
By: Senators Jimeno and Middlebrooks

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Read second time: April 4, 1996

CHAPTER ____

1 AN ACT concerning

2 ~~Transportation – Mass Transit Administration – Fare Box Recovery and Appropriations~~

3 ~~Transportation~~ **Mass Transit - Fares and Other Revenues and Security**

4 [TAG ftpo]FOR the purpose of ~~requiring~~ authorizing the Mass Transit Administration to exempt,
5 during a certain period after the initiation of new bus, ~~rail~~, or ~~passenger~~ rail service,
6 ~~any certain~~ new service in the group that is utilized to calculate the fares needed to
7 ensure that at least 50 percent of the total operating costs for mass transit are
8 recovered from fares and other operating revenues; authorizing the Secretary of
9 Transportation to authorize certain payments to the Washington Suburban Transit
10 District for the cost of certain new bus and rail service under certain circumstances;
11 providing for the inclusion of certain items in the calculation of certain operating
12 costs under certain circumstances; requiring the Maryland Department of
13 Transportation to provide certain information to the Department of Fiscal Services
14 under certain circumstances; requiring the Maryland Department of Transportation
15 to make a certain report to the General Assembly; stating the intent of the General
16 Assembly that certain exclusions from farebox recovery requirements be approved
17 on a pilot basis; limiting the amount of funds from the Transportation Trust Fund
18 that may be used annually to offset reductions resulting from this Act in the
19 percentage of certain revenues recovered from farebox receipts; requiring the Mass
20 Transit Administration, by a certain date, to install and maintain a certain video
21 monitoring system, and to take any other actions considered necessary by the Mass
22 Transit Administrator to restrict public access to unattended transit vehicles within
23 the light rail transit system; providing for the termination of certain provisions of
24 this Act; and generally relating to the exemption of the costs of new bus and rail
25 service from certain revenue requirements and actions to maintain and enhance
26 security on the light rail transit system.

27 BY repealing and reenacting, without amendments,

2

1 Article - Transportation
2 Section 7-101(a), (b), (f), (h), and (n)
3 Annotated Code of Maryland
4 (1993 Replacement Volume and 1995 Supplement)

5 BY repealing and reenacting, with amendments,
6 Article - Transportation
7 Section 7-208 ~~and 7-902, 7-704.1, 10-205(a) and (b), and 10-207~~
8 Annotated Code of Maryland
9 (1993 Replacement Volume and 1995 Supplement)

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

12 **Article - Transportation**

13 7-208.

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

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

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

22 (2) (i) 1. EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
23 PARAGRAPH, FOR ~~For~~ fiscal years 1988 through 1992 and each fiscal year thereafter,
24 ~~the~~ ~~THE~~ Administration shall recover from fares and other operating revenues at least
25 50 percent of the total operating costs for the mass transit bus and rail services under its
26 jurisdiction. It is the intent of the General Assembly that the provisions of this paragraph
27 shall apply on a system-wide basis and not on an individual transit line basis. However,
28 given the anticipated efficiency of light rail technology, the Department is encouraged,
29 after 2 years of light rail operation, to recover from fares and other operating revenues at
30 least 60 percent of the total operating costs for light rail services.

31 ~~(ii)~~ 2. The Administration shall obtain the fare recovery ratio
32 through the establishment of reasonable fares in the Baltimore region and the
33 implementation of cost containment measures as deemed necessary to meet the standard
34 required under this paragraph.

35 ~~(iii) IN ADJUSTING THE AMOUNT OF THE FARES THAT ARE TO BE~~
36 ~~IMPOSED EACH FISCAL YEAR UNDER SUBPARAGRAPH (1) OF THIS PARAGRAPH TO~~
37 ~~ENSURE THAT AT LEAST 50 PERCENT OF THE TOTAL OPERATING COSTS FOR MASS~~
38 ~~TRANSIT BUS AND RAIL SERVICE, OR EXTENSIONS THERETO, UNDER ITS~~
39 ~~JURISDICTION ARE RECOVERED FROM FARES AND OTHER OPERATING REVENUES.~~
40 ~~THE ADMINISTRATION MAY NOT INCLUDE ANY MASS TRANSIT BUS OR RAIL~~
41 ~~SERVICE THAT HAD BEEN COMPLETED AND IN OPERATION FOR LESS THAN 3 YEARS.~~

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1 (II) 1. THE ADMINISTRATION MAY EXEMPT, FROM THE
2 REQUIREMENTS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH, NEW LIGHT RAIL
3 TRANSIT SERVICE THAT HAS BEEN IN OPERATION FOR LESS THAN ~~2 YEARS~~ 18
4 MONTHS.

