

# SENATE BILL 401

R2

5lr2154  
CF 5lr1146

---

By: **Senator McCray**

Introduced and read first time: January 20, 2025

Assigned to: Budget and Taxation and Finance

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Transportation – Maryland Area Rail Commuter Rail Authority – Establishment**  
3 **(MARC Rail Authority Act of 2025)**

4 FOR the purpose of establishing the Maryland Area Rail Commuter (MARC) Rail Authority  
5 and the powers and duties of the MARC Rail Authority, acting on behalf of the  
6 Department of Transportation, with respect to the supervision, construction,  
7 operation, maintenance, and repair of MARC railroad facilities projects; authorizing,  
8 subject to certain limitations, the MARC Rail Authority to issue certain revenue  
9 bonds to finance the cost of certain MARC railroad facilities projects; establishing  
10 the MARC Rail Authority Fund; requiring certain funds and revenues to be  
11 deposited in the Fund; and generally relating to the establishment of the Maryland  
12 Area Rail Commuter (MARC) Rail Authority.

13 BY adding to

14 Article – Transportation

15 Section 7–1301 through 7–1333 to be under the new subtitle “Subtitle 13. Maryland  
16 Area Rail Commuter (MARC) Rail Authority”

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:

21 **Article – Transportation**

22 **SUBTITLE 13. MARYLAND AREA RAIL COMMUTER (MARC) RAIL AUTHORITY.**

23 **7–1301.**

24 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 INDICATED.

2 (B) "MARC" MEANS MARYLAND AREA RAIL COMMUTER RAIL SERVICE.

3 (C) "MARC RAILROAD FACILITIES PROJECT" INCLUDES:

4 (1) (I) THE BRUNSWICK, CAMDEN, OR PENN LINES OF THE  
5 MARYLAND AREA RAIL COMMUTER (MARC) SERVICE; AND

6 (II) EXTENDING MARC SERVICE; AND

7 (2) ANY ADDITIONS, IMPROVEMENTS, OR ENLARGEMENTS TO ANY OF  
8 THE PROJECTS LISTED UNDER ITEM (1) OF THIS SUBSECTION, WHENEVER  
9 AUTHORIZED.

10 (D) "TRANSPORTATION AUTHORITY" MEANS THE MARYLAND  
11 TRANSPORTATION AUTHORITY.

12 7-1302.

13 THERE IS A MARC RAIL AUTHORITY.

14 7-1303.

15 (A) (1) THE SECRETARY IS THE CHAIR OF THE MARC RAIL AUTHORITY.

16 (2) THE SECRETARY SHALL DESIGNATE AN EXECUTIVE DIRECTOR  
17 OF THE MARC RAIL AUTHORITY.

18 (B) IN ADDITION TO THE CHAIR, THE MARC RAIL AUTHORITY CONSISTS  
19 OF:

20 (1) THE FOLLOWING MEMBERS:

21 (I) ONE MEMBER WITH A BACKGROUND IN RAIL TRANSIT,  
22 APPOINTED BY THE PRESIDENT OF THE SENATE; AND

23 (II) ONE MEMBER WITH A BACKGROUND IN RAIL TRANSIT,  
24 APPOINTED BY THE SPEAKER OF THE HOUSE; AND

25 (2) THE FOLLOWING NONVOTING MEMBERS:

26 (I) AS AN EX OFFICIO MEMBER, THE EXECUTIVE DIRECTOR OF

1 THE MARC RAIL AUTHORITY; AND

2 (II) A MEMBER OF THE LABOR COMMUNITY THAT IS EMPLOYED  
3 BY MARC, APPOINTED BY THE GOVERNOR IN CONSULTATION WITH THE  
4 COMMISSIONER OF LABOR AND INDUSTRY.

5 (C) (1) THE TERM OF AN APPOINTED MEMBER IS 4 YEARS.

6 (2) AN APPOINTED MEMBER MAY NOT SERVE MORE THAN THREE  
7 CONSECUTIVE TERMS.

8 (3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL  
9 A SUCCESSOR IS APPOINTED AND QUALIFIES.

