

SENATE BILL 199

R2
SB 424/20 – B&T

(PRE-FILED)

1lr1305
CF HB 114

By: **Senators McCray and Zucker**

Requested: October 30, 2020

Introduced and read first time: January 13, 2021

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Transit Administration – Funding**
3 **(Transit Safety and Investment Act)**

4 FOR the purpose of requiring the Governor to include certain appropriations in the State
5 budget from the Transportation Trust Fund to the Maryland Transit Administration
6 for certain operating and capital needs of the Administration in certain fiscal years;
7 authorizing the reduction of certain appropriations under certain circumstances;
8 requiring that certain capital appropriations to the Administration be in addition to
9 any funds appropriated for the capital needs of a certain transit project; providing
10 that a certain provision of law may not be construed to limit the authority of the
11 Administrator to use certain funds to increase the State investment in certain transit
12 systems for a certain purpose; requiring the Administration to submit a report each
13 year on the planning and use of capital funds for certain capital projects in the prior
14 fiscal year; altering the termination date for certain provisions of law concerning
15 funding for the Administration; declaring the intent of the General Assembly;
16 making conforming changes; defining a certain term; and generally relating to
17 funding for the Maryland Transit Administration.

18 BY repealing and reenacting, with amendments,
19 Article – Transportation
20 Section 7–205 and 7–309
21 Annotated Code of Maryland
22 (2020 Replacement Volume)

23 BY repealing and reenacting, with amendments,
24 Chapter 351 of the Acts of the General Assembly of 2018
25 Section 9

26 BY repealing and reenacting, with amendments,
27 Chapter 352 of the Acts of the General Assembly of 2018

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 9

2 Preamble

3 WHEREAS, Section 7–309 of the Transportation Article of the Annotated Code of
4 Maryland requires the Maryland Transit Administration (Administration) to assess its
5 ongoing, unconstrained capital needs; and

6 WHEREAS, The Administration released the Capital Needs Inventory in July 2019,
7 which captured and quantified the capital investment needs over a 10–year period for the
8 assets of the following modes: (1) Local Bus, including CityLink, LocalLink, and Express
9 BusLink; (2) Commuter Bus; (3) Maryland Area Regional Commuter trains; (4) Baltimore
10 Metro SubwayLink; (5) Light RailLink; and (6) MobilityLink; and

11 WHEREAS, These services provide nearly 320,000 rides a day for residents in
12 Baltimore City and Anne Arundel, Baltimore, Calvert, Charles, Frederick, Harford,
13 Howard, Montgomery, Prince George’s, Queen Anne’s, and St. Mary’s counties; and

14 WHEREAS, The Capital Needs Inventory identified that in order to provide safe,
15 reliable transit services the Administration would need, on average, \$462 million per year
16 in capital funding for state of good repair needs during the 10–year period identified in the
17 report; and

18 WHEREAS, In addition to its state of good repair needs, the Capital Needs Inventory
19 identified a need of more than \$100 million per year over the same period for capital
20 enhancement needs; and

21 WHEREAS, Section 7–301.1 of the Transportation Article requires the
22 Administration to prepare the Central Maryland Regional Transit Plan, a long–range
23 transit plan for Maryland transit service growth in Baltimore City and Anne Arundel,
24 Baltimore, Harford, and Howard counties; and

25 WHEREAS, The Central Maryland Regional Transit Plan suggests that the existing
26 public transportation system does not provide adequate service to meet existing demand;
27 and

28 WHEREAS, The Maryland Department of Transportation’s draft FY 2020–2025
29 Consolidated Transportation Program (CTP) provides the Administration only \$326 million
30 on average per year for the Capital Needs Inventory during this period; and

31 WHEREAS, The funding levels identified in the CTP for the Administration will
32 increase the agency’s Capital Needs Inventory and delay the implementation of the Central
33 Maryland Regional Transit Plan, including the growth of the transit system; and

34 WHEREAS, Infrastructure becomes more expensive to operate and maintain if
35 maintenance is deferred; and

1 WHEREAS, Emergency shutdowns, such as the 2018 shutdown of the Baltimore
2 subway system, and equipment failures impact the reliability of Administration services;
3 and

4 WHEREAS, Riders and the public at large expect the State to maintain its public
5 transit infrastructure at a level of reasonable reliability and the utmost safety; now,
6 therefore,

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

9 **Article – Transportation**

10 7–205.

