

SENATE BILL 282

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R2

2004 Regular Session  
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By: **Senators Currie, Jones, McFadden, DeGrange, Kasemeyer, Kramer, and Lawlah**

Introduced and read first time: January 30, 2004

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Mass Transit Services - Cost Recovery - Performance Standards**

3 FOR the purpose of repealing the termination of certain provisions of law relating to  
4 the percentage of operating costs that must be recovered from certain revenues  
5 for certain mass transit services; continuing a requirement that the Maryland  
6 Transit Administration establish a certain cost recovery goal; requiring the  
7 continuation of certain performance indicators for certain mass transit services;  
8 continuing a requirement that certain independent management audits be  
9 performed for certain purposes; requiring the submission of certain projections  
10 in the Department of Transportation's annual budget; repealing certain obsolete  
11 provisions; providing for the effective date of this Act; and generally relating to  
12 the funding of mass transit services.

13 BY repealing

14 Chapter 210 of the Acts of the General Assembly of 2000  
15 Section 3

16 BY repealing and reenacting, with amendments,

17 Chapter 210 of the Acts of the General Assembly of 2000  
18 Section 5

19 BY repealing

20 Chapter 211 of the Acts of the General Assembly of 2000  
21 Section 3

22 BY repealing and reenacting, with amendments,

23 Chapter 211 of the Acts of the General Assembly of 2000  
24 Section 5

25 BY adding to

26 Article - Transportation  
27 Section 2-104  
28 Annotated Code of Maryland

1 (2001 Replacement Volume and 2003 Supplement)

2 BY repealing and reenacting, with amendments,

3 Article - Transportation

4 Section 7-208 and 10-207

5 Annotated Code of Maryland

6 (2001 Replacement Volume and 2003 Supplement)

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

9 **Chapter 210 of the Acts of 2000**

10 [SECTION 3. AND BE IT FURTHER ENACTED, That the Department of  
11 Transportation shall submit in the Department's annual budget request separate  
12 farebox recovery projections for the fiscal year covered by the budget request for the  
13 Mass Transit Administration's and the Washington Metropolitan Area Transit  
14 Authority's bus, light rail, and metro services.]

15 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect  
16 July 1, 2000. [It shall remain effective for a period of 4 years and, at the end of June  
17 30, 2004, with no further action required by the General Assembly, this Act shall be  
18 abrogated and of no further force and effect.]

19 **Chapter 211 of the Acts of 2000**

20 [SECTION 3. AND BE IT FURTHER ENACTED, That the Department of  
21 Transportation shall submit in the Department's annual budget request separate  
22 farebox recovery projections for the fiscal year covered by the budget request for the  
23 Mass Transit Administration's and the Washington Metropolitan Area Transit  
24 Authority's bus, light rail, and metro services.]

25 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect  
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27 30, 2004, with no further action required by the General Assembly, this Act shall be  
28 abrogated and of no further force and effect.]

29 **Article - Transportation**

30 2-104.

31 THE DEPARTMENT SHALL SUBMIT IN ITS ANNUAL BUDGET SEPARATE FAREBOX  
32 RECOVERY PROJECTIONS FOR BUS, LIGHT RAIL, HEAVY RAIL, AND SUBWAY  
33 SERVICES PROVIDED BY THE MARYLAND TRANSIT ADMINISTRATION AND THE  
34 WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY DURING THE FISCAL YEAR  
35 COVERED BY THE BUDGET.

1 7-208.

2 (a) Subject to the authority of the Secretary and, where applicable, the  
3 Maryland Transportation Authority, the Administration has jurisdiction:

4 (1) Consistent with the provisions of Division II of the State Finance and  
5 Procurement Article, for planning, developing, constructing, acquiring, financing, and  
6 operating the transit facilities authorized by this title; and

7 (2) Over the services performed by and the rentals, rates, fees, fares, and  
8 other charges imposed for the services performed by transit facilities owned or  
9 controlled by the Administration.

10 (b) (1) For fiscal year 2001 and thereafter, the Administration shall recover  
11 from fares and other operating revenues at least 40 percent of the operating costs for  
12 the Maryland Transit Administration bus, light rail, and Metro services in the  
13 Baltimore region.

14 (2) The Administration shall establish a cost recovery goal of 50 percent.