10 (4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES  
11 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND  
12 QUALIFIES.

13 (D) AN APPOINTED MEMBER OF THE MARC RAIL AUTHORITY IS ENTITLED  
14 TO:

15 (1) THE COMPENSATION PROVIDED IN THE STATE BUDGET; AND

16 (2) REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE  
17 TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

18 (E) THE MARC RAIL AUTHORITY IS SUBJECT TO THE OPEN MEETINGS  
19 ACT UNDER TITLE 3 OF THE GENERAL PROVISIONS ARTICLE.

20 7-1304.

21 (A) THE MARC RAIL AUTHORITY IS ENTITLED TO THE STAFF PROVIDED IN  
22 THE STATE BUDGET.

23 (B) THE SECRETARY SHALL PROVIDE THE MARC RAIL AUTHORITY WITH  
24 THE PERSONNEL OF THE DEPARTMENT THAT THE SECRETARY CONSIDERS  
25 NECESSARY FOR PERFORMANCE OF THE MAINTENANCE AND OTHER FUNCTIONS  
26 REQUIRED OF THE MARC RAIL AUTHORITY TO MEET ITS OBLIGATIONS WITH  
27 RESPECT TO ITS MARC RAILROAD FACILITIES PROJECTS.

28 7-1305.

29 (A) (1) ACTING ON BEHALF OF THE DEPARTMENT, THE MARC RAIL

1 **AUTHORITY HAS THOSE POWERS AND DUTIES RELATING TO THE SUPERVISION,**  
2 **FINANCING, CONSTRUCTION, OPERATION, MAINTENANCE, AND REPAIR OF MARC**  
3 **RAILROAD FACILITIES PROJECTS AS ARE GRANTED TO IT BY THIS SUBTITLE.**

4 **(2) THE MARC RAIL AUTHORITY MAY:**

5 **(I) DELEGATE PROJECT OPERATIONS, MAINTENANCE, AND**  
6 **REPAIR TO THE ADMINISTRATION; AND**

7 **(II) USE FARE REVENUE TO PROVIDE THE ADMINISTRATION**  
8 **WITH PAYMENTS FOR PROJECT OPERATIONS, MAINTENANCE, AND REPAIR.**

9 **(B) THE MARC RAIL AUTHORITY HAS GENERAL SUPERVISION OF MARC**  
10 **RAILROAD FACILITIES PROJECTS.**

11 **(C) THE MARC RAIL AUTHORITY SHALL FINANCE, CONSTRUCT, OPERATE,**  
12 **REPAIR, AND MAINTAIN IN GOOD ORDER THE MARC RAILROAD FACILITIES.**

13 **(D) THE MARC RAIL AUTHORITY SHALL, TO THE EXTENT PRACTICABLE,**  
14 **ADHERE TO THE TRANSIT PLANS PREPARED UNDER SUBTITLE 3 OF THIS TITLE.**

15 **7-1306.**

16 **(A) THE MARC RAIL AUTHORITY MAY ACQUIRE, HOLD, AND DISPOSE OF**  
17 **PROPERTY IN THE EXERCISE OF ITS POWERS AND PERFORMANCE OF ITS DUTIES.**

18 **(B) THE MARC RAIL AUTHORITY MAY MAKE ANY CONTRACTS AND**  
19 **AGREEMENTS NECESSARY OR INCIDENTAL TO THE EXERCISE OF ITS POWERS AND**  
20 **PERFORMANCE OF ITS DUTIES.**

21 **(C) THE MARC RAIL AUTHORITY MAY APPLY FOR AND RECEIVE GRANTS**  
22 **FROM ANY FEDERAL AGENCY FOR THE PLANNING, CONSTRUCTION, OPERATION, OR**  
23 **FINANCING OF ANY PASSENGER RAIL OR TRANSIT PROJECT AND MAY RECEIVE AID**  
24 **OR CONTRIBUTIONS OF MONEY, PROPERTY, LABOR, OR OTHER THINGS OF VALUE**  
25 **FROM ANY SOURCE, TO BE HELD, USED, AND APPLIED FOR THE PURPOSES FOR**  
26 **WHICH THE GRANTS, AID, AND CONTRIBUTIONS ARE MADE.**

27 **(D) THE MARC RAIL AUTHORITY MAY ADOPT RULES AND REGULATIONS TO**  
28 **CARRY OUT THE PROVISIONS OF THIS SUBTITLE.**

29 **(E) THE MARC RAIL AUTHORITY MAY DO ANYTHING ELSE NECESSARY OR**  
30 **CONVENIENT TO CARRY OUT THE POWERS GRANTED IN THIS SUBTITLE.**

1 7-1307.

