

HOUSE BILL 17

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R2

2000 Regular Session
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(PRE-FILED)

By: **Delegates Taylor, Dewberry, Hurson, Arnick, Busch, Guns, Harrison,
Hixson, Howard, Kopp, Menes, Montague, Owings, Rawlings,
Rosenberg, Vallario, and Wood**

Requested: November 15, 1999

Introduced and read first time: January 12, 2000

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Aviation Administration - Regional Air Service Development**
3 **Program**

4 FOR the purpose of requiring the Maryland Aviation Administration to establish a
5 Regional Air Service Development Program to foster development of a system of
6 regional air transportation facilities and scheduled air service linking under
7 served regions of the State to the national and international air transportation
8 system; stating certain findings and declarations of the General Assembly;
9 specifying the powers and duties of the Administration under the Program,
10 including the authority to grant to any person, subject to approval of the Board
11 of Public Works, the privilege to provide scheduled air transportation service to
12 certain communities under certain circumstances; requiring the Administration
13 to develop a certain strategic plan and to make certain recommendations
14 regarding the development of regional air service; authorizing the
15 Administration to determine the level of financial support, if any, that the
16 Program will provide to certain entities; authorizing the Administration to make
17 certain grants and loans under certain circumstances; authorizing the
18 Administration to adopt regulations to implement the Program; requiring the
19 Secretary of Transportation to request full funding for the Program as part of
20 the Department's budget request beginning in a certain fiscal year; providing
21 that the Program be funded through General Fund appropriations; prohibiting a
22 General Fund appropriation for the Program from being credited to the
23 Transportation Trust Fund or credited as airport revenue of the Administration;
24 requiring that any unused General Fund appropriations for the Program
25 remaining at the end of a fiscal year revert to the General Fund; requiring the
26 Administration to submit a certain report to the General Assembly; requiring
27 the Administration to make certain recommendations regarding funding of the
28 Program; and generally relating to the establishment of a Regional Air Service
29 Development Program.

30 BY repealing and reenacting, without amendments,
31 Article - Transportation

1 Section 1-101(a) and (m) and 5-101(a) and (b)
2 Annotated Code of Maryland
3 (1993 Replacement Volume and 1999 Supplement)

4 BY adding to
5 Article - Transportation
6 Section 5-1301 through 5-1307, inclusive, to be under the new subtitle "Subtitle
7 13. Regional Air Service Development Program"
8 Annotated Code of Maryland
9 (1993 Replacement Volume and 1999 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 1-101.

14 (a) In this article the following words have the meanings indicated.

15 (m) "Secretary" means the State Secretary of Transportation.

16 5-101.

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

18 (b) "Administration" means the Maryland Aviation Administration.

19 **SUBTITLE 13. REGIONAL AIR SERVICE DEVELOPMENT PROGRAM.**

20 5-1301.

21 IN THIS SUBTITLE, "PROGRAM" MEANS THE REGIONAL AIR SERVICE
22 DEVELOPMENT PROGRAM.

23 5-1302.

24 (A) THE GENERAL ASSEMBLY FINDS THAT:

25 (1) DEVELOPMENT OF A COORDINATED SYSTEM OF REGIONAL AIR
26 TRANSPORTATION SERVICE IN THE STATE IS CONSISTENT WITH THE LEGISLATIVE
27 POLICY STATED IN § 5-102 OF THIS TITLE AND THE GRANT OF POWERS AND DUTIES
28 TO THE ADMINISTRATION UNDER § 5-204 OF THIS TITLE TO ENCOURAGE, FOSTER,
29 AND ASSIST IN THE DEVELOPMENT OF AERONAUTICS IN THE STATE; AND

30 (2) A REGIONAL AIR TRANSPORTATION SYSTEM CANNOT BE ACHIEVED
31 THROUGH THE UNILATERAL ACTION OF ANY ONE POLITICAL SUBDIVISION, BUT
32 REQUIRES ACTION BY THE STATE THROUGH A STATE AGENCY THAT IS RESPONSIVE
33 TO LOCAL NEEDS AND WILL ENSURE THAT DEVELOPMENT OF THE REGIONAL AIR

1 TRANSPORTATION SYSTEM IS CONSISTENT WITH GENERAL DEVELOPMENT PLANS
2 FOR THE STATE AND THE LOCAL DEVELOPMENT PLANS OF PARTICIPATING
3 POLITICAL SUBDIVISIONS.

