

# HOUSE BILL 1412

R2

9lr3276

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By: **Delegate Korman**

Introduced and read first time: March 4, 2019

Assigned to: Rules and Executive Nominations

Re-referred to: Appropriations, March 8, 2019

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Committee Report: Favorable with amendments

House action: Adopted with floor amendments

Read second time: March 13, 2019

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Transportation – Maryland Metro/Transit Funding Act – Alterations**

3 FOR the purpose of specifying that the Maryland Transit Administration must regularly  
4 consult with certain entities regarding the compilation and submission of the Central  
5 Maryland Regional Transit Plan; requiring the Maryland Transit Administration to  
6 submit a draft Central Maryland Regional Transit Plan to certain entities at least a  
7 certain period of time before the finalization of the Plan; altering the contents and  
8 elements of the Plan; altering the time frame within which the Plan must be  
9 reviewed, revised, and updated; altering the time frame that the Plan must address;  
10 altering the requirements of a certain assessment undertaken by the Maryland  
11 Transit Administration; repealing a requirement that the Secretary of  
12 Transportation, for any fiscal year in which the total Maryland operating assistance  
13 provided in the approved Washington Metropolitan Area Transit Authority budget  
14 increases by a certain percentage over the total operating assistance provided in the  
15 prior fiscal year's budget, withhold a certain percentage of funds provided for certain  
16 annual grants to the Washington Suburban Transit District; altering the  
17 information that the Authority must submit to the Department of Transportation as  
18 part of its yearly performance and condition assessments and reports; repealing a  
19 provision of law that provides how a certain provision of law is to be construed;  
20 ~~requiring the Governor to make any appropriation required under a certain provision~~  
21 ~~of law from the Transportation Trust Fund~~ making certain clarifications regarding  
22 certain mandated appropriations; and generally relating to funding for the  
23 Washington Metropolitan Area Transit Authority.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 BY repealing and reenacting, without amendments,  
2 Article – Transportation  
3 Section 3–216(b)  
4 Annotated Code of Maryland  
5 (2015 Replacement Volume and 2018 Supplement)

6 BY repealing and reenacting, with amendments,  
7 Article – Transportation  
8 Section 7–301.1, 7–309, and 10–205  
9 Annotated Code of Maryland  
10 (2015 Replacement Volume and 2018 Supplement)

11 BY repealing and reenacting, with amendments,  
12 Chapter 351 of the Acts of the General Assembly of 2018  
13 Section 6

14 BY repealing and reenacting, with amendments,  
15 Chapter 352 of the Acts of the General Assembly of 2018  
16 Section 6

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

19 **Article – Transportation**

20 7–301.1.

21 (a) In this section, “core service area” means:

22 (1) An area in Anne Arundel County, Baltimore City, Baltimore County,  
23 Harford County, and Howard County that is served by light rail, metro, or fixed bus route  
24 service; and

25 (2) As determined by the Department, any other area in which the  
26 population commutes to an area described in item (1) of this subsection in order to use light  
27 rail, metro, or fixed bus route service.

28 (b) In addition to the requirements of §§ 7–301 and 7–302 of this subtitle, on or  
29 before October 1, 2020, the Administration shall[, in]:

30 (1) IN REGULAR consultation with the Central Maryland Regional Transit  
31 Plan Commission and the Baltimore Metropolitan Council, prepare a Central Maryland  
32 Regional Transit Plan to meet the transit needs of the core service area; AND

1           **(2) SUBMIT A DRAFT PLAN TO THE CENTRAL MARYLAND REGIONAL**  
2 **TRANSIT PLAN COMMISSION AND THE BALTIMORE METROPOLITAN COUNCIL FOR**  
3 **REVIEW AND COMMENT AT LEAST 45 DAYS BEFORE THE DRAFT PLAN IS FINALIZED.**

4           (c)    **The Central Maryland Regional Transit Plan shall INCLUDE AT LEAST THE**  
5 **FOLLOWING ELEMENTS:**

6           (1)    **[Define goals] GOALS for outcomes to be achieved through the**  
7 **provision of public transportation, INCLUDING PROVIDING RELIABLE AND SAFE PUBLIC**  
8 **TRANSPORTATION SERVICE TO ENABLE RESIDENTS OF THE CORE SERVICE AREA TO**  
9 **ACCESS JOB OPPORTUNITIES THROUGHOUT THE AREA;**

10           **(2) In order to best achieve the goals defined in item (1) of this subsection,**  
11 **identify options for:**