2 SUBJECT TO TITLE 12 OF THE REAL PROPERTY ARTICLE AND CHAPTER 608  
3 OF THE ACTS OF THE GENERAL ASSEMBLY OF 1976, THE MARC RAIL AUTHORITY  
4 MAY CONDEMN PROPERTY FOR ANY MARC RAILROAD FACILITIES PROJECT.

5 7-1308.

6 THE MARC RAIL AUTHORITY MAY CONTRACT WITH THE ADMINISTRATION  
7 TO AUTHORIZE ADMINISTRATION POLICE OFFICERS TO EXERCISE THE POWERS  
8 DESCRIBED UNDER § 7-207 OF THIS TITLE ON PROPERTY OWNED, LEASED, OR  
9 OPERATED BY OR UNDER THE CONTROL OF THE MARC RAIL AUTHORITY.

10 7-1309.

11 (A) ON OR BEFORE SEPTEMBER 1 EACH YEAR, THE MARC RAIL  
12 AUTHORITY, IN COLLABORATION WITH THE TRANSPORTATION AUTHORITY, SHALL  
13 DEVELOP AND, SUBJECT TO APPROVAL OF THE TRANSPORTATION AUTHORITY,  
14 ADOPT A 6-YEAR FINANCIAL FORECAST FOR THE OPERATIONS OF THE MARC RAIL  
15 AUTHORITY.

16 (B) IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE,  
17 THE MARC RAIL AUTHORITY SHALL SUBMIT TO THE GENERAL ASSEMBLY:

18 (1) A DRAFT OF THE FINANCIAL FORECAST ON SUBMISSION OF THE  
19 BUDGET BILL TO THE PRESIDING OFFICERS OF THE GENERAL ASSEMBLY; AND

20 (2) THE FINANCIAL FORECAST AS APPROVED BY THE MARC RAIL  
21 AUTHORITY ON OR BEFORE SEPTEMBER 1 EACH YEAR.

22 (C) THE FINANCIAL FORECAST SHALL INCLUDE THE FOLLOWING  
23 COMPONENTS:

24 (1) A SCHEDULE OF OPERATING EXPENSES;

25 (2) A SCHEDULE OF REVENUES, INCLUDING CONCESSIONS INCOME,  
26 INVESTMENT INCOME, OTHER INCOME, AND TRANSFERS FROM THE DEPARTMENT;

27 (3) A SCHEDULE OF PLANNED BOND ISSUANCES, INCLUDING A  
28 DETAILED SUMMARY OF BONDS ISSUED TO FUND THE CAPITAL PROGRAM AND  
29 BONDS ISSUED TO FUND CAPITALIZED INTEREST;

30 (4) A SCHEDULE OF DEBT SERVICE IN EACH FISCAL YEAR FOR EACH

1 BOND ISSUANCE OF ALL DEBT ISSUED BY THE MARC RAIL AUTHORITY, INCLUDING  
2 DEBT SERVICE ESTIMATES OF PLANNED BOND ISSUANCES; AND

3 (5) A SUMMARY SCHEDULE FOR THE MARC RAIL AUTHORITY THAT  
4 INCLUDES:

5 (I) THE TOTAL CASH BALANCE;

6 (II) THE AMOUNT OF THE CASH BALANCE THAT IS  
7 ENCUMBERED;

8 (III) THE ANNUAL CASH SURPLUS OR DEFICIT;

9 (IV) REVENUES;

