

HOUSE BILL 114

R2

(PRE-FILED)

11r0503
CF SB 199

By: **Delegates Lierman, Bagnall, Feldmark, Healey, Kerr, R. Lewis, Smith, Solomon, Stein, and Terrasa**

Requested: September 9, 2020

Introduced and read first time: January 13, 2021

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 6, 2021

CHAPTER _____

1 AN ACT concerning

2 **Maryland Transit Administration – Funding**
3 **(Transit Safety and Investment Act)**

4 FOR the purpose of establishing the Purple Line Construction Zone Grant Program;
5 establishing the purpose of the Grant Program; requiring the Department of
6 Commerce to implement and administer the Grant Program; requiring the
7 Department of Commerce, in consultation with the Department of Transportation,
8 to adopt certain regulations; requiring the Department of Commerce and the
9 Maryland Transit Administration to consult qualified small businesses for a certain
10 purpose; requiring the Department of Commerce to make a certain application
11 available as soon as practicable; establishing a maximum amount for a certain grant
12 awarded; authorizing the Department of Commerce to award grants until a certain
13 time; prohibiting the Department of Commerce from awarding more than one grant
14 to the same business in a certain period of time; requiring that certain funds revert
15 to the Maryland Economic Development Assistance Fund; requiring the
16 Administration to report certain information in the Consolidated Transportation
17 Program; requiring the Governor to include certain appropriations in the State
18 budget from the Transportation Trust Fund to the ~~Maryland Transit~~ Administration
19 for certain operating and capital needs of the Administration in certain fiscal years;
20 authorizing the reduction of certain appropriations under certain circumstances;
21 requiring that certain capital appropriations to the Administration be in addition to
22 any funds appropriated for the capital needs of a certain transit project; providing
23 that a certain provision of law may not be construed to limit the authority of the

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 Administrator to use certain funds to increase the State investment in certain transit
2 agencies; requiring the Administration to submit a report each year on the planning
3 and use of capital funds for certain capital projects in the prior fiscal year; altering
4 the termination date for certain provisions of law concerning funding for the
5 Administration; declaring the intent of the General Assembly; making conforming
6 changes; defining ~~a~~ certain ~~term~~ terms; and generally relating to funding for the
7 Maryland Transit Administration.

8 BY adding to

9 Article – Economic Development

10 Section 16–101 to be under the new title “Title 16. Purple Line Construction Zone
11 Grant Program”

12 Annotated Code of Maryland

13 (2018 Replacement Volume and 2020 Supplement)

14 BY repealing and reenacting, with amendments,

15 Article – Transportation

16 Section 2–103.1(c)(4)(vi) and (vii), 7–205, and 7–309

17 Annotated Code of Maryland

18 (2020 Replacement Volume)

19 BY adding to

20 Article – Transportation

21 Section 2–103.1(c)(4)(vii)

22 Annotated Code of Maryland

23 (2020 Replacement Volume)

24 BY repealing and reenacting, with amendments,

25 Chapter 351 of the Acts of the General Assembly of 2018

26 Section 9

27 BY repealing and reenacting, with amendments,

28 Chapter 352 of the Acts of the General Assembly of 2018

29 Section 9

30 Preamble

31 WHEREAS, Section 7–309 of the Transportation Article of the Annotated Code of
32 Maryland requires the Maryland Transit Administration (Administration) to assess its
33 ongoing, unconstrained capital needs; and

34 WHEREAS, The Administration released the Capital Needs Inventory in July 2019,
35 which captured and quantified the capital investment needs over a 10–year period for the
36 assets of the following modes: (1) Local Bus, including CityLink, LocalLink, and Express
37 BusLink; (2) Commuter Bus; (3) Maryland Area Regional Commuter trains; (4) Baltimore
38 Metro SubwayLink; (5) Light RailLink; and (6) MobilityLink; and

1 WHEREAS, These services provide nearly 320,000 rides a day for residents in
2 Baltimore City and Anne Arundel, Baltimore, Calvert, Charles, Frederick, Harford,
3 Howard, Montgomery, Prince George's, Queen Anne's, and St. Mary's counties; and

4 WHEREAS, The Capital Needs Inventory identified that in order to provide safe,
5 reliable transit services the Administration would need, on average, \$462 million per year
6 in capital funding for state of good repair needs during the 10-year period identified in the
7 report; and

8 WHEREAS, In addition to its state of good repair needs, the Capital Needs Inventory
9 identified a need of more than \$100 million per year over the same period for capital
10 enhancement needs; and

11 WHEREAS, Section 7-301.1 of the Transportation Article requires the
12 Administration to prepare the Central Maryland Regional Transit Plan, a long-range
13 transit plan for Maryland transit service growth in Baltimore City and Anne Arundel,
14 Baltimore, Harford, and Howard counties; and