12                   (i)    **Improvements to existing transportation assets;**

13                   (ii)   **Improvements to leverage non-Administration transportation**  
14 **options available to public transportation; and**

15                   (iii)   **Corridors for new public transportation assets;**

16           (3)    **Prioritize corridors for planning of new public transportation assets;**

17           (4)    **Evaluate the Plan's consistency with local land use and transportation**  
18 **plans and the Maryland Transportation Plan and identify opportunities for achieving**  
19 **greater consistency;**

20           (5)    **Be reviewed, revised, and updated at least every 5 years; and**

21           (6)    **Address a 25-year time frame.]**

22           **(2) SPECIFIC IMPROVEMENTS TO PUBLIC TRANSPORTATION**  
23 **SERVICES AND ASSETS;**

24           **(3) AN ANALYSIS OF OPPORTUNITIES TO LEVERAGE**  
25 **NON-ADMINISTRATION TRANSPORTATION OPTIONS AVAILABLE FOR PUBLIC**  
26 **TRANSPORTATION; AND**

27           **(4) CORRIDORS FOR ESTABLISHING NEW PUBLIC TRANSPORTATION**  
28 **SERVICES AND ASSETS.**

29           **(D) IN ORDER TO BEST ADDRESS THE ELEMENTS SPECIFIED IN SUBSECTION**  
30 **(C) OF THIS SECTION, THE PLAN SHALL INCLUDE:**

1 (1) CORRIDORS THROUGHOUT THE CORE SERVICE AREA WITH  
 2 SPECIFIC GEOGRAPHIC BOUNDARIES, PRIORITIZED ACCORDING TO EACH  
 3 CORRIDOR'S POTENTIAL TO ACHIEVE THE GOALS;

4 (2) THROUGHOUT THE CORE SERVICE AREA, SPECIFIC  
 5 IMPROVEMENTS TO PUBLIC TRANSPORTATION SERVICES AND ASSETS;

6 (3) A LISTING OF THE SPECIFIC IMPROVEMENTS IDENTIFIED UNDER  
 7 ITEM (2) OF THIS SUBSECTION IN THE ORDER OF THE PLANNED IMPLEMENTATION  
 8 OF THE IMPROVEMENTS AND A METHODOLOGY FOR DETERMINING THE ORDER;

9 (4) AN ANALYSIS OF THE FUNDING AVAILABLE FOR THE  
 10 IMPLEMENTATION OF THE SPECIFIC IMPROVEMENTS IDENTIFIED UNDER ITEM (2)  
 11 OF THIS SUBSECTION AND POTENTIAL SOURCES OF ADDITIONAL FUNDING;

12 (5) ONE OR MORE MAPS THAT INCLUDE EXISTING SERVICES AND  
 13 PROPOSED CORRIDORS AND IMPROVEMENTS; AND

14 (6) AN ANALYSIS OF THE PLAN'S CONSISTENCY WITH COUNTY AND  
 15 MUNICIPAL LAND USE AND TRANSPORTATION PLANS AND THE MARYLAND  
 16 TRANSPORTATION PLAN AND THE IDENTIFICATION OF OPPORTUNITIES FOR  
 17 ACHIEVING GREATER CONSISTENCY.

18 (E) THE CENTRAL MARYLAND REGIONAL TRANSIT PLAN SHALL:

19 (1) BE REVIEWED, REVISED, AND UPDATED AT LEAST EVERY 6 YEARS;  
 20 AND

21 (2) ADDRESS A 30-YEAR PERIOD FROM THE YEAR THE REVIEW IS  
 22 UNDERTAKEN.

23 [(d)] (F) (1) There is a Central Maryland Regional Transit Plan Commission.

24 (2) The Commission consists of the following members:

25 (i) The County Executive of Anne Arundel County, or the County  
 26 Executive's designee;

27 (ii) The Mayor of Baltimore City, or the Mayor's designee;

28 (iii) The County Executive of Baltimore County, or the County  
 29 Executive's designee;

30 (iv) The County Executive of Harford County, or the County  
 31 Executive's designee;

1                   (v) The County Executive of Howard County, or the County  
2 Executive's designee;

3                   (vi) One representative from a Central Maryland business or  
4 transportation organization, appointed by the President of the Senate;

5                   (vii) One representative from a Central Maryland business or  
6 transportation organization, appointed by the Speaker of the House; and

7                   (viii) The following individuals appointed by the Governor:

8                   1. One representative from a Central Maryland business  
9 organization;

10                   2. One representative from the Citizen Advisory Council;

11                   3. One representative from a disabled riders group; and

12                   4. One representative from the MARC Riders Advisory  
13 Council.

