

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 438

(Senator Pugh, *et al.*) (By Request)

Finance

Environmental Matters

**Maryland Transit Administration - Continuation of Passenger Railroad Service
on Amtrak and CSX Lines**

This bill requires the Maryland Transit Administration (MTA) to continue to operate the passenger railroad service (MARC) on certain lines at specified levels. It also prohibits MTA from closing a station on any route before June 30, 2008, and prohibits MTA from closing a station on any route until a public hearing has been held. MTA may only close a station in a four and one-half month window, specifically between six weeks and six months after the public hearing.

Fiscal Summary

State Effect: Potential increase in Transportation Trust Fund (TTF) expenditures if MTA chose to close a MARC station. Potential increase in TTF revenues and expenditures for continued operation on certain MARC lines, assuming they would have been discontinued absent the bill.

Local Effect: None. The bill does not substantially affect local government operations.

Small Business Effect: Small businesses in communities along the commuter rail lines in question could benefit from continued operation of those lines.

Analysis

Bill Summary: MTA must continue to operate the Amtrak Line between Perryville and Penn Station in Baltimore (Penn line) at an equivalent or greater level of service than was provided on May 1, 1991. MTA also must continue to operate the passenger services on

the CSX line between Frederick and Point of Rocks (Frederick extension) at an equivalent or greater level of service than was provided on December 17, 2001.

MTA cannot close a station on any route before a public hearing has been held. MTA must give notice of the hearing at least 30 days before the hearing. The notice must be published for two weeks in specified newspapers and posted in all MTA offices, stations, terminals, and commuter rail rolling stock in revenue service. If MTA gives inadequate notice, a station may not be closed. Inadequate notice is defined as failure to meet the newspaper publication requirement or failing to post notice in at least 30% of MTA's facilities. The bill also alters the definition of "level of service" to include the number of round trips operated on a route and the number of stations along the route.

Current Law: MTA must continue to operate several passenger rail services at levels equivalent to the level of service as of July 1, 1981:

- the CSX line between Brunswick and the District of Columbia;
- the Amtrak line between Penn Station in Baltimore and the District of Columbia; and
- the CSX line between Camden Station in Baltimore and the District of Columbia (Camden line).

MTA may not close a station on these lines prior to March 6, 2007; however, it may close the Jessup Station on the Camden line at any time if the ridership does not warrant keeping the station open.

Before MTA can close the Dickerson, Boyds, and St. Denis stations on the above lines, MTA must report to the Governor and the General Assembly on various issues, including but not limited to:

- depending on which station, the impact of traffic congestion along certain roads;
- the impact of future growth;
- how daily ridership is calculated;
- options to increase ridership at stations with low ridership;
- installing ticket vending machines at certain stops; and
- the impact of increasing the number of stops on specific lines.

MTA must also recover 50% of total operating costs for passenger rail services from fares and operating revenues. MTA must hold a public hearing before it establishes or abandons any route or fixes or revises fares or rates.

Background: MTA advises that there were four stations in service on May 1, 1991, on the Penn line – Martin Airport, Edgewood, Aberdeen, and Perryville. All four are still in operation. On that date, there were three weekday trains from Perryville to Baltimore Penn Station and four weekday trains from Baltimore Penn Station to Perryville. MTA advises that there are currently five weekday trains from Perryville to Baltimore Penn Station and six weekday trains from Baltimore Penn Station to Perryville. There has never been weekend service on this line.

MTA also advises that there are two stations on the Frederick extension, Monocacy and Downtown Frederick, and that service is identical today to that provided on December 17, 2001 – on weekdays, there are three morning trains from Frederick to the District of Columbia and three evening trains from the District of Columbia to Frederick. There has never been weekend service.

In 2006, MTA attempted to close four stations as of March 6 – the St. Denis, Dickerson, Jessup, and Boyds stations. At the time, MTA advised that the average daily ridership at these stations was approximately 36 to 46 people. In contrast, the average daily ridership at other MARC stations was approximately 671. The Montgomery County Council opposed the closing and argued for increased advertising and trains placed on the routes in order to attract more riders. On February 10, 2006, MTA reversed its decision and announced that it would not close the stations.

State Fiscal Effect: MTA advises that it is not currently planning to close any MARC stations. However, if MTA were to seek to close a station in the future, TTF expenditures would increase to hold a public hearing.

MTA estimates that the cost of a hearing is approximately \$7,350 per meeting. This includes the costs of advertising the meeting, printing any materials required, securing a location, audio-visual services, foreign language and sign language interpretation, and a transcription service.

MTA advises that it currently has no plans to alter service on the routes in question; therefore, requiring the continued service would have no fiscal impact in fiscal 2008. MTA was unable to reliably predict whether MTA would seek to alter service on these lines in the future.

However, if MTA were required to continue operating MARC service where it would otherwise reduce or terminate service, TTF expenditures would increase due to continued

operations as would TTF revenues for fares. MTA was unable to determine the exact operating costs of the lines in question but estimates that revenues on these lines total \$3.6 million annually.

Additional Information

Prior Introductions: None.

Cross File: HB 770 (Delegate Haynes, *et al.*) – Environmental Matters.

Information Source(s): Maryland Department of Transportation, Department of Legislative Services

Fiscal Note History: First Reader - February 22, 2007
mam/ljm Revised - Senate Third Reader - March 22, 2007

Analysis by: Nora C. McArdle

Direct Inquiries to:
(410) 946-5510
(301) 970-5510