
By: Delegates Barve and Exum

Introduced and read first time: February 19, 1997

Assigned to: Ways and Means

Committee Report: Favorable

House action: Adopted

Read second time: March 21, 1997

CHAPTER ____

1 AN ACT concerning

2 **Transportation - Montgomery and Prince George's Counties - Grants for Purchase of**
3 **Buses**

4 FOR the purpose of requiring the Department of Transportation to provide an annual
5 capital grant to Montgomery County and Prince George's County for the purchase
6 of buses to be used to provide certain eligible local bus service; providing that the
7 grants made under this Act are in addition to any federal funds received by the
8 State for bus services provided by Montgomery and Prince George's Counties;
9 altering a certain definition; making a stylistic change; and generally relating to
10 grants for eligible local bus service in Montgomery and Prince George's Counties.

11 BY repealing and reenacting, with amendments,
12 Article - Transportation
13 Section 10-207
14 Annotated Code of Maryland
15 (1993 Replacement Volume and 1996 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article - Transportation
18 Section 10-207
19 Annotated Code of Maryland
20 (1993 Replacement Volume and 1996 Supplement)
21 (As enacted by Chapter 655 of the Acts of the General Assembly of 1996)

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

2

1 **Article - Transportation**

2 10-207.

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

4 (2) "Eligible local bus service":

5 (i) Means the number of annual platform miles and annual platform
6 hours of fixed route, scheduled local bus service, that previously replaced comparable
7 service operated by the Washington Metropolitan Area Transit Authority, plus the
8 number of annual platform miles and annual platform hours of any new fixed route,
9 scheduled local bus service added after June 30, 1989; and

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

12 (3) "Costs" means[:

13 (i) Operating] OPERATING costs of eligible local bus service, plus
14 operating costs under § 10-205 of this subtitle[; and

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

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

18 (i) The greater of revenues collected under this section and §
19 10-205(b) of this subtitle or 50 percent of the costs; and

20 (ii) All federal operating assistance.

21 (b) Subject to the appropriation requirements and budgetary provisions of §
22 3-216 of this article and upon receipt of an approval of a grant application in the form or
23 detail as the Secretary shall reasonably require, the Department shall provide for annual
24 grants to Prince George's County and Montgomery County for eligible local bus service as
25 defined in this section. The amount of these grants shall be equal to:

26 (1) 100 percent of the service deficit attributable to each county; less

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

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

33 (d) Except with the specific approval of the Secretary, notwithstanding the
34 provisions of § 10-205 of this subtitle, the combined grants for bus service to each county
35 under this section and § 10-205(b) of this subtitle may not exceed the level of the
36 combined grants for the prior fiscal year adjusted for inflation by the projected consumer
37 price index CPI-U for the fiscal year in which the grant under this section is being
38 awarded, using the actual consumer price index CPI-U at the close of the fiscal year.

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1 Adjustments shall be made to increase or decrease the combined grants in the subsequent
2 fiscal year to reflect the actual inflation rate.

3 (e) Notwithstanding the provisions of subsection (b) of this [section] SECTION,
4 the Secretary may authorize payment for the cost of new eligible local bus service that
5 does not recover 50 percent of its operating costs for the first 2 years of its operation,
6 provided that:

7 (1) The annual cost to the Department of new bus service added under this
8 section and § 10-205 of this subtitle does not exceed 2 percent of the total annual cost of
9 bus service provided under this section and § 205 of this subtitle;

10 (2) No more than 1 percent of the annual cost of bus service provided under
11 this section and § 10-205 of this subtitle is added as new bus service in a single fiscal year;
12 and

13 (3) The cost of new bus service may not cause the Department to exceed the
14 legislative appropriation for Washington Metropolitan Area Operating Grants.

15 (F) (1) THE DEPARTMENT SHALL PROVIDE AN ANNUAL CAPITAL GRANT TO
16 PRINCE GEORGE'S COUNTY AND MONTGOMERY COUNTY FOR THE PURCHASE OF
17 BUSES TO BE USED IN ELIGIBLE LOCAL BUS SERVICE.

18 (2) GRANTS PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION
19 SHALL BE IN ADDITION TO ANY FEDERAL FUNDS RECEIVED BY THE STATE FOR BUS
20 SERVICES OPERATED BY PRINCE GEORGE'S COUNTY AND MONTGOMERY COUNTY.

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

23 **Article - Transportation**

24 10-207.

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

26 (2) "Eligible local bus service":

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

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

34 (3) "Costs" means[:

35 (i) Operating] OPERATING costs of eligible local bus service, plus
36 operating costs under § 10-205 of this subtitle]; and

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

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

2 (i) The greater of revenues collected under this section and §
3 10-205(b) of this subtitle or 50 percent of the costs; and

4 (ii) All federal operating assistance.

5 (b) Subject to the appropriation requirements and budgetary provisions of §
6 3-216 of this article and upon receipt of an approval of a grant application in the form or
7 detail as the Secretary shall reasonably require, the Department shall provide for annual
8 grants to Prince George's County and Montgomery County for eligible local bus service as
9 defined in this section. The amount of these grants shall be equal to:

10 (1) 100 percent of the service deficit attributable to each county; less

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

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

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

25 (E) (1) THE DEPARTMENT SHALL PROVIDE AN ANNUAL CAPITAL GRANT TO
26 PRINCE GEORGE'S COUNTY AND MONTGOMERY COUNTY FOR THE PURCHASE OF
27 BUSES TO BE USED IN ELIGIBLE LOCAL BUS SERVICE.

28 (2) GRANTS PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION
29 SHALL BE IN ADDITION TO ANY FEDERAL FUNDS RECEIVED BY THE STATE FOR BUS
30 SERVICES OPERATED BY PRINCE GEORGE'S COUNTY AND MONTGOMERY COUNTY.

31 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall
32 take effect on the taking effect of the termination provision specified in Section 8 of
33 Chapter 655 of the Acts of the General Assembly of 1996. If that termination provision
34 takes effect, Section 1 of this Act shall be void. This Act may not be interpreted to have
35 any effect on that termination provision.

36 SECTION 4. AND BE IT FURTHER ENACTED, That, subject to the provisions
37 of Section 3 of this Act, this Act shall take effect July 1, 1997.