14                   (3) The Commission shall participate in the development of:

15                   (i) A strategy for meaningful public involvement in the Central  
16 Maryland Regional Transit Plan; and

17                   (ii) The goals for outcomes of the Central Maryland Regional Transit  
18 Plan.

19 7-309.

20                   (a) The Administration shall, at least every 3 years, assess the ongoing,  
21 unconstrained capital needs of the Administration.

22                   (b) In undertaking the assessment required under subsection (a) of this section,  
23 the Administration shall:

24                   (1) Compile and prioritize capital needs without regard to cost;

25                   (2) Identify the backlog of repairs and replacements needed to achieve a  
26 state of good repair for all Administration assets, including a separate analysis of these  
27 needs over the following 10 years; [and]

28                   (3) Identify the needs to be met in order to enhance service and achieve  
29 system performance goals;

1 **(4) CREATE A TIMELINE AND PLAN FOR ACHIEVING A STATE OF GOOD**  
2 **REPAIR FOR THE ADMINISTRATION’S CAPITAL ASSETS; AND**

3 **(5) PUBLISH THE REPORT ON THE DEPARTMENT’S WEBSITE.**

4 (c) On or before July 1, 2019, and on or before July 1 every 3 years thereafter, the  
5 Administration shall, in accordance with § 2–1246 of the State Government Article, submit  
6 the assessment required under subsection (a) of this section to the Senate Budget and  
7 Taxation Committee, the House Appropriations Committee, and the House Environment  
8 and Transportation Committee.

### 9 **Article – Transportation**

10 ~~40–205.~~

11 3–216.

12 (b) Except as otherwise expressly provided by statute, there shall be credited to  
13 the Transportation Trust Fund for the account of the Department all taxes, fees, charges,  
14 and revenues collected or received by or paid, appropriated, or credited to the account of  
15 the Department or any of its units in the exercise of their rights, powers, duties, or  
16 obligations, including the cash proceeds of the sale of consolidated transportation bonds,  
17 notes, or other evidences of obligation issued by the Department, any General Fund  
18 appropriations, and the proceeds of any State loan or federal grant made for transportation  
19 purposes.

20 (a) In accordance with and subject to the principle that, if there is substantial  
21 State financial support for the planned rapid rail mass transit system in one metropolitan  
22 area of this State, there should be substantial State financial support for the planned rapid  
23 rail mass transit system in the other metropolitan area of this State, and subject to the  
24 appropriation requirements and budgetary provisions of § 3–216(d) of this article, the  
25 Department shall provide for grants to the Washington Suburban Transit District in an  
26 amount equal to the current expenditures required of the Washington Suburban Transit  
27 District in accordance with capital contributions agreements between the Washington  
28 Metropolitan Area Transit Authority, the Washington Suburban Transit District, and other  
29 participating jurisdictions. The Washington Suburban Transit District shall consult with  
30 the Secretary of Transportation prior to the execution of any capital contributions  
31 agreement.

32 (b) (1) Subject to the appropriation requirements and budgetary provisions of  
33 § 3–216(d) of this article and upon receipt of an approval of a grant application in such form  
34 and detail as the Secretary shall reasonably require, the Department shall provide for  
35 annual grants to the Washington Suburban Transit District for a share of the operating  
36 deficits of the regional transit system for which the District is responsible. “Operating  
37 deficit” means operating costs less:

1 (i) The greater of operating revenues or 50 percent of the operating  
2 costs; and

3 (ii) All federal operating assistance.

4 (2) The Department's share shall equal 100 percent of the operating deficit.

5 [(3) (i) For any fiscal year in which the total Maryland operating  
6 assistance provided in the approved Washington Metropolitan Area Transit Authority  
7 budget increases by more than 3% over the total operating assistance provided in the prior  
8 fiscal year's approved Washington Metropolitan Area Transit Authority budget, the  
9 Secretary shall withhold an amount equal to 35% of the funds available under paragraphs  
10 (1) and (2) of this subsection.

11 (ii) For purposes of calculating a budget increase under  
12 subparagraph (i) of this paragraph, the following items may not be included:

13 1. The cost of any service, equipment, or facility that is  
14 required by law;

15 2. A capital project approved by the board of directors of the  
16 Washington Metropolitan Area Transit Authority; and

17 3. Any payments or obligations arising from or related to  
18 legal disputes or proceedings between or among the Washington Metropolitan Area Transit  
19 Authority and any other person.]

