expense carpool arrangement or service or other type  
4 of arrangement or service in which a driver receives a fee that does not exceed the driver’s  
5 costs associated with providing a ride; or

6 (iii) transportation services that a nonprofit organization provides  
7 through the use of a volunteer driver and the volunteer driver’s personal vehicle.

8 10–404.

9 (h) (2) The Commission may not disclose records or information provided to  
10 the Commission under this section to any person unless:

11 (i) the disclosure is required by court order or order of the Maryland  
12 Tax Court; **OR**

13 (ii) the disclosure is made in accordance with § 10–119.3 of the  
14 Family Law Article[; or

15 (iii) the disclosure is to the Comptroller under § 10–406(g)(5) of this  
16 subtitle].

17 [10–406.

18 (a) (1) In this section the following words have the meanings indicated.

19 (2) “Assessment” means a charge imposed by a local jurisdiction on each  
20 transportation network service that includes a passenger trip during transportation  
21 network coverage period three as described in § 10–101(n)(1)(iii) of this title.

22 (3) “Exempt jurisdiction” means a county or municipal corporation that  
23 imposed a tax, fee, or charge on for–hire transportation services provided on a per ride or  
24 per passenger basis in that county or municipal corporation on or before January 1, 2015.

25 (b) (1) Except as provided in paragraph (2) of this subsection, this section does  
26 not limit the authority of an exempt jurisdiction to impose an assessment, a tax, a fee, or a  
27 charge on for–hire transportation services, including transportation network services.

28 (2) An exempt jurisdiction may not impose more than one assessment or  
29 similar charge on a transportation network service.

30 (c) (1) In accordance with subsections (d) and (e) of this section, a county or  
31 municipal corporation may impose an assessment under this section.

1           (2)    Except in an exempt jurisdiction, an assessment by a county or  
2 municipal corporation authorized by this section may not exceed 25 cents per trip.

3           (3)    (i)    Except as provided in subsection (e)(5) of this section, an  
4 assessment may not be imposed on a transportation network service by both a county and  
5 a municipal corporation.

6                   (ii)   If both a county and a municipal corporation impose an  
7 assessment on a transportation network service in accordance with subsection (e)(5) of this  
8 section, the sum of the assessments imposed by both jurisdictions may not exceed 25 cents  
9 per trip.

10           (4)    The revenue generated from an assessment authorized under this  
11 section shall be used for transportation purposes.

12           (d)    (1)    This subsection applies to a county or municipal corporation that  
13 licensed or regulated taxicab services on or before January 1, 2015, either directly or  
14 through the Commission as provided in § 10–202 of this title.

15                   (2)    (i)    A county, in accordance with subparagraph (ii) of this paragraph,  
16 or a municipal corporation may impose an assessment on trips that originate in the county  
17 or municipal corporation.

18                           (ii)   A county authorized to impose an assessment under this  
19 subsection:

20                                   1.    may impose an assessment on trips that originate in any  
21 area of the county; but

22                                   2.    may not impose an assessment in a municipal corporation  
23 that is authorized to impose an assessment under this subsection.

24           (3)    If a county or municipal corporation authorized to impose an  
25 assessment under this subsection has not authorized an assessment on trips that originate  
26 in the county or municipal corporation by July 1, 2016, the county or municipal corporation  
27 is subject to subsection (e) of this section.

28                   (4)    (i)    If a county authorized to impose an assessment under this  
29 subsection plans to impose an assessment under this section, the county shall notify the  
30 municipal corporations in the county of the county's intent to impose an assessment.

31                           (ii)   If a municipal corporation authorized to impose an assessment  
32 under this subsection plans to impose an assessment under this section, the municipal  
33 corporation shall notify the county of the municipal corporation's intent to impose an  
34 assessment.

1 (e) (1) This subsection applies to a county or municipal corporation that:

2 (i) is not authorized to impose an assessment under subsection (d)  
3 of this section; or

4 (ii) 1. is authorized to impose an assessment under subsection  
5 (d) of this section; but

6 2. has not authorized an assessment by July 1, 2016.

