

# HOUSE BILL 432

R2, B1

5lr1757  
CF SB 20

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By: **Delegate Edelson**

Introduced and read first time: January 16, 2025

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Locally Operated Transit Systems – Mandatory Funding – Inflation Adjustment**  
3 **(Local Transit Sustainability Act)**

4 FOR the purpose of requiring that the amount of the appropriation that the Governor is  
5 required to include in the annual budget bill for the Locally Operated Transit System  
6 Grant Program be adjusted for future fiscal years based on growth in the Consumer  
7 Price Index for All Urban Consumers; and generally relating to the Locally Operated  
8 Transit System Grant Program.

9 BY repealing and reenacting, without amendments,  
10 Article – Transportation  
11 Section 4–322(a)(1)  
12 Annotated Code of Maryland  
13 (2020 Replacement Volume and 2024 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article – Transportation  
16 Section 4–322(c)  
17 Annotated Code of Maryland  
18 (2020 Replacement Volume and 2024 Supplement)

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

### Article – Transportation

22 4–322.

23 (a) (1) There is a Locally Operated Transit System Grant Program.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           (c)   (1)   **IN THIS SUBSECTION, “CONSUMER PRICE INDEX FOR ALL URBAN**  
2 **CONSUMERS” MEANS THE INDEX PUBLISHED MONTHLY BY THE BUREAU OF LABOR**  
3 **STATISTICS OF THE U.S. DEPARTMENT OF LABOR THAT IS THE UNITED STATES**  
4 **CITY AVERAGE OF ALL ITEMS IN A BASKET OF CONSUMER GOODS AND SERVICES.**

5           (2)   **THE PERCENTAGE GROWTH IN THE CONSUMER PRICE INDEX FOR**  
6 **ALL URBAN CONSUMERS SHALL BE DETERMINED BY COMPARING THE AVERAGE OF**  
7 **THE INDEX FOR THE 12 MONTHS ENDING ON THE PRECEDING JUNE 30 TO THE**  
8 **AVERAGE OF THE INDEX FOR THE PRIOR 12 MONTHS**

9           (3)   For fiscal year 2026 and each fiscal year thereafter, the Governor shall  
10 include in the annual budget bill an appropriation from the Transportation Trust Fund of  
11 at least \$80,533,314 to the program for statewide program operations.

12           (4)   **FOR FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER,**  
13 **THE APPROPRIATION REQUIRED UNDER PARAGRAPH (3) OF THIS SUBSECTION**  
14 **SHALL BE INCREASED BY THE AMOUNT THAT EQUALS THE PRODUCT OF**  
15 **MULTIPLYING:**

16           (i)   **THE AMOUNT REQUIRED UNDER THIS SUBSECTION TO BE**  
17 **INCLUDED IN THE ANNUAL BUDGET BILL FOR THE PRIOR FISCAL YEAR FOR THE**  
18 **PROGRAM; AND**

19           (ii)  **THE LESSER OF:**

20                       1.   **THE PERCENTAGE GROWTH IN THE CONSUMER**  
21 **PRICE INDEX FOR ALL URBAN CONSUMERS; OR**

22                       2.   **5%.**

23           (5)   **IF THERE IS A DECLINE OR NO GROWTH IN THE CONSUMER PRICE**  
24 **INDEX FOR ALL URBAN CONSUMERS, THE APPROPRIATION REQUIRED UNDER THIS**  
25 **SUBSECTION SHALL BE EQUAL TO THE AMOUNT OF THE APPROPRIATION FOR THE**  
26 **PRIOR FISCAL YEAR.**

27           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
28 1, 2025.