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**By: Senators Jimeno and Middlebrooks**

Introduced and read first time: February 2, 1996

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

**2 Transportation - Mass Transit Administration - Fare Box Recovery and Appropriations**

3 FOR the purpose of requiring the Mass Transit Administration to exempt, during a  
4 certain period after the initiation of new bus, rail, or passenger rail service, any new  
5 service in the group that is utilized to calculate the fares needed to ensure that at  
6 least 50 percent of the total operating costs for mass transit are recovered from  
7 fares and other operating revenues.

8 BY repealing and reenacting, with amendments,  
9 Article - Transportation  
10 Section 7-208 and 7-902  
11 Annotated Code of Maryland  
12 (1993 Replacement Volume and 1995 Supplement)

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

15 **Article - Transportation**

16 7-208.

17 (a) (1) Subject to the authority of the Secretary and, where applicable, the  
18 Maryland Transportation Authority, the Administration has jurisdiction:

19 (i) Consistent with the provisions of Division II of the State Finance  
20 and Procurement Article, for planning, developing, constructing, acquiring, financing,  
21 and operating the transit facilities authorized by this title; and

22 (ii) Over the services performed by and the rentals, rates, fees, fares,  
23 and other charges imposed for the services performed by transit facilities owned or  
24 controlled by the Administration.

25 (2) (i) [For fiscal years 1988 through 1992 and each fiscal year thereafter,  
26 the] THE Administration shall recover from fares and other operating revenues at least  
27 50 percent of the total operating costs for the mass transit bus and rail services under its  
28 jurisdiction. It is the intent of the General Assembly that the provisions of this paragraph  
29 shall apply on a system-wide basis and not on an individual transit line basis. However,  
30 given the anticipated efficiency of light rail technology, the Department is encouraged,

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1 after 2 years of light rail operation, to recover from fares and other operating revenues at  
2 least 60 percent of the total operating costs for light rail services.

3 (ii) The Administration shall obtain the fare recovery ratio through  
4 the establishment of reasonable fares in the Baltimore region and the implementation of  
5 cost containment measures as deemed necessary to meet the standard required under this  
6 paragraph.

7 (III) IN ADJUSTING THE AMOUNT OF THE FARES THAT ARE TO BE  
8 IMPOSED EACH FISCAL YEAR UNDER SUBPARAGRAPH (1) OF THIS PARAGRAPH TO  
9 ENSURE THAT AT LEAST 50 PERCENT OF THE TOTAL OPERATING COSTS FOR MASS  
10 TRANSIT BUS AND RAIL SERVICE, OR EXTENSIONS THERETO, UNDER ITS  
11 JURISDICTION ARE RECOVERED FROM FARES AND OTHER OPERATING REVENUES.  
12 THE ADMINISTRATION MAY NOT INCLUDE ANY MASS TRANSIT BUS OR RAIL  
13 SERVICE THAT HAD BEEN COMPLETED AND IN OPERATION FOR LESS THAN 3 YEARS.

14 (IV) THE OPERATING COST OF ALL MASS TRANSIT BUS AND RAIL  
15 SERVICES, INCLUDING THOSE EXCLUDED FROM THE FARE BOX RECOVERY  
16 CALCULATION, SHALL NOT EXCEED THE BUDGET APPROPRIATIONS FOR THE  
17 FISCAL YEAR.

18 (b) The determinations of the Secretary, Administration, or Maryland  
19 Transportation Authority as to the type of service performed or the rentals, rates, fees,  
20 fares, and other charges imposed are not subject to judicial review or to the processes of  
21 any court.

22 (c) Notwithstanding any other provision of this title or the Public Service  
23 Commission Law, the Public Service Commission does not have any jurisdiction over  
24 transit facilities owned or controlled by the Administration or over any contractor  
25 operating these facilities.

26 (d) Except as provided in this title, the Administration does not have any  
27 jurisdiction over transportation in the District by private carriers.

28 7-902.

29 (a) The Administration shall continue to operate the following passenger railroad  
30 services at levels of service at least equivalent to the level of service established as of July  
31 1, 1981:

32 (1) The CSX line between Brunswick and the District of Columbia;

33 (2) The Amtrak line between Penn Station in Baltimore and the District of  
34 Columbia; and

35 (3) The CSX line between Camden Station in Baltimore and the District of  
36 Columbia.

37 (b) The Administration shall recover at least 50 percent of total operating costs  
38 for all passenger railroad services under its control from fares and operating revenues.  
39 Notwithstanding § 7-208 of this title, the Mass Transit Administration shall calculate for  
40 passenger rail services a separate farebox recovery ratio for the administrative purposes

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1 of determining a separate cost recovery ratio for each of the aforementioned transit  
2 modes from the calculation for mass transit, Metro, and light rail.

3 (C) IN DETERMINING THE FARES THAT ARE TO BE IMPOSED UNDER  
4 SUBSECTION (B) OF THIS SECTION TO ENSURE AT LEAST 50 PERCENT OF THE TOTAL  
5 OPERATING COST FOR ALL PASSENGER RAILROAD SERVICES, OR EXTENSIONS  
6 THERETO, UNDER ITS JURISDICTION ARE RECOVERED FROM FARES AND OTHER  
7 OPERATING REVENUES, THE ADMINISTRATION MAY NOT INCLUDE PASSENGER  
8 RAILROAD SERVICES THAT HAD BEEN COMPLETED AND IN OPERATION FOR LESS  
9 THAN 3 YEARS.

10 (D) THE COST OF ALL PASSENGER RAILROAD SERVICES, INCLUDING THOSE  
11 STATUTORILY EXCLUDED FROM THE FARE BOX RECOVERY CALCULATION, MAY  
12 NOT EXCEED THE BUDGET APPROPRIATION FOR THAT FISCAL YEAR.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
14 July 1, 1996.