10 (V) TRANSFERS TO THE DEPARTMENT FROM THE MARC RAIL  
11 AUTHORITY;

12 (VI) TRANSFERS TO THE MARC RAIL AUTHORITY FROM THE  
13 DEPARTMENT;

14 (VII) BOND SALES;

15 (VIII) EXPENDITURES FOR DEBT SERVICE;

16 (IX) OPERATING EXPENSES;

17 (X) CAPITAL EXPENSES;

18 (XI) MAINTENANCE AND OPERATIONS EXPENSE RESERVE  
19 ACCOUNTS;

20 (XII) FORECASTED BOND INTEREST RATES;

21 (XIII) TOTAL BONDS OUTSTANDING; AND

22 (XIV) FINANCIAL COVERAGE RATIOS, INCLUDING THE RATIO OF  
23 TOTAL CASH TO FARE REVENUES, THE DEBT SERVICE COVERAGE RATIO, AND THE  
24 RATE COVENANT COMPLIANCE RATIO.

25 (D) THE FINANCIAL FORECAST SHALL INCLUDE, FOR EACH OF THE  
26 COMPONENTS SPECIFIED IN SUBSECTION (C) OF THIS SECTION:

1           **(1) ACTUAL INFORMATION FOR THE LAST FULL FISCAL YEAR; AND**

2           **(2) FORECASTS OF THE INFORMATION FOR EACH OF THE 6**  
3 **SUBSEQUENT FISCAL YEARS, INCLUDING THE CURRENT FISCAL YEAR, THE FISCAL**  
4 **YEAR FOR THE PROPOSED BUDGET, AND THE NEXT 4 SUBSEQUENT FISCAL YEARS.**

5 **7-1310.**

6           **(A) THE MARC RAIL AUTHORITY SHALL EMPLOY A GENERAL COUNSEL**  
7 **WHO SERVES AT THE PLEASURE OF THE SECRETARY.**

8           **(B) THE GENERAL COUNSEL IS ENTITLED TO THE COMPENSATION**  
9 **DETERMINED BY THE EXECUTIVE DIRECTOR OF THE MARC RAIL AUTHORITY.**

10 **7-1311.**

11           **(A) THE MARC RAIL AUTHORITY SHALL MAKE PUBLICLY AVAILABLE ON**  
12 **ITS WEBSITE:**

13           **(1) EACH OPEN MEETING AGENDA:**

14                   **(I) AT LEAST 48 HOURS IN ADVANCE OF EACH MEETING; OR**

15                   **(II) IF THE MEETING IS BEING HELD DUE TO AN EMERGENCY, A**  
16 **NATURAL DISASTER, OR ANY OTHER UNANTICIPATED SITUATION, AS FAR IN**  
17 **ADVANCE OF THE MEETING AS PRACTICABLE;**

18           **(2) MEETING MINUTES FROM THE PORTIONS OF A MEETING THAT**  
19 **WERE HELD IN OPEN SESSION, NOT MORE THAN 2 BUSINESS DAYS AFTER THE**  
20 **MINUTES ARE APPROVED;**

21           **(3) LIVE VIDEO STREAMING OF EACH OPEN MEETING OF THE MARC**  
22 **RAIL AUTHORITY THAT IS HELD AT:**

23                   **(I) THE HEADQUARTERS OF THE MARC RAIL AUTHORITY; OR**

24                   **(II) ANY OTHER LOCATION WHERE THE MARC RAIL**  
25 **AUTHORITY HAS HELD AT LEAST 10 MEETINGS DURING THE IMMEDIATELY**  
26 **PRECEDING CALENDAR YEAR; AND**

27           **(4) A COMPLETE AND UNEDITED ARCHIVED VIDEO RECORDING OF**  
28 **EACH OPEN MEETING FOR WHICH LIVE VIDEO STREAMING WAS MADE AVAILABLE**  
29 **UNDER ITEM (3) OF THIS SUBSECTION FOR A MINIMUM OF 5 YEARS AFTER THE DATE**

1 OF THE MEETING.

2 (B) THE DEPARTMENT OF INFORMATION TECHNOLOGY SHALL PROVIDE TO  
3 THE MARC RAIL AUTHORITY THE TECHNICAL STAFF, SUPPORT, AND EQUIPMENT  
4 NECESSARY TO LIVESTREAM THE OPEN MEETINGS OF THE MARC RAIL AUTHORITY.

