because it is produced in Maryland, is clearly "discriminatory against interstate commerce ... by providing a direct commercial advantage to local business." Just recently, the Minnesota Supreme Court struck down a similarly preferential tax on gasohol produced in that State. Archer Daniels Midland Co. v. State of Minnesota, 315 N.W. 2d 597, 598-600 (Minn. 1982).

As the motor fuel tax is pledged to the redemption of the consolidated transportation bonds, Transportation Article, Sec. 3-215, and as the bill makes no provision to insure that there is adequate revenue to redeem these bonds, there are also issues of whether the bill violates the prohibition in the Federal Constitution on the states impairing contracts, Art. I, Sec. 10, Cl. 1, and the ban in the State Constitution on the repeal of taxes pledged to redeem the State's debt, Art. III, Sec. 34. Because the bill is so clearly unconstitutional as a violation of the Commerce Clause, we find it unnecessary to address these other issues.

Very truly yours,
Stephen H. Sachs
Attorney General

Senate Bill No. 624

AN ACT concerning

Alcohol Blended Motor Fuels - Tax

FOR the purpose of reducing the motor fuel tax imposed on alcohol blended motor fuels made with alcohol produced in Maryland; providing for a date by which this Act shall be void and of no further effect; and requiring certain producers of certain alcohols to submit certain reports by a certain date.

BY repealing and reenacting, with amendments,

Article 56 - Licenses
Section 136
Annotated Code of Maryland
(1979 Replacement Volume and 1981 Supplement)

The President put the question: Shall the Bill pass, notwithstanding the objections of the Executive

The roll call vote resulted as follows:

Affirmative: 7 Negative: 39

(See Roll Call No. 66)