7 (2) In accordance with paragraph (3) of this subsection and subsections (f)  
8 and (g) of this section, a county or municipal corporation may impose an assessment on  
9 trips that originate in the county or municipal corporation.

10 (3) (i) Except as provided under subparagraph (ii) of this paragraph:

11 1. a municipal corporation has priority over the county where  
12 the municipal corporation is located to impose an assessment on trips that originate in the  
13 municipal corporation; and

14 2. the county may not impose an assessment on trips that  
15 originate in the municipal corporation.

16 (ii) A county has priority over a municipal corporation to impose an  
17 assessment on trips that originate in the municipal corporation, and the municipal  
18 corporation may not impose an assessment on trips that originate in the municipal  
19 corporation, if:

20 1. the county has authorized an assessment on trips that  
21 originate in the county under subsection (d) of this section by July 1, 2016; and

22 2. the municipal corporation is not authorized to impose an  
23 assessment on trips that originate in the municipal corporation under subsection (d) of this  
24 section.

25 (iii) A municipal corporation that is not authorized to impose an  
26 assessment on trips that originate in the municipal corporation under subsection (d) of this  
27 section and that is located in a county that is authorized to impose an assessment on trips  
28 that originate in the county under subsection (d) of this section may impose an assessment  
29 on trips that originate in the municipal corporation under this subsection after July 1, 2016,  
30 if the county has not authorized an assessment on trips that originate in the county by July  
31 1, 2016.

32 (4) (i) Before a county may impose an assessment on trips that  
33 originate in a municipal corporation under this subsection, the county shall:

1                   1.     notify the municipal corporation of the county's intent to  
2 impose an assessment on transportation network services that originate in the municipal  
3 corporation; and

4                   2.     provide the municipal corporation reasonable time to pass  
5 an ordinance authorizing the imposition of an assessment.

6                   (ii)    Before a municipal corporation may impose an assessment on  
7 trips that originate in the municipal corporation under this subsection, the municipal  
8 corporation shall:

9                   1.     notify the county of the municipal corporation's intent to  
10 impose an assessment; and

11                  2.     if the county imposes an assessment, provide the county  
12 reasonable time to notify the Comptroller before the municipal corporation's assessment  
13 becomes effective.

14                  (5)    (i)     Notwithstanding paragraph (4) of this subsection and subject to  
15 subparagraph (iii) of this paragraph, both a county and a municipal corporation authorized  
16 to impose an assessment under this subsection may impose an assessment on a  
17 transportation network service if the county and the municipal corporation enter into an  
18 agreement:

19                           1.     to share revenues; and

20                           2.     that specifies the allocation of the revenues.

21                  (ii)    A county and a municipal corporation that enter into an  
22 agreement under this paragraph to impose an assessment on a transportation network  
23 service by both jurisdictions shall provide a copy of the agreement to the Comptroller.

24                  (iii)   If both a county and a municipal corporation impose an  
25 assessment on a transportation network service under this paragraph, the sum of the  
26 assessments imposed by both jurisdictions may not exceed the amount under subsection  
27 (c)(3)(ii) of this section.

28                  (f)    (1)    At least 120 days before an assessment is to take effect, a county or  
29 municipal corporation that intends to impose an assessment shall notify the Comptroller:

30                           (i)     of the amount of the assessment;

31                           (ii)    of the effective date of the assessment; and

32                           (iii)   that the notice required under subsection (e)(4) of this section  
33 was provided to the county or municipal corporation.

1           (2) A county or municipal corporation that imposes an assessment shall  
2 notify the Comptroller at least 120 days before any change in an assessment is to take  
3 effect:

4                   (i) of the amount of the new assessment;

5                   (ii) of the effective date of the new assessment; and

6                   (iii) that the notice required under subsection (e)(4) of this section  
7 was provided to the county or municipal corporation.