15 WHEREAS, The Central Maryland Regional Transit Plan suggests that the existing
16 public transportation system does not provide adequate service to meet existing demand;
17 and

18 WHEREAS, The Maryland Department of Transportation's draft FY 2020-2025
19 Consolidated Transportation Program (CTP) provides the Administration only \$326 million
20 on average per year for the Capital Needs Inventory during this period; and

21 WHEREAS, The funding levels identified in the CTP for the Administration will
22 increase the agency's Capital Needs Inventory and delay the implementation of the Central
23 Maryland Regional Transit Plan, including the growth of the transit system; and

24 WHEREAS, Infrastructure becomes more expensive to operate and maintain if
25 maintenance is deferred; and

26 WHEREAS, Emergency shutdowns, such as the 2018 shutdown of the Baltimore
27 subway system, and equipment failures impact the reliability of Administration services;
28 and

29 WHEREAS, Riders and the public at large expect the State to maintain its public
30 transit infrastructure at a level of reasonable reliability and the utmost safety; now,
31 therefore,

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

34 **Article – Economic Development**

35 **TITLE 16. PURPLE LINE CONSTRUCTION ZONE GRANT PROGRAM.**

1 **16-101.**

2 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
3 **INDICATED.**

4 **(2) "GRANT PROGRAM" MEANS THE PURPLE LINE CONSTRUCTION**
5 **ZONE GRANT PROGRAM.**

6 **(3) "QUALIFIED SMALL BUSINESS" MEANS A SOLE PROPRIETORSHIP,**
7 **A PARTNERSHIP, A LIMITED PARTNERSHIP, A LIMITED LIABILITY PARTNERSHIP, A**
8 **LIMITED LIABILITY COMPANY, OR A CORPORATION THAT:**

9 **(I) EMPLOYS 20 OR FEWER EMPLOYEES;**

10 **(II) IS INDEPENDENTLY OWNED AND OPERATED;**

11 **(III) IS NOT A SUBSIDIARY OF ANOTHER BUSINESS;**

12 **(IV) IS NOT DOMINANT IN ITS FIELD OF OPERATION; AND**

13 **(V) IS IMPACTED BY THE CONSTRUCTION OF THE PURPLE LINE**
14 **LIGHT RAIL PROJECT IN MONTGOMERY COUNTY AND PRINCE GEORGE'S COUNTY.**

15 **(B) (1) THERE IS A PURPLE LINE CONSTRUCTION ZONE GRANT**
16 **PROGRAM.**

17 **(2) THE PURPOSE OF THE GRANT PROGRAM IS TO PROVIDE FUNDS**
18 **TO QUALIFIED SMALL BUSINESSES TO ASSIST IN OFFSETTING BUSINESS REVENUE**
19 **LOST AS A RESULT OF THE CONSTRUCTION OF THE PURPLE LINE LIGHT RAIL**
20 **PROJECT IN MONTGOMERY COUNTY AND PRINCE GEORGE'S COUNTY.**

21 **(3) IN EACH OF FISCAL YEARS 2023 AND 2024, THE MARYLAND**
22 **TRANSIT ADMINISTRATION SHALL PROVIDE \$1,000,000 IN GENERAL FUNDS TO THE**
23 **GRANT PROGRAM TO ASSIST QUALIFIED SMALL BUSINESSES.**

24 **(C) THE DEPARTMENT OF COMMERCE SHALL IMPLEMENT AND**
25 **ADMINISTER THE GRANT PROGRAM.**

26 **(D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**
27 **DEPARTMENT OF COMMERCE, IN CONSULTATION WITH THE DEPARTMENT OF**
28 **TRANSPORTATION, SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION,**
29 **INCLUDING REGULATIONS TO ESTABLISH:**

1 **(I) ELIGIBILITY AND GRANT APPLICATION REQUIREMENTS;**
2 **AND**

3 **(II) A PROCESS FOR REVIEWING GRANT APPLICATIONS AND**
4 **AWARDING GRANTS TO ELIGIBLE QUALIFIED SMALL BUSINESSES.**

5 **(2) IN DEVELOPING THE REGULATIONS REQUIRED UNDER**
6 **PARAGRAPH (1) OF THIS SUBSECTION, THE DEPARTMENT OF COMMERCE AND THE**
7 **MARYLAND TRANSIT ADMINISTRATION SHALL CONSULT QUALIFIED SMALL**
8 **BUSINESSES TO ENSURE THAT THE ELIGIBILITY AND APPLICATION REQUIREMENTS**
9 **FOR THE GRANT PROGRAM ARE NOT OVERLY BURDENSOME TO QUALIFIED SMALL**
10 **BUSINESSES.**

