

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE

House Bill 1057
Economic Matters

(Prince George's County Delegation)

Finance

**Prince George's County - University of Maryland, College Park Bus Service -
Motor Carrier Permit Exemption - Removal of Sunset
PG 403-14**

This bill repeals the June 30, 2014 termination date of the exemption allowing the shuttle bus service of the University of Maryland, College Park (UMCP) to operate without obtaining a motor carrier permit from the Public Service Commission (PSC), as originally authorized by Chapters 346 and 347 of 2008 and as extended by Chapter 373 of 2011.

The bill takes effect June 1, 2014.

Fiscal Summary

State Effect: UMCP revenues continue beyond FY 2014 from payments from the City of College Park for shuttle bus services. Expenditures are not directly affected.

Local Effect: City of College Park expenditures continue beyond FY 2014 to the extent the city continues to provide payments to UMCP in exchange for transportation services.

Small Business Effect: Minimal overall but beneficial for businesses on UMCP shuttle bus routes as area residents maintain increased access to public transit servicing those businesses beyond FY 2014.

Analysis

Current Law: Chapters 346 and 347 of 2008 exempted the UMCP shuttle bus service from the requirement to have a motor carrier permit so long as the service is extended to residents of the City of College Park. The exemption was extended from June 30, 2011,

to June 30, 2014, by Chapter 373 of 2011. The 2008 and 2011 legislation contained a related reporting requirement.

PSC regulates motor carriers and issues permits. With certain exceptions, a motor carrier permit, issued by PSC, is required for a passenger motor vehicle used in the transportation of persons for hire. Among others, permitting exceptions include:

- motor vehicles used exclusively for the transportation of pupils to and from public or private schools;
- a local public transportation system established under a law enacted by the local government; and
- public transportation for hire authorized to operate on the boardwalk in Ocean City.

For motor carriers operating in Montgomery and Prince George's counties, authority to operate must be granted by the Washington Metropolitan Area Transit Commission (WMATC). If operating solely in the area of WMATC authority, a motor carrier permit issued by PSC is not required.

Background: When UMCP and the City of College Park initially sought approval to allow city residents to use UMCP shuttle services, an Attorney General's opinion from the Board of Public Works stated that such an opening of services would make the shuttle a "common carrier," requiring the shuttle to receive a motor carrier permit from PSC. Chapters 346 and 347 of 2008 temporarily exempted the shuttle service from this requirement, which was extended by Chapter 373 of 2011.

In August 2008, the College Park City Council and UMCP Department of Transportation Services approved a memorandum of understanding allowing city residents to ride the UMCP shuttle. The current agreement, effective through August 2014, enables 1,000 city residents to ride the UMCP shuttle in exchange for \$6,000 for the current fiscal year.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Public Service Commission, City of College Park, University System of Maryland, Department of Legislative Services

Fiscal Note History: First Reader - February 16, 2014
mm/lgc

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