5 2. SUBJECT TO SUB-SUBPARAGRAPH 3 OF THIS
6 SUBPARAGRAPH, THE ADMINISTRATION MAY EXEMPT, FROM THE REQUIREMENTS
7 OF SUBPARAGRAPH (I) OF THIS PARAGRAPH, NEW MASS TRANSIT BUS SERVICE
8 THAT HAS BEEN IN OPERATION FOR LESS THAN ~~2 YEARS~~ 18 MONTHS.

9 3. THE ANNUAL COST OF MASS TRANSIT BUS SERVICE
10 EXEMPTED UNDER SUB-SUBPARAGRAPH 2 OF THIS SUBPARAGRAPH MAY NOT
11 EXCEED, AS A PERCENTAGE OF THE TOTAL ANNUAL COST OF MASS TRANSIT BUS
12 SERVICE, 1 PERCENT IN FISCAL YEAR 1997, 2 PERCENT IN FISCAL YEAR 1998, AND 2
13 PERCENT IN FISCAL YEAR 1999.

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

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 10-205.

14 (a) In accordance with and subject to the principle that, if there is substantial
15 State financial support for the planned rapid rail mass transit system in one metropolitan
16 area of this State, there should be substantial State financial support for the planned
17 rapid rail mass transit system in the other metropolitan area of this State, and subject to
18 the appropriation requirements and budgetary provisions of § 3- 216(d) of this article, the
19 Department shall provide for grants to the Washington Suburban Transit District in an
20 amount equal to the current expenditures required of the Washington Suburban Transit
21 District in accordance with capital contributions agreements between the Washington
22 Metropolitan Area Transit Authority, the Washington Suburban Transit District, and
23 other participating jurisdictions. The Washington Suburban Transit District shall consult
24 with the Secretary of Transportation prior to the execution of any capital contributions
25 agreement. Expenditures required of the Washington Suburban Transit District for
26 projects and programs not included in the "Adopted Regional System - 1968" revised as
27 of January 1, 1992, are only eligible for State funding in accordance with subsection (d) of
28 this section.

29 (b) (1) Subject to the appropriation requirements and budgetary provisions of §
30 3-216(d) OF THIS ARTICLE and upon receipt of an approval of a grant application in
31 such form and detail as the Secretary shall reasonably require, the Department shall
32 provide for annual grants to the Washington Suburban Transit District for a share of the
33 operating deficits of the regional transit system for which the District is responsible.
34 "Operating deficit" means operating costs less:

35 (i) The greater of operating revenues or 50 percent of the operating
36 costs; and

37 (ii) All federal operating assistance.

38 (2) The Department's share shall equal 100 percent of the operating deficit.

39 (3) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (2) OF THIS
40 SUBSECTION, THE SECRETARY MAY AUTHORIZE PAYMENTS FOR THE COST OF NEW
41 BUS SERVICE THAT DOES NOT RECOVER 50 PERCENT OF ITS OPERATING COSTS FOR
42 THE FIRST 2 YEARS 18 MONTHS OF ITS OPERATION PROVIDED THAT:

1 (I) THE ANNUAL COST TO THE DEPARTMENT OF NEW BUS
2 SERVICE ADDED UNDER THIS SECTION AND § 10-207 OF THIS SUBTITLE DOES NOT
3 EXCEED 2 PERCENT OF THE TOTAL ANNUAL COST OF BUS SERVICE PROVIDED
4 UNDER THIS SECTION AND § 10-207 OF THIS SUBTITLE; AND

5 (II) NO MORE THAN 1 PERCENT OF THE ANNUAL COST OF BUS
6 SERVICE PROVIDED UNDER THIS SECTION AND § 10-207 OF THIS SUBTITLE IS ADDED
7 AS NEW SERVICE IN A SINGLE FISCAL YEAR.

8 (4) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (2) OF THIS
9 SUBSECTION, THE SECRETARY MAY AUTHORIZE PAYMENTS FOR THE COST OF NEW
10 SERVICE THAT DOES NOT RECOVER 50 PERCENT OF ITS OPERATING COSTS FOR THE
11 FIRST ~~2 YEARS~~ 18 MONTHS OF ITS OPERATION.

12 (5) THE COST OF NEW SERVICE MAY NOT CAUSE THE DEPARTMENT TO
13 EXCEED THE LEGISLATIVE APPROPRIATION FOR WASHINGTON METROPOLITAN
14 AREA TRANSIT OPERATING GRANTS.

15 10-207.

16 (a) (1) In this section, the following words have the meanings indicated.