11 **(3) THE DEPARTMENT OF COMMERCE SHALL MAKE THE**
12 **APPLICATION DEVELOPED FOR PURPOSES OF THE GRANT PROGRAM AVAILABLE TO**
13 **QUALIFIED SMALL BUSINESSES AS SOON AS PRACTICABLE.**

14 **(E) (1) (I) SUBJECT TO THE LIMITATIONS OF THIS PARAGRAPH, THE**
15 **DEPARTMENT OF COMMERCE SHALL ESTABLISH, BY REGULATION, GUIDELINES TO**
16 **CALCULATE THE AMOUNT OF A GRANT AWARDED UNDER THIS SECTION.**

17 **(II) IN ESTABLISHING GUIDELINES UNDER SUBPARAGRAPH (I)**
18 **OF THIS PARAGRAPH, THE DEPARTMENT OF COMMERCE MAY USE A 12-MONTH**
19 **PROJECTION OF THE DIFFERENCE BETWEEN THE BUSINESS REVENUE OF A**
20 **QUALIFIED SMALL BUSINESS DURING THE 3-MONTH PERIOD IMMEDIATELY**
21 **PRECEDING THE START OF THE PURPLE LINE CONSTRUCTION COMPARED TO THE**
22 **3-MONTH PERIOD IMMEDIATELY FOLLOWING THE START OF THE PURPLE LINE**
23 **CONSTRUCTION.**

24 **(III) A GRANT AWARDED UNDER THE GRANT PROGRAM MAY NOT**
25 **EXCEED \$50,000.**

26 **(2) SUBJECT TO THE ELIGIBILITY REQUIREMENTS ESTABLISHED**
27 **UNDER SUBSECTION (D) OF THIS SECTION, IF A QUALIFIED SMALL BUSINESS IS**
28 **REQUIRED TO BE REGISTERED WITH THE STATE AND IS REGISTERED, THE**
29 **QUALIFIED SMALL BUSINESS MAY APPLY FOR A GRANT UNDER THE GRANT**
30 **PROGRAM REGARDLESS OF OWNERSHIP OR LOCATION.**

31 **(3) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE**
32 **DEPARTMENT OF COMMERCE MAY AWARD GRANTS UNTIL ALL THE MONEY**
33 **ALLOTTED FOR THE GRANT PROGRAM HAS BEEN AWARDED OR UNTIL DECEMBER**
34 **31, 2024, WHICHEVER OCCURS FIRST.**

1 **(ii) THE DEPARTMENT OF COMMERCE MAY NOT AWARD MORE**
2 **THAN ONE GRANT TO THE SAME QUALIFIED SMALL BUSINESS IN A 12-MONTH**
3 **PERIOD.**

4 **(4) ANY MONEY THAT HAS NOT BEEN AWARDED ON OR BEFORE**
5 **DECEMBER 31, 2024, SHALL REVERT TO THE MARYLAND ECONOMIC**
6 **DEVELOPMENT ASSISTANCE FUND.**

7 **Article – Transportation**

8 2-103.1.

9 (c) (4) Annually, the Consolidated Transportation Program shall include a
10 report that:

11 (vi) Provides a purpose and need summary statement that includes:

12 1. A general description and summary that describes why
13 the project is necessary and satisfies State transportation goals, including Climate Action
14 Plan goals required by the Greenhouse Gas Emissions Reduction Act of 2009 under §
15 2-1205(b) of the Environment Article;

16 2. The location of the project, including a map of the project
17 limits, project area, or transportation corridor; and

18 3. A summary of how the project meets the selection criteria
19 for inclusion in the capital program; [and]

20 **(vii) PROVIDES THE MARYLAND TRANSIT ADMINISTRATION**
21 **STATE OF GOOD REPAIR BUDGET FOR THE CURRENT FISCAL YEAR AND**
22 **PROJECTIONS FOR THE SUBSEQUENT FISCAL YEAR; AND**

23 [(vii)] (viii) Includes any other information that the Secretary believes
24 would be useful to the members of the General Assembly, the general public, or other
25 recipients of the Consolidated Transportation Program.

26 7-205.

27 (a) **IN THIS SECTION, “STATE OF GOOD REPAIR NEEDS” INCLUDES THE**
28 **CAPITAL NEEDS IDENTIFIED BY THE ADMINISTRATION IN THE ASSESSMENT**
29 **REQUIRED UNDER § 7-309 OF THIS ARTICLE.**

30 **(B)** For fiscal year 2020, the Governor shall include in the State budget an
31 appropriation from the Transportation Trust Fund for the operation of the Administration
32 that is equal to the appropriation for the operation of the Administration in the fiscal year
33 2019 State budget as introduced, increased by at least 4.4%.

