

SENATE BILL 206

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SB 771/97 - B&T

1998 Regular Session  
8lr0433

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

Introduced and read first time: January 29, 1998

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County and Montgomery County Local Bus Systems -**  
3 **Funding**

4 FOR the purpose of requiring the Department of Transportation to provide certain  
5 annual grants to Prince George's County and Montgomery County for certain  
6 local bus service under certain circumstances; specifying certain limitations on  
7 grants made under this Act; providing for the construction of this Act; and  
8 generally relating to State grants for local bus service in Prince George's County  
9 and Montgomery County.

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

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
16 MARYLAND, That the Laws of Maryland 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  
22 platform hours of fixed route, scheduled local bus service, that previously replaced  
23 comparable service operated by the Washington Metropolitan Area Transit Authority,  
24 plus the number of annual platform miles and annual platform hours of any new  
25 fixed route, 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.

1 (3) "Costs" means:

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

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

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

7 (i) The greater of revenues collected under this section and §  
8 10-205(b) of this subtitle or 50 percent of the costs; and

9 (ii) All federal operating assistance.

10 (b) Subject to the appropriation requirements and budgetary provisions of §  
11 3-216 of this article and upon receipt of an approval of a grant application in the form  
12 or detail as the Secretary shall reasonably require, the Department shall provide for  
13 annual grants to Prince George's County and Montgomery County for eligible local  
14 bus service as defined in this section. The amount of these grants shall be equal to:

15 (1) 100 percent of the service deficit attributable to each county; less

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

19 (C) (1) SUBJECT TO THE APPROPRIATION REQUIREMENTS AND BUDGETARY  
20 PROVISIONS OF § 3-216 OF THIS ARTICLE AND UPON RECEIPT OF AN APPROVAL OF A  
21 GRANT APPLICATION IN THE FORM OR DETAIL AS THE SECRETARY SHALL  
22 REASONABLY REQUIRE, AND IN ADDITION TO GRANTS PROVIDED UNDER  
23 SUBSECTION (B) OF THIS SECTION, THE DEPARTMENT SHALL PROVIDE FOR ANNUAL  
24 GRANTS TO PRINCE GEORGE'S COUNTY AND MONTGOMERY COUNTY FOR LOCAL BUS  
25 SERVICE AS PROVIDED IN THIS SUBSECTION.

26 (2) EXCLUDING COSTS DEFRAIDED BY FARE REVENUES, THE AMOUNT OF  
27 A GRANT UNDER THIS SUBSECTION SHALL BE EQUAL TO THE FOLLOWING  
28 PERCENTAGE OF THE TOTAL COST OF PROVIDING LOCAL BUS SERVICE NOT  
29 ELIGIBLE UNDER SUBSECTION (B) OF THIS SECTION:

30 (I) FOR FISCAL YEAR 1999, AT LEAST 40%; AND

31 (II) FOR FISCAL YEAR 2000 AND EACH YEAR THEREAFTER, AT  
32 LEAST 50%.

33 [(c)] (D) The Department's grant for any [eligible local] bus service may not  
34 be greater than the operating grant that the Department would incur from the same  
35 bus service if operated by the Washington Metropolitan Area Transit Authority. This  
36 requirement shall be applied on a line by line basis.

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

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

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

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

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

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act does not affect  
22 the termination provision specified in Section 8 of Chapter 655 of the Acts of the  
23 General Assembly of 1996.

24 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
25 July 1, 1998.