

SENATE BILL 204

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SB 600/97 - B&T

1998 Regular Session
8lr0434

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

Introduced and read first time: January 29, 1998

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: March 27, 1998

CHAPTER _____

1 AN ACT concerning

2 **Transportation - Montgomery and Prince George's Counties - Grants for**
3 **Purchase of 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
6 purchase of buses to be used to provide certain eligible local bus service;
7 providing that the grants made under this Act are in addition to any federal
8 funds received by the State for bus services provided by Montgomery and Prince
9 George's Counties; altering a certain definition; making a stylistic change; and
10 generally relating to grants for eligible local bus service in Montgomery and
11 Prince George's Counties.

12 BY repealing and reenacting, with amendments,
13 Article - Transportation
14 Section 10-207
15 Annotated Code of Maryland
16 (1993 Replacement Volume and 1997 Supplement)

17 BY repealing and reenacting, with amendments,
18 Article - Transportation
19 Section 10-207
20 Annotated Code of Maryland
21 (1993 Replacement Volume and 1997 Supplement)
22 (As enacted by Chapter 655 of the Acts of the General Assembly of 1996)

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

3 **Article - Transportation**

4 10-207.

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

6 (2) "Eligible local bus service":

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

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

14 (3) "Costs" means[:

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

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

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

20 (i) The greater of revenues collected under this section and §
21 10-205(b) of this subtitle or 50 percent of the costs; and

22 (ii) All federal operating assistance.

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

28 (1) 100 percent of the service deficit attributable to each county; less

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

32 (c) The Department's grant for any eligible local bus service may not be
33 greater than the operating grant that the Department would incur from the same bus

1 service if operated by the Washington Metropolitan Area Transit Authority. This
2 requirement shall be applied on a line by line basis.

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

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

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

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

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

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

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

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

31 **Article - Transportation**

32 10-207.

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

34 (2) "Eligible local bus service":

35 (i) Means the number of annual platform miles and annual
36 platform hours of fixed route, scheduled local bus service, that previously replaced
37 comparable service operated by the Washington Metropolitan Area Transit Authority,

1 plus the number of annual platform miles and annual platform hours of any new
2 fixed route, scheduled local bus service added after June 30, 1989; and

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

5 (3) "Costs" means[:

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

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

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

11 (i) The greater of revenues collected under this section and §
12 10-205(b) of this subtitle or 50 percent of the costs; and

13 (ii) All federal operating assistance.

14 (b) Subject to the appropriation requirements and budgetary provisions of §
15 3-216 of this article and upon receipt of an approval of a grant application in the form
16 or detail as the Secretary shall reasonably require, the Department shall provide for
17 annual grants to Prince George's County and Montgomery County for eligible local
18 bus service as defined in this section. The amount of these grants shall be equal to:

19 (1) 100 percent of the service deficit attributable to each county; less

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

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

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

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

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

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

9 SECTION 4. AND BE IT FURTHER ENACTED, That, subject to the provisions
10 of Section 3 of this Act, this Act shall take effect July 1, 1998.