17 (2) "Eligible local bus service":

18 (i) Means the number of annual platform miles and annual platform
19 hours of fixed route, scheduled local bus service, that previously replaced comparable
20 service operated by the Washington Metropolitan Area Transit Authority, plus the
21 number of annual platform miles and annual platform hours of any new fixed route,
22 scheduled local bus service added after June 30, 1989; and

23 (ii) Is limited to service operated by or on behalf of and in
24 Montgomery County or Prince George's County.

25 (3) "Costs" means:

26 (i) Operating costs of eligible local bus service, plus operating costs
27 under § 10-205 of this subtitle; and

28 (ii) An allowance for the replacement of buses used in eligible local
29 service, which shall equal the cost of such buses divided by their useful life.

30 (4) "Service deficit" means costs less:

31 (i) The greater of revenues collected under this section and §
32 10-205(b) of this subtitle or 50 percent of the costs; and

33 (ii) All federal operating assistance.

34 (b) Subject to the appropriation requirements and budgetary provisions of §
35 3-216 of this article and upon receipt of an approval of a grant application in the form or
36 detail as the Secretary shall reasonably require, the Department shall provide for annual
37 grants to Prince George's County and Montgomery County for eligible local bus service as
38 defined in this section. The amount of these grants shall be equal to:

1 (1) 100 percent of the service deficit attributable to each county; less

2 (2) Each county's share of the Department's annual grant to the
3 Washington Suburban Transit District as determined under § 10-205(b) of this subtitle.

4 (c) The Department's grant for any eligible local bus service may not be greater
5 than the operating grant that the Department would incur from the same bus service if
6 operated by the Washington Metropolitan Area Transit Authority. This requirement shall
7 be applied on a line by line basis.

8 (d) Except with the specific approval of the Secretary, notwithstanding the
9 provisions of § 10-205 of this subtitle, the combined grants for bus service to each county
10 under this section and § 10-205(b) of this subtitle may not exceed the level of the
11 combined grants for the prior fiscal year adjusted for inflation by the projected consumer
12 price index CPI-U for the fiscal year in which the grant under this section is being
13 awarded, using the actual consumer price index CPI-U at the close of the fiscal year.
14 Adjustments shall be made to increase or decrease the combined grants in the subsequent
15 fiscal year to reflect the actual inflation rate.

16 (E) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (B) OF THIS
17 SECTION, THE SECRETARY MAY AUTHORIZE PAYMENT FOR THE COST OF NEW
18 ELIGIBLE LOCAL BUS SERVICE THAT DOES NOT RECOVER 50 PERCENT OF ITS
19 OPERATING COSTS FOR THE FIRST ~~2 YEARS~~ 18 MONTHS OF ITS OPERATION,
20 PROVIDED THAT:

21 (1) THE ANNUAL COST TO THE DEPARTMENT OF NEW BUS SERVICE
22 ADDED UNDER THIS SECTION AND § 10-205 OF THIS SUBTITLE DOES NOT EXCEED 2
23 PERCENT OF THE TOTAL ANNUAL COST OF BUS SERVICE PROVIDED UNDER THIS
24 SECTION AND § 10-205 OF THIS SUBTITLE;

25 (2) NO MORE THAN 1 PERCENT OF THE ANNUAL COST OF BUS SERVICE
26 PROVIDED UNDER THIS SECTION AND § 10-205 OF THIS SUBTITLE IS ADDED AS NEW
27 BUS SERVICE IN A SINGLE FISCAL YEAR; AND

28 (3) THE COST OF NEW BUS SERVICE DOES NOT CAUSE THE
29 DEPARTMENT TO EXCEED THE LEGISLATIVE APPROPRIATION FOR WASHINGTON
30 METROPOLITAN AREA OPERATING GRANTS.

31 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
32 read as follows:

33 **Article - Transportation**

34 7-101.

35 (a) In this title the following words have the meanings indicated.

36 (b) "Administration" means the Mass Transit Administration.

37 (f) "Light rail transit" means rail transit which is electrically powered and can
38 operate in mixed traffic with automobiles.

39 (h) "Proof of fare payment" means evidence of fare prepayment authorized by the
40 Administration for the use of transit service.

7

1 (n) "Transit vehicle" means a mobile device used in rendering transit service.

2 7-704.1.

3 (a) In this section, "unattended transit vehicle or facility" means a transit vehicle
4 or facility the entrance of which is not controlled by the presence of an authorized fare
5 collection agent of the Administration.

6 (b) Any person entering an unattended transit facility or vehicle owned or
7 controlled by the Administration for the purpose of obtaining transit service shall prepay
8 the applicable fare charged by the Administration in the required manner.