11 (a) **IN THIS SECTION, “STATE OF GOOD REPAIR NEEDS” INCLUDES THE**
12 **CAPITAL NEEDS IDENTIFIED BY THE ADMINISTRATION IN THE ASSESSMENT**
13 **REQUIRED UNDER § 7–309 OF THIS ARTICLE.**

14 (B) For fiscal year 2020, the Governor shall include in the State budget an
15 appropriation from the Transportation Trust Fund for the operation of the Administration
16 that is equal to the appropriation for the operation of the Administration in the fiscal year
17 2019 State budget as introduced, increased by at least 4.4%.

18 [(b)] (C) For each of fiscal years 2021 and 2022, the Governor shall include in
19 the State budget an appropriation from the Transportation Trust Fund for the operation of
20 the Administration that is equal to the appropriation for the operation of the
21 Administration in the State budget for the immediately preceding fiscal year, increased by
22 at least 4.4%.

23 (D) **FOR EACH OF FISCAL YEARS 2023 THROUGH 2028, THE GOVERNOR**
24 **SHALL INCLUDE IN THE STATE BUDGET AN APPROPRIATION FROM THE**
25 **TRANSPORTATION TRUST FUND FOR THE OPERATION OF THE ADMINISTRATION**
26 **THAT MAY NOT BE LESS THAN THE FISCAL YEAR 2022 APPROPRIATION FOR THE**
27 **OPERATION OF THE ADMINISTRATION.**

28 [(c)] (E) (1) For each of fiscal years 2020 through 2022, the Governor shall
29 include in the State budget an appropriation for the capital needs of the Administration of
30 at least \$29,100,000 from the revenues available for the State capital program in the
31 Transportation Trust Fund.

32 (2) **SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE**
33 **GOVERNOR SHALL INCLUDE IN THE STATE BUDGET AN APPROPRIATION FOR THE**
34 **STATE OF GOOD REPAIR NEEDS OF THE ADMINISTRATION IN THE FOLLOWING**
35 **AMOUNTS FROM THE REVENUES AVAILABLE FOR THE STATE CAPITAL PROGRAM IN**
36 **THE TRANSPORTATION TRUST FUND:**

- 1 **(I) FOR FISCAL YEAR 2023, AT LEAST \$361,880,000;**
2 **(II) FOR FISCAL YEAR 2024, AT LEAST \$414,893,000;**
3 **(III) FOR FISCAL YEAR 2025, AT LEAST \$453,839,000;**
4 **(IV) FOR FISCAL YEAR 2026, AT LEAST \$566,573,000;**
5 **(V) FOR FISCAL YEAR 2027, AT LEAST \$566,573,000; AND**
6 **(VI) FOR FISCAL YEAR 2028, AT LEAST \$531,573,000.**

7 **(3) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, AN**
8 **APPROPRIATION REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION MAY BE**
9 **REDUCED IF THE TOTAL APPROPRIATION FOR STATE OF GOOD REPAIR NEEDS IN A**
10 **PRIOR FISCAL YEAR EXCEEDED THE AMOUNT SPECIFIED UNDER PARAGRAPH (2) OF**
11 **THIS SUBSECTION FOR THAT FISCAL YEAR.**

12 **(II) A REDUCTION AUTHORIZED UNDER SUBPARAGRAPH (I) OF**
13 **THIS PARAGRAPH:**

14 **1. MAY BE APPLIED ONLY TO ONE FISCAL YEAR; AND**

15 **2. MAY NOT EXCEED THE DIFFERENCE BETWEEN THE**
16 **TOTAL APPROPRIATION FOR STATE OF GOOD REPAIR NEEDS FOR THE PRIOR FISCAL**
17 **YEAR AND THE AMOUNT SPECIFIED UNDER PARAGRAPH (2) OF THIS SUBSECTION**
18 **FOR THAT FISCAL YEAR.**

19 **[(2)] (4) (I) The appropriation required under paragraph (1) of this**
20 **subsection may not supplant any other capital funding otherwise available for the**
21 **Administration.**