20 (c) Subject to the appropriation requirements and budgetary provision of §  
21 3-216(d) of this article, the Department shall provide for grants to the Washington  
22 Suburban Transit District in an amount equal to 75 percent of the net debt service assigned  
23 to the Washington Suburban Transit District on bonds issued by the Washington  
24 Metropolitan Area Transit Authority. In no event shall the amount of net debt service,  
25 including the refinancing of any debt, required of the Washington Suburban Transit  
26 District exceed the amount presently assigned on a year by year basis to the Washington  
27 Suburban Transit District, and payable through the year 2014. Nothing in this article shall  
28 preclude the use of bond proceeds for capital improvements and replacements of the  
29 "Adopted Regional System - 1968" revised as of January 1, 1992.

30 (d) (1) In accordance with and subject to the principle that, if there is  
31 substantial State financial support for rapid rail and bus transit capital replacement costs  
32 in one metropolitan area of this State, there should be substantial State financial support  
33 for the costs of similar needs in the other metropolitan area of this State, and in recognition  
34 of the fact that timely replacement of capital facilities and equipment is essential to safe  
35 and reliable transit service, the Department shall provide grants to fully fund the  
36 Washington Suburban Transit District's share of the Washington Metropolitan Area  
37 Transit Authority's capital equipment replacement programs.

1 (2) The grants under this subsection:

2 (i) Shall be made subject to the appropriation and budgetary  
3 provisions of § 3–216(d) of this article;

4 (ii) Shall be included in the State budget beginning in fiscal year  
5 2000;

6 (iii) Notwithstanding any other provision of law, may be funded with  
7 revenues derived from:

8 1. Any State–enacted transportation fees or taxes; or

9 2. Federal transportation grants available to the State to  
10 fund transit capital equipment replacement; and

11 (iv) Shall be contingent on the receipt of a request by the District to  
12 the Department, based on annual capital improvements programs adopted by the  
13 Washington Metropolitan Area Transit Authority.

14 (e) Subject to the appropriation requirements and budgetary provisions of §  
15 3–216(d) of this article, the Department shall provide grants from amounts derived from  
16 the Transportation Trust Fund to the Washington Suburban Transit District for the  
17 purpose of funding Maryland’s required share of local funds for the Washington  
18 Metropolitan Area Transit Authority to match any federal funds appropriated in any given  
19 year authorized under Title VI, § 601, P.L. 110–432.

20 (f) (1) Except as provided in paragraph (2) of this subsection, the Governor  
21 shall include an appropriation in the annual budget of at least the amount specified in  
22 paragraph (4) of this subsection for the sole purpose of providing grants to the Washington  
23 Suburban Transit District to pay the capital costs of the Washington Metropolitan Area  
24 Transit Authority.

25 (2) (i) The Governor is not required to make the appropriation under  
26 paragraph (1) of this subsection in a fiscal year unless the Department certifies to the  
27 Governor in writing before the beginning of the immediately preceding fiscal year that the  
28 Washington Metropolitan Area Transit Authority has submitted to the Department:

29 1. Performance and condition assessments and reports  
30 regarding:

31 A. The safety and reliability of rapid heavy rail and bus  
32 systems;

33 B. The financial performance of the Washington  
34 Metropolitan Area Transit Authority as it relates to rail and bus operations, including fare  
35 box recovery, service per rider, and cost per service hour;



1 C. The monthly ridership of rail and bus systems broken  
2 down by Metrorail station, Metrorail line, [bus stop] **BUS ROUTE**, and bus line;

3 D. Strategies to reduce costs and improve the Washington  
4 Metropolitan Area Transit Authority's operational efficiency; and

5 E. The comparison of annual capital investments and  
6 approved budgets; and

7 2. The Washington Metropolitan Area Transit Authority's:

8 A. Annual budget;

9 B. Annual independent financial audit;

10 C. Annual National Transit Database profile; and

11 D. Individual audit reports.

12 (ii) If the Commonwealth of Virginia or the District of Columbia  
13 reduce the amount of dedicated capital funding for the Washington Metropolitan Area  
14 Transit Authority, the Governor may reduce the appropriation under paragraph (1) of this  
15 subsection by a proportional amount.

16 (iii) 1. The Governor shall withhold 35% of the appropriation  
17 under paragraph (1) of this subsection if:

18 A. The Washington Metropolitan Area Transit Authority has  
19 received a modified audit opinion as a result of an annual independent audit conducted in  
20 accordance with Article XVI, Section 70 of the Washington Metropolitan Area Transit  
21 Authority Compact under § 10-204 of this subtitle; and

22 B. The Department has not certified to the Governor in  
23 writing before the beginning of the immediately preceding fiscal year that the Washington  
24 Metropolitan Area Transit Authority has submitted in writing to the board of directors of  
25 the Washington Metropolitan Area Transit Authority and the Maryland General Assembly  
26 a satisfactory corrective plan that addresses the reasons for the modified audit opinion.

