

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE

Revised

Senate Bill 598

(Senator Rosapepe)

Finance

Economic Matters

**Public Utility Companies - University of Maryland, College Park Bus Service -
Motor Carrier Permit Exemption - Removal of Sunset and Service Expansion**

This bill allows the shuttle bus service of the University of Maryland, College Park (UMCP) to be permanently exempt from the requirement to have a motor carrier permit. The current exemption is due to expire on June 30, 2011. The bill also authorizes UMCP to enter into an agreement to provide transportation services on the UMCP shuttle bus to residents of any municipality where UMCP has property.

Fiscal Summary

State Effect: UMCP revenues continue beyond FY 2011 for payment from the City of College Park for shuttle bus services. UMCP revenues may increase if additional municipalities where UMCP owns property agree to make a payment to allow its residents to use the UMCP shuttle bus services.

Local Effect: City of College Park expenditures continue beyond FY 2011 to the extent the city continues to provide payments to UMCP in exchange for transportation services. Expenditures for Riverdale Park and Hyattsville, the other two municipalities where UMCP owns property, may increase if the municipalities agree to make a payment to UMCP in exchange for transportation services.

Small Business Effect: None.

Analysis

Current Law: Chapters 346 and 347 of 2008 exempted the UMCP shuttle bus service from the requirement to have a motor carrier permit so long as service on the shuttle service is extended to residents of the City of College Park. The exemption expires on

June 30, 2011. On or before December 31, 2010, the Department of Transportation Services of UMCP must report to the Senate Finance Committee and the House Economic Matters Committee on the implementation of the transportation services program with the City of College Park.

The Public Service Commission (PSC) regulates motor carriers and issues permits. With certain exceptions, a motor vehicle carrier permit is required for a passenger motor vehicle used in the transportation of persons for hire. Permitting exceptions include motor vehicles used exclusively for the transportation of pupils to and from public or private schools.

Background: When UMCP and the City of College Park initially sought approval to allow city residents to use UMCP shuttle services, an Attorney General's opinion from the Board of Public Works stated that such an opening of services would make the shuttle a "common carrier," requiring the shuttle to receive a motor carrier permit from PSC. Chapters 346 and 347 of 2008 exempted the shuttle service from this requirement.

In August 2008 the College Park City Council and UMCP Department of Transportation Services approved a memorandum of understanding allowing city residents to ride the UMCP shuttle. The current agreement enables 1,000 city residents to ride the UMCP shuttle in exchange for \$5,000 for the current fiscal year.

The town council of Riverdale Park has expressed interest in making a payment to UMCP to allow its residents to ride the UMCP shuttle bus, which currently passes through the municipality. UMCP also owns property in Hyattsville, and the shuttle bus route includes the municipality; however, Hyattsville has not indicated that it intends to seek an agreement allowing its residents to use the shuttle bus services in exchange for payment to UMCP.

Additional Information

Prior Introductions: None.

Cross File: HB 537 (Delegate Frush, *et al.*) - Economic Matters.

Information Source(s): City of College Park, Public Service Commission, Department of Legislative Services

Fiscal Note History: First Reader - February 17, 2010
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