22 **(II) THE APPROPRIATIONS REQUIRED UNDER PARAGRAPH (2)**
23 **OF THIS SUBSECTION SHALL BE IN ADDITION TO ANY FUNDS APPROPRIATED FOR**
24 **THE CAPITAL PLANNING, ENGINEERING, RIGHT-OF-WAY ACQUISITION, OR**
25 **CONSTRUCTION OF THE PURPLE LINE IN MONTGOMERY COUNTY AND PRINCE**
26 **GEORGE'S COUNTY.**

27 **(F) THIS ACT MAY NOT BE CONSTRUED TO LIMIT THE AUTHORITY OF THE**
28 **ADMINISTRATOR TO USE AVAILABLE FUNDS APPROPRIATED TO THE**
29 **ADMINISTRATION TO INCREASE THE STATE INVESTMENT IN LOCALLY OPERATED**
30 **TRANSIT AGENCIES SERVING URBANIZED AREAS IN ORDER TO FACILITATE BUS**
31 **REPLACEMENT IN A MANNER CONSISTENT WITH THE FIXED ROUTE SERVICE BUS**

1 **FLEET REPLACEMENT SCHEDULE FOR THE ADMINISTRATION.**

2 7–309.

3 (a) The Administration shall, at least every 3 years, assess the ongoing,
4 unconstrained capital needs of the Administration.

5 (b) In undertaking the assessment required under subsection (a) of this section,
6 the Administration shall:

7 (1) Compile and prioritize capital needs without regard to cost;

8 (2) Identify the backlog of repairs and replacements needed to achieve a
9 state of good repair for all Administration assets, including a separate analysis of these
10 needs over the following 10 years; and

11 (3) Identify the needs to be met in order to enhance service and achieve
12 system performance goals.

13 (c) On or before July 1, 2019, and on or before July 1 every 3 years thereafter, the
14 Administration shall, in accordance with § 2–1257 of the State Government Article, submit
15 the assessment required under subsection (a) of this section to the Senate Budget and
16 Taxation Committee, the House Appropriations Committee, and the House Environment
17 and Transportation Committee.

18 **(D) ON OR BEFORE JANUARY 20, 2022, AND ON OR BEFORE JANUARY 20**
19 **EACH YEAR THEREAFTER, THE ADMINISTRATION SHALL, IN ACCORDANCE WITH §**
20 **2–1257 OF THE STATE GOVERNMENT ARTICLE, SUBMIT AN ACCOUNTING OF THE**
21 **CAPITAL FUNDS PROGRAMMED, APPROPRIATED, AND EXPENDED ON EACH OF THE**
22 **PROJECTS IDENTIFIED IN THE ASSESSMENT REQUIRED UNDER SUBSECTION (A) OF**
23 **THIS SECTION FOR THE PRIOR FISCAL YEAR TO THE SENATE BUDGET AND**
24 **TAXATION COMMITTEE, THE HOUSE APPROPRIATIONS COMMITTEE, AND THE**
25 **HOUSE ENVIRONMENT AND TRANSPORTATION COMMITTEE.**

26 **Chapter 351 of the Acts of 2018**

27 SECTION 9. AND BE IT FURTHER ENACTED, That, subject to Section 4 of this
28 Act, this Act shall take effect June 1, 2018. Section 2 of this Act shall remain effective for a
29 period of [4] 11 years and 1 month and, at the end of June 30, [2022] 2029, Section 2 of
30 this Act, with no further action required by the General Assembly, shall be abrogated and
31 of no further force and effect.

32 **Chapter 352 of the Acts of 2018**

33 SECTION 9. AND BE IT FURTHER ENACTED, That, subject to Section 4 of this
34 Act, this Act shall take effect June 1, 2018. Section 2 of this Act shall remain effective for a

1 period of [4] 11 years and 1 month and, at the end of June 30, [2022] 2029, Section 2 of
2 this Act, with no further action required by the General Assembly, shall be abrogated and
3 of no further force and effect.

4 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General
5 Assembly that the Maryland Department of Transportation:

6 (1) maximize its use of Consolidated Transportation Bonds to support the
7 Department's capital program by forecasting Transportation Trust Fund estimates to
8 include assumed bond issuances that would result in net income debt service coverage
9 ratios of two-and-a-half times maximum future debt service in each year of the forecast;
10 and

11 (2) explore all other options to maximize ancillary revenues through the
12 operations of its units, including the leasing of unused real estate, the sale of air rights, the
13 sale of advertising, such as naming rights, and other marketing efforts.

14 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June
15 1, 2021.