9 (c) If a person fails to exhibit proof of fare payment and a police officer or an
10 authorized agent of the Administration requests the person to provide identification, the
11 person shall provide:

12 (1) The person's true name and address; and

13 (2) Any written verification of the person's true name and address in the
14 person's possession.

15 (d) (1) Upon receipt of satisfactory evidence of identification and a written
16 promise to appear in court, a person failing to exhibit proof of fare payment may be
17 issued a citation by an authorized agent of the Administration or a police officer.

18 (2) A police officer may arrest a person in lieu of the issuance of a citation
19 when:

20 (i) The officer is not furnished satisfactory evidence of identity; or

21 (ii) The officer has reasonable grounds to believe the person will
22 disregard a written promise to appear; or

23 (iii) The person refuses to sign a written promise to appear after being
24 advised by the officer that such refusal may result in the person's arrest.

25 (e) The form of the citation shall be prescribed by the District Court and shall
26 contain:

27 (1) The offense charged;

28 (2) A notice to appear in District Court on the date shown on the citation or
29 when notified by the Court;

30 (3) A promise to appear to be signed by the person charged;

31 (4) The signature and title of the authorized issuer; and

32 (5) Such other information as the Administration and the Court shall
33 require.

34 (f) (1) A person shall comply with the notice to appear in District Court by:

35 (i) Appearing in person;

36 (ii) Appearance by counsel; or

8

1 (iii) Payment of the fine in advance of trial.

2 (2) (i) A person who fails to comply with the notice to appear shall be
3 guilty of a misdemeanor and subject to a fine of \$100.

4 (ii) In addition, the Court may notify the person by mail at the address
5 indicated on the citation that a warrant for the person's arrest may be issued unless,
6 within 15 days from the mailing of the notice, the person:

7 1. Pays the fine or posts a penalty deposit on the charge as
8 stated on the citation; and

9 2. Posts a penalty deposit of \$100 for failing to appear.

10 (G) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, BY JULY 1,
11 1997, THE ADMINISTRATION SHALL:

12 (1) INSTALL AND MAINTAIN A VIDEO MONITORING SYSTEM ON ALL
13 LIGHT RAIL TRANSIT VEHICLES TO ENHANCE SECURITY ON THE LIGHT RAIL
14 TRANSIT SYSTEM; AND

15 (2) TAKE ANY OTHER ACTIONS REASONABLY CONSIDERED BY THE
16 ADMINISTRATOR TO BE NECESSARY TO RESTRICT PUBLIC ACCESS TO ANY
17 UNATTENDED TRANSIT VEHICLE WITHIN THE LIGHT RAIL TRANSIT SYSTEM.

18 SECTION 3. AND BE IT FURTHER ENACTED, That for the purposes of
19 computing farebox recovery under Section 1 of this Act, the Mass Transit Administration
20 may include as revenue the value of monthly transit passes provided to qualified
21 participants in State-sponsored medical or social service programs.

22 ~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect~~
23 ~~July 1, 1996.~~

24 ~~SECTION 3. 4. AND BE IT FURTHER ENACTED, That:~~

25 (a) On implementation of a new bus service to be excluded from farebox recovery
26 under Section 1 of this Act, the Maryland Department of Transportation shall provide the
27 Department of Fiscal Services with:

28 (1) a description of the route;

29 (2) the date of the implementation;

30 (3) an estimate of the annual cost; and

31 (4) an estimate of the cost recovery.

32 (b) The Department shall notify the Department of Fiscal Services on termination
33 of the service or on inclusion of the service in the system-wide farebox recovery
34 calculation.

35 ~~SECTION 4. 5. AND BE IT FURTHER ENACTED, That it is the intent of the~~
36 ~~General Assembly that:~~

1 (a) new service excluded from farebox recovery requirements as provided in
2 Section 1 of this Act be approved on a pilot basis; and

3 (b) on or before December 15, 1998, the Maryland Department of Transportation
4 shall report to the General Assembly on the results of this pilot program for the
5 development of new transit service.

6 SECTION 6. AND BE IT FURTHER ENACTED, That notwithstanding any other
7 provision of this Act, no more than \$3.5 million from the Transportation Trust Fund may
8 be used during any year to offset any reduction in the percentage of operating costs
9 recovered from fares and other operating revenues as a result of this Act.

10 SECTION 7. AND BE IT FURTHER ENACTED, That Section 2 of this Act
11 shall take effect October 1, 1996.

12 SECTION 8. AND BE IT FURTHER ENACTED, That, except as provided in
13 Section 7 of this Act, this Act shall take effect July 1, 1996. It shall remain effective for a
14 period of 3 years and, at the end of June 30, 1999, with no further action required by the
15 General Assembly, this Act shall be abrogated and of no further force and effect.