8           (g) (1) This subsection governs the collection, remittance, accounting, and use  
9 of revenues from assessments imposed by a county or municipal corporation under this  
10 section.

11           (2) A transportation network company shall:

12                   (i) collect assessments on behalf of an operator who accepts a  
13 request for a ride made through the transportation network company's digital network;

14                   (ii) collect any assessment, fee, charge, or tax imposed by an exempt  
15 jurisdiction on a transportation network service; and

16                   (iii) submit to the Comptroller no later than 30 days after the end of  
17 a calendar quarter, or as otherwise specified by the Comptroller in regulations:

18                           1. the assessments and other revenues collected by the  
19 transportation network company on behalf of the transportation network operators;

20                           2. the allocation of the assessments and other revenues  
21 attributable to each county or municipal corporation that has imposed an assessment based  
22 on where the trip originated; and

23                           3. under oath, a certification that it has submitted the correct  
24 amount of assessments and revenues.

25           (3) (i) Subject to subparagraph (ii) of this paragraph, from the  
26 assessments and revenues imposed by counties and municipal corporations, the  
27 Comptroller shall distribute each quarter the amount necessary to administer the  
28 assessments to an administrative cost account.

29                   (ii) The amount distributed to the administrative cost account may  
30 not exceed 5% of the revenue from the assessments and other revenue.

31           (4) After making the distribution required by paragraph (3) of this  
32 subsection, within 45 days of the end of each calendar quarter, the Comptroller shall  
33 distribute the remaining revenue to:

1 (i) the county or municipal corporation that is the source of the  
2 revenue; or

3 (ii) at the discretion of the Comptroller, the county that is the source  
4 of the revenue for the county to distribute to the source of revenue in the county or  
5 municipal corporation.

6 (5) The Commission shall disclose:

7 (i) on the request of the Comptroller, records or information that  
8 relate to the collection, remittance, accounting of revenues from assessments, or the  
9 enforcement of the obligations under this section that are:

10 1. provided to the Commission under this subtitle; or

11 2. created, issued, or maintained by the Commission in the  
12 course of administering this subtitle; and

13 (ii) records or information required by court order or order of the  
14 Maryland Tax Court.

15 (6) (i) 1. The Comptroller may review or inspect each year, at a  
16 transportation network company's place of business or a mutually agreed location, records  
17 necessary to ensure that the transportation network company has remitted to the  
18 Comptroller the correct revenues and allocations.

19 2. Nothing in this subparagraph is intended to limit the  
20 period covered by the Comptroller's review or inspection, which may include more than 1  
21 year.

22 (ii) Records or information provided to the Comptroller by a  
23 transportation network company under this subsection are not subject to release under the  
24 Maryland Public Information Act.

25 (iii) The Comptroller may not disclose records or information  
26 provided by a transportation network company unless the disclosure is required by court  
27 order or order of the Maryland Tax Court.

28 (iv) On notice that a person is seeking records or information under  
29 subparagraph (iii) of this paragraph, the Comptroller shall promptly notify the  
30 transportation network company before disclosing the information.

31 (v) The Comptroller may disclose records or information provided by  
32 the Commission or a transportation network company to:

33 1. the Maryland Tax Court;

1                                   2.     a legal representative of the State, to review the  
2 assessment information about a transportation network company:

3                                   A.     that applies for review under Title 13 under the Tax –  
4 General Article;

5                                   B.     that appeals from a determination under Title 13 of the  
6 Tax – General Article; or

7                                   C.     against which an action to recover an assessment, an  
8 interest, or a penalty is pending or will be initiated under Title 13 of the Tax – General  
9 Article; or

10                                  3.     any license–issuing authority of the State required by  
11 State law to verify through the Comptroller that:

12                                  A.     an applicant has paid all undisputed taxes and  
13 unemployment insurance contributions payable to the Comptroller or the Secretary of  
14 Labor; or

15                                  B.     the applicant has provided for payment in a manner  
16 satisfactory to the unit responsible for collection.

