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2004 Regular Session 4lr1400 CF 4lr1953

By: Senators Currie, Jones, McFadden, DeGrange, Kasemeyer, Kramer, and Lawlah						
	Introduced and read first time: January 30, 2004					
Assigned to: Budget and Taxation						
Committee Report: Favorable with amendments Senate action: Adopted						
	CHAPTER					
1	AN ACT concerning					
2	Mass Transit Services - Cost Recovery - Performance Standards					
3	FOR the purpose of repealing the termination of continuing for a certain length of					
4	4 <u>time</u> certain provisions of law relating to the percentage of operating costs that					
	5 must be recovered from certain revenues for certain mass transit services;					
6	continuing a requirement that the Maryland Transit Administration establish a					
7	certain cost recovery goal; requiring the continuation of certain performance					
8 9	indicators for certain mass transit services; continuing a requirement that certain independent management audits be performed for certain purposes;					
10	requiring the submission of continuing a requirement that the Department of					
11	Transportation submit certain projections in the Department of Transportation's					
12	Department's annual budget; repealing certain obsolete provisions; providing for					
13	the effective date of this Act; and generally relating to the funding of mass					
14	transit services.					
15	BY repealing and reenacting, without amendments,					
16	Chapter 210 of the Acts of the General Assembly of 2000					
17	Section 3					
	BY repealing and reenacting, with amendments,					
19	Chapter 210 of the Acts of the General Assembly of 2000					
20	Section 5					
	BY repealing and reenacting, without amendments,					
22	Chapter 211 of the Acts of the General Assembly of 2000					
23	Section 3					

- 1 BY repealing and reenacting, with amendments,
- 2 Chapter 211 of the Acts of the General Assembly of 2000
- 3 Section 5
- 4 BY adding to
- 5 Article Transportation
- 6 Section 2-104
- 7 Annotated Code of Maryland
- 8 (2001 Replacement Volume and 2003 Supplement)
- 9 BY repealing and reenacting, with amendments,
- 10 Article Transportation
- 11 Section 7-208 and 10-207
- 12 Annotated Code of Maryland
- 13 (2001 Replacement Volume and 2003 Supplement)
- 14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
- 15 MARYLAND, That the Laws of Maryland read as follows:
- 16 Chapter 210 of the Acts of 2000
- 17 **ESECTION 3.** AND BE IT FURTHER ENACTED, That the Department of
- 18 Transportation shall submit in the Department's annual budget request separate
- 19 farebox recovery projections for the fiscal year covered by the budget request for the
- 20 Mass Transit Administration's and the Washington Metropolitan Area Transit
- 21 Authority's bus, light rail, and metro services.
- 22 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 23 July 1, 2000. [It shall remain effective for a period of 4 8 years and, at the end of June
- 24 30, 2004 2008, with no further action required by the General Assembly, this Act shall
- 25 be abrogated and of no further force and effect.
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1 **Article - Transportation** 2 2 104. 3 THE DEPARTMENT SHALL SUBMIT IN ITS ANNUAL BUDGET SEPARATE FAREBOX RECOVERY PROJECTIONS FOR BUS, LIGHT RAIL, HEAVY RAIL, AND SUBWAY 5 SERVICES PROVIDED BY THE MARYLAND TRANSIT ADMINISTRATION AND THE 6 WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY DURING THE FISCAL YEAR 7 COVERED BY THE BUDGET. 8 7-208. Subject to the authority of the Secretary and, where applicable, the 10 Maryland Transportation Authority, the Administration has jurisdiction: Consistent with the provisions of Division II of the State Finance and 12 Procurement Article, for planning, developing, constructing, acquiring, financing, and 13 operating the transit facilities authorized by this title; and 14 Over the services performed by and the rentals, rates, fees, fares, and 15 other charges imposed for the services performed by transit facilities owned or 16 controlled by the Administration. 17 For fiscal year 2001 and thereafter, the Administration shall recover 18 from fares and other operating revenues at least 40 percent of the operating costs for the Maryland Transit Administration bus, light rail, and Metro services in the 20 Baltimore region. 21 (2) The Administration shall establish a cost recovery goal of 50 percent. 22 (3) The Administration may exempt from the requirements of this 23 subsection new mass transit service for a period of 36 months from the initiation of 24 the service as well as fare modifications for a period of 36 months from the date of the 25 modification. 26 The Administration shall obtain the fare recovery ratio through the 27 establishment of reasonable fares in the Baltimore region and the implementation of 28 cost containment measures as deemed necessary to meet the standard required under 29 this paragraph. 30 For fiscal year 2001 and thereafter, the Administration shall (c) 31 implement performance indicators, in addition to the farebox recovery indicator, to

32 track service efficiency for mass transit in the Baltimore region, including:

Operating expenses per vehicle mile;

Passenger trips per vehicle mile.