1 **[(b)] (C)** For each of fiscal years 2021 and 2022, the Governor shall include in
 2 the State budget an appropriation from the Transportation Trust Fund for the operation of
 3 the Administration that is equal to the appropriation for the operation of the
 4 Administration in the State budget for the immediately preceding fiscal year, increased by
 5 at least 4.4%.

6 **(D) FOR EACH OF FISCAL YEARS 2023 THROUGH ~~2028~~ 2029, THE**
 7 **GOVERNOR SHALL INCLUDE IN THE STATE BUDGET AN APPROPRIATION FROM THE**
 8 **TRANSPORTATION TRUST FUND FOR THE OPERATION OF THE ADMINISTRATION**
 9 **THAT MAY NOT BE LESS THAN THE FISCAL YEAR 2022 APPROPRIATION FOR THE**
 10 **OPERATION OF THE ADMINISTRATION.**

11 **[(c)] (E)** (1) For each of fiscal years 2020 through 2022, the Governor shall
 12 include in the State budget an appropriation for the capital needs of the Administration of
 13 at least \$29,100,000 from the revenues available for the State capital program in the
 14 Transportation Trust Fund.

15 **(2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE**
 16 **GOVERNOR SHALL INCLUDE IN THE STATE BUDGET AN APPROPRIATION FOR THE**
 17 **STATE OF GOOD REPAIR NEEDS OF THE ADMINISTRATION IN THE FOLLOWING**
 18 **AMOUNTS FROM THE REVENUES AVAILABLE FOR THE STATE CAPITAL PROGRAM IN**
 19 **THE TRANSPORTATION TRUST FUND:**

20 **(I) FOR FISCAL YEAR 2023, AT LEAST ~~\$361,880,000~~**
 21 **\$402,037,183;**

22 **(II) FOR FISCAL YEAR 2024, AT LEAST ~~\$414,893,000~~**
 23 **\$502,081,501;**

24 **(III) FOR FISCAL YEAR 2025, AT LEAST ~~\$453,839,000~~**
 25 **\$450,000,000;**

26 **(IV) FOR FISCAL YEAR 2026, AT LEAST ~~\$566,573,000~~**
 27 **\$450,000,000;**

28 **(V) FOR FISCAL YEAR 2027, AT LEAST ~~\$566,573,000~~**
 29 **\$450,000,000; AND**

30 **(VI) FOR FISCAL YEAR 2028, AT LEAST ~~\$531,573,000~~**
 31 **\$450,000,000; AND**

32 **(VII) FOR FISCAL YEAR 2029, AT LEAST \$318,558,000.**

1 **(3) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, AN**
2 **APPROPRIATION REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION MAY BE**
3 **REDUCED IF THE TOTAL APPROPRIATION FOR STATE OF GOOD REPAIR NEEDS IN A**
4 **PRIOR FISCAL YEAR EXCEEDED THE AMOUNT SPECIFIED UNDER PARAGRAPH (2) OF**
5 **THIS SUBSECTION FOR THAT FISCAL YEAR.**

6 **(II) A REDUCTION AUTHORIZED UNDER SUBPARAGRAPH (I) OF**
7 **THIS PARAGRAPH:**

8 **1. MAY BE APPLIED ONLY TO ONE FISCAL YEAR; AND**

9 **2. MAY NOT EXCEED THE DIFFERENCE BETWEEN THE**
10 **TOTAL APPROPRIATION FOR STATE OF GOOD REPAIR NEEDS FOR THE PRIOR FISCAL**
11 **YEAR AND THE AMOUNT SPECIFIED UNDER PARAGRAPH (2) OF THIS SUBSECTION**
12 **FOR THAT FISCAL YEAR.**

13 **[(2)] (4) (I) The appropriation required under paragraph (1) of this**
14 **subsection may not supplant any other capital funding otherwise available for the**
15 **Administration.**

16 **(II) THE APPROPRIATIONS REQUIRED UNDER PARAGRAPH (2)**
17 **OF THIS SUBSECTION SHALL BE IN ADDITION TO ANY FUNDS APPROPRIATED FOR**
18 **THE CAPITAL PLANNING, ENGINEERING, RIGHT-OF-WAY ACQUISITION, OR**
19 **CONSTRUCTION OF THE PURPLE LINE IN MONTGOMERY COUNTY AND PRINCE**
20 **GEORGE'S COUNTY.**

21 **(F) THIS ACT MAY NOT BE CONSTRUED TO LIMIT THE AUTHORITY OF THE**
22 **ADMINISTRATOR TO USE AVAILABLE FUNDS APPROPRIATED TO THE**
23 **ADMINISTRATION TO INCREASE THE STATE INVESTMENT IN LOCALLY OPERATED**
24 **TRANSIT AGENCIES.**

25 7-309.

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

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

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

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

1 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June
2 1, 2021.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.