17                                  (vi)  1.     Records or information disclosed under subparagraph (v)2  
18 or 3 of this paragraph are not subject to release under the Maryland Public Information  
19 Act.

20                                  2.     A person that receives records or information under  
21 subparagraph (v)2 or 3 of this paragraph may not disclose the records or information unless  
22 the disclosure is required by court order or order of the Maryland Tax Court.

23                                  3.     On notice that a third party is seeking records or  
24 information under subparagraph 2 of this subparagraph, the person that receives  
25 records or information under subparagraph (v)2 or 3 of this paragraph shall promptly notify  
26 the transportation network company before disclosing the information.

27                                  (7)   (i)     Except to the extent of any inconsistency with this section, the  
28 provisions of Title 13 of the Tax – General Article that apply to the sales and use tax shall  
29 govern the administration, collection, enforcement, and appeals of the revenues from  
30 assessments under this section.

31                                  (ii)   The limitations governing the sales and use tax under § 13–1102  
32 of the Tax – General Article apply to the assessments imposed under this section.

1 (8) The Comptroller may adopt regulations or other requirements or  
2 procedures to carry out the provisions of this section, including requirements and  
3 procedures regarding the administration, collection, and enforcement of the assessment.

4 (h) The Comptroller shall enforce this section and § 10–407 of this subtitle.]

5 **10–406.**

6 **A COUNTY OR MUNICIPAL CORPORATION MAY NOT IMPOSE AN ASSESSMENT,**  
7 **A TAX, A FEE, OR A CHARGE ON TRANSPORTATION NETWORK SERVICES.**

8 [10–407.

9 (a) There is a Transportation Network Assessment Fund.

10 (b) The Fund consists of assessment revenues submitted to the Comptroller from  
11 transportation network companies under § 10–406(g) of this subtitle.

12 (c) The purpose of the Fund is to:

13 (1) receive assessment revenues submitted from transportation network  
14 companies; and

15 (2) disburse assessment revenues to the appropriate counties and  
16 municipalities in accordance with this subsection.

17 (d) (1) The Comptroller shall:

18 (i) deposit in the Fund assessment revenues received from  
19 transportation network companies; and

20 (ii) disburse trip assessment revenues to the appropriate counties  
21 and municipalities.

22 (2) The Treasurer is the custodian of the Fund.

23 (e) (1) The Fund is a continuing, nonlapsing fund that is not subject to §  
24 7–302 of the State Finance and Procurement Article, and may not be deemed a part of the  
25 General Fund of the State.

26 (2) No part of the Fund may revert or be credited to:

27 (i) the General Fund of the State; or

28 (ii) a special fund of the State.]

1 10-408.

2 (a) (1) In this section the following words have the meanings indicated.

3 (3) "Transportation network company impact fee" means the fee imposed  
4 by the State under this section on each transportation network service that includes a  
5 passenger trip during transportation network coverage period three as described in §  
6 10-101(n)(1)(iii) of this title.

7 (b) (1) There is a transportation network company impact fee on passenger  
8 trips that originate in the State.

9 (e) (1) Except as otherwise provided in this section, the audit, assessment,  
10 liability for payment, refund, penalty, interest, enforcement, collection remedies, appeal,  
11 and administrative provisions [that are applicable to an assessment imposed under §  
12 10-406 of this subtitle] **OF TITLE 13 OF THE TAX – GENERAL ARTICLE THAT APPLY**  
13 **TO THE SALES AND USE TAX** apply to the transportation network company impact fee.

14 (2) **THE LIMITATIONS GOVERNING THE SALES AND USE TAX UNDER §**  
15 **13-1102 OF THE TAX – GENERAL ARTICLE APPLY TO THE TRANSPORTATION**  
16 **NETWORK COMPANY IMPACT FEE.**

17 [(h) This section may not be construed to have any effect on an assessment  
18 imposed under § 10-406 of this subtitle.]

19 (H) **THE COMPTROLLER SHALL ENFORCE THIS SECTION.**

## 20 Article – Transportation

21 5-408.