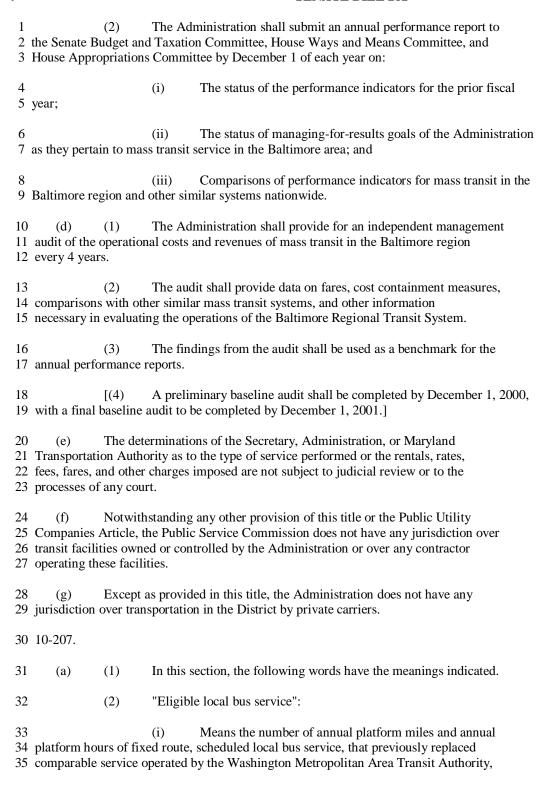
Operating expenses per passenger trip; and

(i)

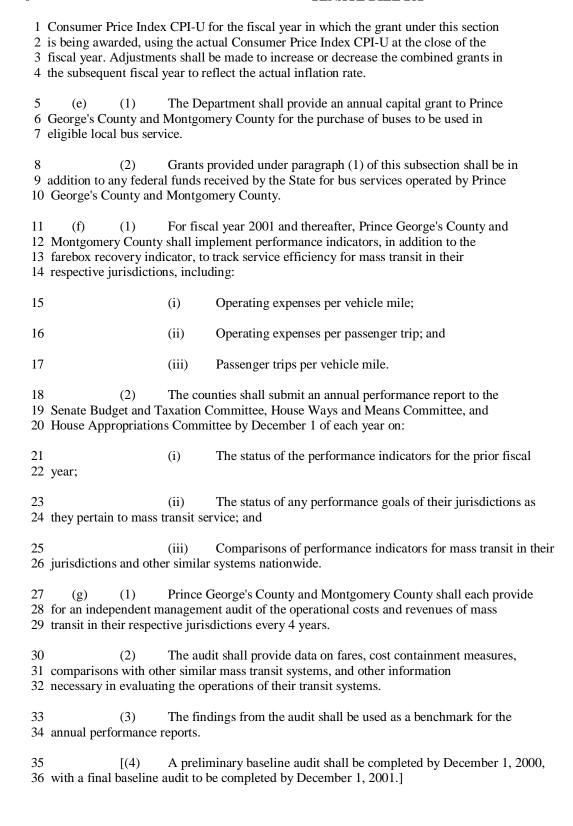
(ii)

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	plus the number of annual platform miles and annual platform hours of any new fixed route, scheduled local bus service added after June 30, 1989; and					
3	Montgomery County	(ii) or Prince	(ii) Is limited to service operated by or on behalf of and in r Prince George's County.			
5 6	(3) "Costs" means operating costs of eligible local bus service, plus operating costs under § 10-205 of this subtitle.					
7	(4)	"Service	ce deficit" means costs less:			
8		(i)	The greater of:			
9 10	this subtitle; or		1.	Revenues collected under this section and § 10-205(b) of		
11			2.	40 percent of the costs; and		
12		(ii)	All fede	eral operating assistance.		
15 16	(b) (1) Subject to the appropriation requirements and budgetary provisions of § 3-216 of this article and upon receipt of an approval of a grant application in the form or detail as the Secretary shall reasonably require, the Department shall provide for annual grants to Prince George's County and Montgomery County for eligible local bus service as defined in this section. The amount of these grants shall be equal to:					
18 19	less	(i)	100 per	cent of the service deficit attributable to each county;		
	(ii) Each county's share of the Department's annual grant to the Washington Suburban Transit District as determined under § 10-205(b) of this subtitle.					
23 24	(2) Notwithstanding the provisions of this section, the Secretary may authorize payments to Prince George's County and Montgomery County:					
25 26	initiation of service;	(i) and	To subs	idize new bus service for a period of 36 months from the		
27 28	(ii) For the loss of revenues from fare modifications for a period of 36 months from the date of the modification.					
31	9 (c) The Department's grant for any eligible local bus service may not be 0 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.					
35	(d) Except with the specific approval of the Secretary, notwithstanding the provisions of § 10-205 of this subtitle, the combined grants for bus service to each county under this section and § 10-205(b) of this subtitle may not exceed the level of the combined grants for the prior fiscal year adjusted for inflation by the projected					



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