4 (B) THE GENERAL ASSEMBLY DECLARES THAT IT IS IN THE PUBLIC INTEREST
5 FOR THE STATE TO FOSTER THE DEVELOPMENT OF AN EFFICIENT AND ECONOMICAL
6 SYSTEM OF REGIONAL AIR TRANSPORTATION SERVICE THAT:

7 (1) PLACES MAXIMUM RELIANCE ON COMPETITIVE MARKET FORCES
8 AND, TO THE GREATEST EXTENT POSSIBLE, IS FINANCIALLY SELF-SUFFICIENT; AND

9 (2) TO THE EXTENT THAT SUPPLEMENTAL STATE FINANCIAL SUPPORT
10 IS NECESSARY, MAY BE SUBSIDIZED THROUGH A FOCUSED AND COORDINATED
11 STATE PROGRAM SUPPORTED BY APPROPRIATIONS FROM THE STATE'S GENERAL
12 FUND.

13 5-1303.

14 (A) SUBJECT TO THE PROVISIONS OF THIS SUBTITLE, THE ADMINISTRATION
15 SHALL ESTABLISH A REGIONAL AIR SERVICE DEVELOPMENT PROGRAM.

16 (B) THE PURPOSE OF THE PROGRAM IS TO FOSTER DEVELOPMENT OF A
17 SYSTEM OF REGIONAL AIR TRANSPORTATION FACILITIES AND SCHEDULED AIR
18 SERVICE THAT EFFECTIVELY LINKS TO THE NATIONAL AND INTERNATIONAL AIR
19 TRANSPORTATION SYSTEM UNDER SERVED REGIONS OF THE STATE THAT ARE
20 CAPABLE OF SUPPORTING SCHEDULED AIR SERVICE.

21 (C) THE POLITICAL SUBDIVISIONS OF THE STATE, IN THE EXERCISE OF THEIR
22 PROPRIETARY POWERS AS AIRPORT OWNERS AND OPERATORS, POLICE POWERS OF
23 LAND USE PLANNING AND ZONING, AND GENERAL AUTHORITY TO FOSTER AND
24 PROMOTE LOCAL DEVELOPMENT PLANS, ARE ENCOURAGED TO COOPERATE WITH
25 ADMINISTRATION EFFORTS UNDER THE PROGRAM.

26 5-1304.

27 (A) TO CARRY OUT THE PURPOSES OF THE PROGRAM, THE ADMINISTRATION
28 MAY:

29 (1) WITH THE APPROVAL OF THE SECRETARY, AND CONSISTENT WITH
30 THE PROVISIONS OF DIVISION II OF THE STATE FINANCE AND PROCUREMENT
31 ARTICLE, GRANT TO ANY PERSON THE PRIVILEGE OF OPERATING, AS AGENT OF THE
32 STATE OR OTHERWISE, SCHEDULED REGIONAL AIR SERVICE TO AND FROM ANY
33 COMMUNITY OF THE STATE DETERMINED BY THE ADMINISTRATION TO BE IN NEED
34 OF, AND CAPABLE OF SUPPORTING, SUCH AIR SERVICE;

35 (2) DETERMINE WHETHER, AND TO WHAT EXTENT, A PERSON GRANTED
36 A PRIVILEGE TO OPERATE SCHEDULED REGIONAL AIR SERVICE UNDER ITEM (1) OF
37 THIS SUBSECTION SHOULD RECEIVE STATE FINANCIAL ASSISTANCE THROUGH THE
38 PROGRAM;

1 (3) MAKE GRANTS OR LOANS OF FUNDS THROUGH THE PROGRAM
2 CONSISTENT WITH THE DETERMINATIONS MADE UNDER ITEM (2) OF THIS
3 SUBSECTION;

4 (4) ADOPT REGULATIONS DETERMINED BY THE ADMINISTRATION TO BE
5 NECESSARY; AND

6 (5) TAKE ANY OTHER ACTIONS CONSISTENT WITH THIS SUBTITLE THAT
7 ARE REASONABLY DETERMINED BY THE ADMINISTRATION TO BE NECESSARY.