15 (3) The Administration may exempt from the requirements of this  
16 subsection new mass transit service for a period of 36 months from the initiation of  
17 the service as well as fare modifications for a period of 36 months from the date of the  
18 modification.

19 (4) The Administration shall obtain the fare recovery ratio through the  
20 establishment of reasonable fares in the Baltimore region and the implementation of  
21 cost containment measures as deemed necessary to meet the standard required under  
22 this paragraph.

23 (c) (1) For fiscal year 2001 and thereafter, the Administration shall  
24 implement performance indicators, in addition to the farebox recovery indicator, to  
25 track service efficiency for mass transit in the Baltimore region, including:

26 (i) Operating expenses per vehicle mile;

27 (ii) Operating expenses per passenger trip; and

28 (iii) Passenger trips per vehicle mile.

29 (2) The Administration shall submit an annual performance report to  
30 the Senate Budget and Taxation Committee, House Ways and Means Committee, and  
31 House Appropriations Committee by December 1 of each year on:

32 (i) The status of the performance indicators for the prior fiscal  
33 year;

34 (ii) The status of managing-for-results goals of the Administration  
35 as they pertain to mass transit service in the Baltimore area; and

1 (iii) Comparisons of performance indicators for mass transit in the  
2 Baltimore region and other similar systems nationwide.

3 (d) (1) The Administration shall provide for an independent management  
4 audit of the operational costs and revenues of mass transit in the Baltimore region  
5 every 4 years.

6 (2) The audit shall provide data on fares, cost containment measures,  
7 comparisons with other similar mass transit systems, and other information  
8 necessary in evaluating the operations of the Baltimore Regional Transit System.

9 (3) The findings from the audit shall be used as a benchmark for the  
10 annual performance reports.

11 [(4) A preliminary baseline audit shall be completed by December 1, 2000,  
12 with a final baseline audit to be completed by December 1, 2001.]

13 (e) The determinations of the Secretary, Administration, or Maryland  
14 Transportation Authority as to the type of service performed or the rentals, rates,  
15 fees, fares, and other charges imposed are not subject to judicial review or to the  
16 processes of any court.

17 (f) Notwithstanding any other provision of this title or the Public Utility  
18 Companies Article, the Public Service Commission does not have any jurisdiction over  
19 transit facilities owned or controlled by the Administration or over any contractor  
20 operating these facilities.

21 (g) Except as provided in this title, the Administration does not have any  
22 jurisdiction over transportation in the District by private carriers.

23 10-207.

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

25 (2) "Eligible local bus service":

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

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

33 (3) "Costs" means operating costs of eligible local bus service, plus  
34 operating costs under § 10-205 of this subtitle.

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

36 (i) The greater of:



1 (f) (1) For fiscal year 2001 and thereafter, Prince George's County and  
2 Montgomery County shall implement performance indicators, in addition to the  
3 farebox recovery indicator, to track service efficiency for mass transit in their  
4 respective jurisdictions, including:

- 5 (i) Operating expenses per vehicle mile;
- 6 (ii) Operating expenses per passenger trip; and
- 7 (iii) Passenger trips per vehicle mile.

8 (2) The counties shall submit an annual performance report to the  
9 Senate Budget and Taxation Committee, House Ways and Means Committee, and  
10 House Appropriations Committee by December 1 of each year on:

- 11 (i) The status of the performance indicators for the prior fiscal  
12 year;
- 13 (ii) The status of any performance goals of their jurisdictions as  
14 they pertain to mass transit service; and
- 15 (iii) Comparisons of performance indicators for mass transit in their  
16 jurisdictions and other similar systems nationwide.

17 (g) (1) Prince George's County and Montgomery County shall each provide  
18 for an independent management audit of the operational costs and revenues of mass  
19 transit in their respective jurisdictions every 4 years.

20 (2) The audit shall provide data on fares, cost containment measures,  
21 comparisons with other similar mass transit systems, and other information  
22 necessary in evaluating the operations of their transit systems.

23 (3) The findings from the audit shall be used as a benchmark for the  
24 annual performance reports.

25 [(4) A preliminary baseline audit shall be completed by December 1, 2000,  
26 with a final baseline audit to be completed by December 1, 2001.]

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
28 June 1, 2004.