22 (a) In its operation of an airport, airport facility, or air navigation facility owned  
23 or controlled by this State, the Administration, with the approval of the Secretary and  
24 subject to the direction of the Commission, may contract, lease, or otherwise arrange with  
25 any person to:

26 (1) Provide the person with services furnished by the Administration or its  
27 agents at the airport or facility; or

28 (2) Grant to the person the privilege of:

29 (i) Using or improving for commercial purposes any part of the  
30 airport or facility; or

31 (ii) Supplying services, facilities, goods, commodities, or other things  
32 at the airport or facility.

1 (b) (1) (I) For the privileges granted, the Administration may establish,  
2 **SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH**, any terms and conditions and  
3 fix any charges, rentals, or fees that:

4 [(i)] 1. Are reasonable and uniform for the same class of privilege  
5 or service;

6 [(ii)] 2. Are established with due regard to the property and  
7 improvements used and the expenses of operation to this State; and

8 [(iii)] 3. Do not deprive the public of its rightful, equal, and  
9 uniform use of any part of the airport or facility.

10 (II) **THE ADMINISTRATION MAY NOT FIX ANY CHARGES,**  
11 **RENTALS, OR FEES ON THE PRIVILEGE OF PROVIDING TRANSPORTATION NETWORK**  
12 **SERVICES, AS DEFINED IN § 10–101 OF THE PUBLIC UTILITIES ARTICLE, AT THE**  
13 **AIRPORT OR FACILITY.**

14 (2) The Administration shall monitor the charges, fees, or prices of any  
15 goods or services offered to the public by persons granted the privilege under this section.  
16 Every contract, lease, or other arrangement shall provide that charges, fees, or prices:

17 (i) May not be increased without the prior approval of the  
18 Administration; and

19 (ii) Are to be reasonable. In determining reasonableness the  
20 Administration shall consider the charges, fees, or prices for the same goods or services at  
21 comparable airports.

22 (3) The Administration shall:

23 (i) Monitor the employment practices under Title 20, Subtitle 6 of  
24 the State Government Article of persons granted privileges under this section; and

25 (ii) Refer for investigation all alleged violations of § 20–606 of the  
26 State Government Article to the Commission on Civil Rights, the Equal Employment  
27 Opportunity Commission, or any appropriate State or federal administrative body.

28 (c) (1) In this subsection, “commercial activity” means the sale,  
29 merchandising, marketing, or promotion of any goods or services.

30 (2) Commercial activity is permitted at an airport operated by the  
31 Administration only when expressly authorized by and in a manner prescribed by the  
32 Administration.

1 5-418.

2 (a) (1) Any political subdivision that acquires, leases, controls, or sets apart  
3 any property for an airport, airport facility, or air navigation facility may:

4 [(1)] (I) Establish and operate the airport or facility;

5 [(2)] (II) Lease or grant to any person, on the terms and conditions it  
6 considers proper, any right or interest in the airport or facility;

7 [(3)] (III) [Fix] **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, FIX**  
8 any charges, rentals, or fees for the use of the airport or facility and for any right or interest  
9 granted to any person under this section; and

10 [(4)] (IV) Delegate any of its powers under this section to any suitable  
11 officer or agency of the political subdivision and, for this purpose, create any new agency or  
12 unit.

13 (2) **A POLITICAL SUBDIVISION MAY NOT FIX ANY CHARGES, RENTALS,**  
14 **OR FEES FOR THE USE OF THE AIRPORT OR FACILITY TO PROVIDE TRANSPORTATION**  
15 **NETWORK SERVICES, AS DEFINED IN § 10-101 OF THE PUBLIC UTILITIES ARTICLE.**

16 (b) The costs and expenses incurred in connection with any act performed under  
17 this section shall be the responsibility of the political subdivision.

18 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 10-408 of Article –  
19 Public Utilities of the Annotated Code of Maryland be renumbered to be Section(s) 10-407.

20 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
21 1, 2026.