8 (B) ANY GRANT OF A PRIVILEGE TO OPERATE SCHEDULED REGIONAL AIR
9 SERVICE UNDER SUBSECTION (A) OF THIS SECTION IS SUBJECT TO PRIOR APPROVAL
10 BY THE BOARD OF PUBLIC WORKS.

11 5-1305.

12 BEFORE EXERCISING ANY AUTHORITY GRANTED UNDER § 5-1304 OF THIS
13 SUBTITLE, THE ADMINISTRATION SHALL:

14 (1) DEVELOP A STRATEGIC PLAN FOR REGIONAL AIR SERVICE IN THE
15 STATE THAT, AT A MINIMUM, IDENTIFIES AND CONSIDERS:

16 (I) THE AREAS OF THE STATE MOST IN NEED OF REGIONAL AIR
17 SERVICE;

18 (II) THE TARGET PASSENGER MARKET IN THE STATE FOR
19 REGIONAL AIR SERVICE;

20 (III) OPTIMAL FLIGHT AND FARE SCHEDULES TO SERVE THE
21 TARGET MARKET IN AN EFFICIENT AND COST-EFFECTIVE MANNER;

22 (IV) OPTIONS FOR AIRCRAFT TO BE EMPLOYED IN PROVIDING
23 REGIONAL AIR SERVICE; AND

24 (V) DIRECT AND INDIRECT OPERATING COSTS AND POTENTIAL
25 REVENUE SOURCES, INCLUDING PASSENGER FARES AND FEDERAL, STATE, AND
26 LOCAL REVENUES; AND

27 (2) RECOMMEND TO THE SECRETARY POLICIES AND SPENDING
28 PRIORITIES TO IMPLEMENT THE STRATEGIC PLAN DEVELOPED UNDER ITEM (1) OF
29 THIS SECTION.

30 5-1306.

31 (A) THE SECRETARY SHALL SEEK FULL FUNDING FOR THE PROGRAM IN THE
32 DEPARTMENT'S ANNUAL BUDGET REQUEST FOR FISCAL YEAR 2001 AND EACH FISCAL
33 YEAR THEREAFTER.

34 (B) (1) SUBJECT TO THE APPROVAL OF THE GENERAL ASSEMBLY,
35 BEGINNING WITH THE BUDGET FOR FISCAL YEAR 2001, THE PROGRAM SHALL BE

1 FUNDED THROUGH AN ANNUAL GENERAL FUND APPROPRIATION TO THE
2 ADMINISTRATION TO CARRY OUT THE PURPOSES OF THIS SUBTITLE.

3 (2) (I) NOTWITHSTANDING § 3-216(B) OF THIS ARTICLE, A GENERAL
4 FUND APPROPRIATION RECEIVED UNDER THIS SUBSECTION MAY NOT BE CREDITED
5 TO THE TRANSPORTATION TRUST FUND.

6 (II) CONSISTENT WITH APPLICABLE FEDERAL LAW, A GENERAL
7 FUND APPROPRIATION RECEIVED UNDER THIS SUBSECTION MAY NOT BE CREDITED
8 BY THE ADMINISTRATION AS AIRPORT REVENUE.

9 (3) NOTWITHSTANDING § 3-216(F) OF THIS ARTICLE, AT THE END OF
10 EACH FISCAL YEAR, ANY UNUSED FUNDS APPROPRIATED FOR USE BY THE
11 ADMINISTRATION IN ESTABLISHING OR IMPLEMENTING THE PROGRAM SHALL
12 REVERT AND BE CREDITED TO THE GENERAL FUND AND MAY NOT BE RETAINED BY
13 THE ADMINISTRATION.

14 5-1307.

15 THE ADMINISTRATION SHALL:

16 (1) IMPLEMENT THE PROGRAM IN FISCAL YEAR 2001;

17 (2) SUBMIT TO THE GENERAL ASSEMBLY DURING THE 2001 LEGISLATIVE
18 SESSION, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, A
19 REPORT ON THE INITIAL RESULTS OF THE PROGRAM; AND

20 (3) AS PART OF THE DEPARTMENT'S BUDGET REQUEST FOR FISCAL YEAR
21 2002, MAKE RECOMMENDATIONS REGARDING CONTINUED FINANCIAL SUPPORT OF
22 THE PROGRAM FROM THE GENERAL FUND.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 July 1, 2000.