

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

House Bill 1239

(Montgomery County Delegation and Prince George's
County Delegation)

Environmental Matters

Washington Metropolitan Area Transit District - Establishment of Sales Outlets
in Prince George's County
MC/PG 117-13

This bill requires the Washington Suburban Transit Commission (WSTC) to take any action necessary to enter the Washington Suburban Transit District into a contract or agreement with the Washington Metropolitan Area Transit Authority (WMATA) to establish at least three sales outlets in Prince George's County at which senior citizens may purchase discounted fare cards. At least one sales outlet must be located in northern, central, and southern Prince George's County.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures may increase, potentially significantly, in FY 2014 and subsequent years to allocate additional grant funds to WMATA. Revenues are not materially affected.

Local Effect: Montgomery and Prince George's county expenditures may increase, potentially significantly, in FY 2014 and subsequent years for additional WMATA operating subsidy funding. **This bill may impose a mandate on a unit of local government.**

Small Business Effect: Minimal.

Analysis

Current Law: WMATA was created by interstate compact of the State of Maryland, the Commonwealth of Virginia, and the District of Columbia with the consent of the U.S. Congress. Maryland ratified the Washington Metropolitan Area Transit Regulation Compact in 1965. WMATA was created to plan, finance, develop, and operate a balanced regional transportation system for the national capital area.

The Maryland Department of Transportation (MDOT) must provide annual operating grants to the Washington Suburban Transit District that cover 100% of its share of the WMATA operating deficit. An “operating deficit” is operating costs less the greater of operating revenues of 50% of the operating costs and all federal operating assistance.

Background: WSTC, established in 1965, is responsible for administering the Washington Suburban Transit District and is authorized to develop a transportation system, including mass transit facilities, for Montgomery and Prince George’s counties. It coordinates mass transit programs with the two county governments, WMATA, and MDOT. MDOT provides annual operating grants to WSTC, which then provides funding to WMATA for operation of the Metrorail, Metrobus, and MetroAccess systems.

WMATA operates the second largest rail transit system and the fifth largest bus network in the United States. Construction of WMATA’s 103-mile Metrorail system began in 1969 and was completed in 2001; the system now serves 26 stations in Maryland. WMATA’s Metrobus system provides continuous service with 1,500 buses. Metrorail and Metrobus serve a population of 3.4 million within a 1,500-square mile jurisdiction.

Citizens age 65 years and older may ride for half the peak fare on Metrorail, for \$0.80 on regular Metrobus routes and for a discounted fare on other participating bus service providers. To do so, they must purchase a senior SmarTrip card at Metro sales offices, commuter stores, and some public libraries in Montgomery County. To purchase the card, seniors must show government-issued photo identification with proof of age and pay \$5.00.

Because there are no Metro sales offices or commuter stores in Prince George’s County and the senior SmarTrip card is not available at retail outlets, the senior SmarTrip card is not available for purchase in Prince George’s County. Previously, senior SmarTrip cards were available at libraries located in Prince George’s County.

The Maryland-National Capital Park and Planning Commission (MNCPPC) is a bi-county agency that acquires, develops, maintains, and administers a regional system of parks with Montgomery and Prince George’s counties and provides land use planning for the physical development of the two counties. MDOT advises that negotiations are

underway between WMATA, MNCPPC, and Prince George's County to have senior SmarTrip cards made available for purchase at existing MNCPPC retail sites.

State Expenditures: To the extent senior SmarTrip cards are made available at existing MNCPPC retail sites, it is anticipated that minimal or no costs are incurred by the State. However, if WMATA must establish and operate three retail sites in Prince George's County, TTF expenditures increase significantly in fiscal 2014 and subsequent years. MDOT advises that establishing and staffing three retail outlets in Prince George's County will cost up to \$1 million annually. This estimate is based on similar transit store operational costs incurred by Arlington County, Virginia.

Local Expenditures: Montgomery and Prince George's county expenditures may increase, potentially significantly, in fiscal 2014 and subsequent years due to making additional operating subsidy payments to WMATA to operate three retail sites. However, if an agreement is reached to make senior SmarTrip cards available at existing retail sites in Prince George's County, local governments incur minimal or no costs.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland-National Capital Park and Planning Commission, Montgomery County, Maryland Department of Transportation, Washington Metropolitan Area Transit Authority; Department of Legislative Services

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mlm/lgc

Analysis by: Amanda Mock

Direct Inquiries to:
(410) 946-5510
(301) 970-5510