
By: Senators Ruben, Lawlah, Frosh, Dorman, Madden, Currie, Forehand, Roesser, Pinsky, Hogan, Teitelbaum, Trotter, Van Hollen, and Green

Introduced and read first time: January 31, 1997

Assigned to: Budget and Taxation

A BILL ENTITLED

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:

24 **Article - Transportation**

25 10-207.

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

27 (2) "Eligible local bus service":

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

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

8 (3) "Costs" means[:

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

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

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

14 (i) The greater of revenues collected under this section and §
15 10-205(b) of this subtitle or 50 percent of the costs; and

16 (ii) All federal operating assistance.

17 (b) Subject to the appropriation requirements and budgetary provisions of §
18 3-216 of this article and upon receipt of an approval of a grant application in the form or
19 detail as the Secretary shall reasonably require, the Department shall provide for annual
20 grants to Prince George's County and Montgomery County for eligible local bus service as
21 defined in this section. The amount of these grants shall be equal to:

22 (1) 100 percent of the service deficit attributable to each county; less

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

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

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

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

3

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

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

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

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

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

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

17 **Article - Transportation**

18 10-207.

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

20 (2) "Eligible local bus service":

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

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

28 (3) "Costs" means[:

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

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

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

34 (i) The greater of revenues collected under this section and §
35 10-205(b) of this subtitle or 50 percent of the costs; and

36 (ii) All federal operating assistance.

1 (b) Subject to the appropriation requirements and budgetary provisions of §
2 3-216 of this article and upon receipt of an approval of a grant application in the form or
3 detail as the Secretary shall reasonably require, the Department shall provide for annual
4 grants to Prince George's County and Montgomery County for eligible local bus service as
5 defined in this section. The amount of these grants shall be equal to:

6 (1) 100 percent of the service deficit attributable to each county; less

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

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

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

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

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

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

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