27 2. The Governor shall release the portion of the  
28 appropriation withheld under subparagraph 1 of this subparagraph if the Washington  
29 Metropolitan Area Transit Authority submits in writing to the board of directors of the  
30 Washington Metropolitan Area Transit Authority and, in accordance with § 2-1246 of the  
31 State Government Article, the Maryland General Assembly a satisfactory corrective action  
32 plan that addresses the reasons for the modified audit opinion.

1 (3) The Governor shall make the appropriation under paragraph (1) of this  
2 subsection from the Transportation Trust Fund.

3 (4) (i) For the first fiscal year in which the mandated appropriation  
4 under this subsection applies, the appropriation under paragraph (1) of this subsection  
5 shall equal at least the amount appropriated in the fiscal year 2019 State budget as enacted  
6 for the Washington Suburban Transit District to pay the capital costs of the Washington  
7 Metropolitan Area Transit Authority.

8 (ii) For each fiscal year after the first fiscal year in which the  
9 mandated appropriation under this subsection applies, the appropriation under paragraph  
10 (1) of this subsection shall be equal to the amount of the appropriation for the preceding  
11 fiscal year increased by 3%.

12 (g) (1) The Governor shall include in the State budget an appropriation for the  
13 purposes specified under paragraph (2) of this subsection of \$167,000,000 from the  
14 revenues available for the State capital program in the Transportation Trust Fund.

15 (2) The Department shall provide an annual grant of at least \$167,000,000  
16 to the Washington Suburban Transit District to be used only to pay the capital costs of the  
17 Washington Metropolitan Area Transit Authority.

18 (3) The grant required under paragraph (2) of this subsection is in addition  
19 to the appropriation required under subsection (f)(1) of this section.

### 20 Chapter 351 of the Acts of 2018

21 SECTION 6. AND BE IT FURTHER ENACTED, That: [this Act may not be  
22 construed to limit the authority of the Governor to appropriate general funds for transfer  
23 to the Transportation Trust Fund] ~~THE GOVERNOR SHALL MAKE ANY APPROPRIATION  
24 REQUIRED UNDER THIS ACT FROM THE TRANSPORTATION TRUST FUND~~

25 (A) THIS ACT MAY NOT BE CONSTRUED TO PROHIBIT THE GOVERNOR FROM  
26 PROVIDING A GENERAL FUND APPROPRIATION FROM THE DEDICATED PURPOSE  
27 ACCOUNT TO PROVIDE REVENUE TO THE TRANSPORTATION TRUST FUND AS  
28 AUTHORIZED UNDER § 3-216(B) OF THE TRANSPORTATION ARTICLE.

29 (B) THE GOVERNOR MAY NOT SATISFY A MANDATED APPROPRIATION  
30 ESTABLISHED UNDER THIS ACT THROUGH THE DIRECT APPROPRIATION OF  
31 GENERAL FUNDS.

### 32 Chapter 352 of the Acts of 2018

33 SECTION 6. AND BE IT FURTHER ENACTED, That: [this Act may not be  
34 construed to limit the authority of the Governor to appropriate general funds for transfer

1 to the Transportation Trust Fund] ~~THE GOVERNOR SHALL MAKE ANY APPROPRIATION~~  
2 ~~REQUIRED UNDER THIS ACT FROM THE TRANSPORTATION TRUST FUND~~

3 (A) THIS ACT MAY NOT BE CONSTRUED TO PROHIBIT THE GOVERNOR FROM  
4 PROVIDING A GENERAL FUND APPROPRIATION FROM THE DEDICATED PURPOSE  
5 ACCOUNT TO PROVIDE REVENUE TO THE TRANSPORTATION TRUST FUND AS  
6 AUTHORIZED UNDER § 3-216(B) OF THE TRANSPORTATION ARTICLE.

7 (B) THE GOVERNOR MAY NOT SATISFY A MANDATED APPROPRIATION  
8 ESTABLISHED UNDER THIS ACT THROUGH THE DIRECT APPROPRIATION OF  
9 GENERAL FUNDS.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
11 1, 2019.

Approved:

\_\_\_\_\_  
Governor.

\_\_\_\_\_  
Speaker of the House of Delegates.

\_\_\_\_\_  
President of the Senate.