

Department of Legislative Services
 Maryland General Assembly
 2022 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

Senate Bill 862

(Senator McCray)

Budget and Taxation

Appropriations

Baltimore City - Maryland Transit Administration - Transit Services for Public School Students and Youth Workers

This bill requires the Maryland Transit Administration (MTA) to provide ridership on transit vehicles to any eligible Baltimore City Public School (BCPS) student and youth worker in the Baltimore City YouthWorks program from fiscal 2023 through 2027, as specified. MTA may not collect fees or reimbursement for these services. In conjunction with BCPS and the Mayor’s Office of Employment Development, MTA must adopt regulations that establish the eligibility criteria for students and youth workers receiving a student transit pass to use the services provided by the bill. **The bill takes effect July 1, 2022.**

Fiscal Summary

State Effect: *Under one set of assumptions*, Transportation Trust Fund (TTF) revenues decrease by an estimated \$6.2 million in FY 2023; future years reflect planned MTA fare increases, as discussed below. TTF expenditures are not affected.

(\$ in millions)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
SF Revenue	(\$6.2)	(\$6.5)	(\$6.5)	(\$6.8)	(\$6.8)
Expenditure	0	0	0	0	0
Net Effect	(\$6.2)	(\$6.5)	(\$6.5)	(\$6.8)	(\$6.8)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: *Under one set of assumptions*, over the five-year period addressed in this fiscal and policy note, BCPS expenditures decrease by an estimated \$6.2 million in FY 2023, by \$6.5 million in FY 2024 and 2025, and by \$6.8 million in FY2026 and 2027, as discussed below. Local revenues are not affected.

Small Business Effect: None.

Analysis

Bill Summary: The services required by the bill must be provided only for (1) a student of a public school in Baltimore City between 5:00 a.m. and 8:00 p.m. for school-related or educational extracurricular activities (on and off campus) or (2) a youth worker in the Baltimore City YouthWorks program during the YouthWorks summer job period and for purposes of engaging in YouthWorks-related activities.

Current Law: MTA is a modal unit within the Maryland Department of Transportation (MDOT), and it operates a comprehensive transit system throughout the Baltimore-Washington metropolitan area, including more than 50 local bus lines in Baltimore and other services, such as the light rail, Baltimore Metro subway, commuter buses, MARC trains, and mobility/paratransit vehicles. Except for the Washington Metropolitan Area Transit Authority, MDOT and MTA are generally the agencies responsible for the construction and operation of transit lines in the State.

To address concerns that the State lacked adequate funding to build new transportation infrastructure, Chapter 429 of 2013 increased transportation funding by, among other things, increasing motor fuel taxes and requiring MTA to increase base fare prices beginning in fiscal 2015. Specifically related to MTA transit services, Chapter 429 requires fares to be adjusted every two years and every five years based on the annual Consumer Price Index increase and other factors. The next planned fare increase under Chapter 429 is for fiscal 2023.

The bill's requirements for BCPS students are substantively similar to the requirements of Chapter 785 of 2017. Chapter 785 required MTA to provide ridership on transit vehicles to BCPS students under similar circumstances from fiscal 2019 through 2021.

Through the Baltimore City [YouthWorks](#) program, teenagers and young adults between the ages of 14 and 21 receive summer jobs with private, nonprofit, and city and State government employers throughout the city.

State/Local Fiscal Effect: MDOT advises that, despite the termination of Chapter 785, it has not started charging BCPS for student bus service; however, it has been considering reestablishing the charges, which this bill would prohibit from fiscal 2023 through 2027. Based on MTA's current fares, the planned fare increases required by Chapter 429 of 2013, and the current service it provides for BCPS (to approximately 22,000 students), assuming MTA would, in the absence of the bill, charge BCPS for such services, TTF revenues decrease by an estimated \$6.2 million in fiscal 2023, \$6.5 million in fiscal 2024 and 2025, and \$6.8 million in fiscal 2026 and 2027.

Under the same assumptions, BCPS expenditures decrease correspondingly, as it does not have to pay MTA for those services. To the extent MTA would otherwise *not* reestablish the charges, the bill has no effect as it codifies current practice.

The requirement for MTA to provide free ridership to youth workers in the Baltimore City YouthWorks program is not anticipated to materially affect TTF revenues; MTA advises that it already provides free ridership to many of these individuals.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 1056 (Delegate Lierman) - Appropriations.

Information Source(s): Maryland Department of Transportation; Baltimore City; Baltimore City Public Schools; Department of Legislative Services

Fiscal Note History: First Reader - March 3, 2022
rh/lgc Third Reader - March 28, 2022
Revised - Amendment(s) - March 28, 2022
Revised - Updated Information - March 28, 2022
Enrolled - June 2, 2022
Revised - Amendment(s) - June 2, 2022
Revised - Correction - July 26, 2022

Analysis by: Richard L. Duncan

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