5 7-1312.

6 (A) ON AN ANNUAL BASIS, THE DEPARTMENT SHALL ALLOCATE TO THE  
7 MARC RAIL AUTHORITY THE REVENUE NEEDED TO SUPPORT THE MARC  
8 OPERATING AND CAPITAL BUDGETS.

9 (B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,  
10 MARC FARES AND ANY OTHER REVENUE FROM CHARGES IMPOSED FOR MARC  
11 SERVICE MAY BE USED ONLY TO SUPPORT THE MARC RAIL AUTHORITY.

12 (2) TO THE EXTENT REQUIRED UNDER FINANCING AGREEMENTS  
13 UNDER TITLE 4, SUBTITLE 3 OF THIS ARTICLE ENTERED INTO ON OR BEFORE  
14 OCTOBER 1, 2025, MARC FARES AND ANY OTHER REVENUE FROM CHARGES  
15 IMPOSED FOR MARC SERVICE SHALL CONTINUE TO SUPPORT THOSE EXISTING  
16 INSTRUMENTS AND OBLIGATIONS.

17 7-1313.

18 BY ONE OR MORE RESOLUTIONS, THE MARC RAIL AUTHORITY MAY:

19 (1) FINANCE THE COST OF MARC RAILROAD FACILITIES PROJECTS;

20 (2) BORROW MONEY FROM TIME TO TIME FOR THAT PURPOSE; AND

21 (3) EVIDENCE THE BORROWING BY THE ISSUANCE AND SALE OF  
22 REVENUE BONDS, NOTES, OR OTHER EVIDENCES OF OBLIGATION ON THE TERMS,  
23 CONDITIONS, AND LIMITATIONS CONTAINED IN THIS SUBTITLE.

24 7-1314.

25 (A) EXCEPT AS PROVIDED IN § 7-1318(B) OF THIS SUBTITLE, WITHOUT  
26 LIMITING THE POWER OF THE MARC RAIL AUTHORITY TO ISSUE ADDITIONAL  
27 REVENUE BONDS UNDER THE PROVISIONS OF LAW THAT AUTHORIZE THE ISSUANCE  
28 OF REVENUE BONDS OF PRIOR ISSUES, THE MARC RAIL AUTHORITY FROM TIME TO  
29 TIME MAY ISSUE ITS REVENUE BONDS TO FINANCE THE COST OF ANY ONE OR MORE  
30 OR COMBINATION OF MARC RAILROAD FACILITIES PROJECTS.



1           **(B) AS TO REVENUE BONDS OF ANY ISSUE, THE MARC RAIL AUTHORITY**  
2 **MAY DETERMINE:**

3           **(1) THE DATE OR DATES OF ISSUE;**

4           **(2) THE DATE OR DATES AND AMOUNT OR AMOUNTS OF MATURITY,**  
5 **WHICH NEED NOT BE IN EQUAL PRINCIPAL AMOUNTS OR CONSECUTIVE ANNUAL**  
6 **INSTALLMENTS, BUT A BOND MAY NOT BE ISSUED TO MATURE LATER THAN 40 YEARS**  
7 **AFTER THE DATE OF ITS ISSUE;**

8           **(3) THE RATE OR RATES OF INTEREST PAYABLE ON THE BONDS, OR**  
9 **THE MANNER OF DETERMINING THE RATE OR RATES OF INTEREST, AND THE DATE**  
10 **OR DATES OF PAYMENT OF INTEREST;**

11           **(4) THE TENOR, FORM OR FORMS, DENOMINATION OR**  
12 **DENOMINATIONS, MANNER OF EXECUTION, AND PLACE OR PLACES OF PAYMENT OF**  
13 **THE PRINCIPAL OF AND INTEREST ON THE BONDS, WHICH MAY BE AT ANY BANK OR**  
14 **TRUST COMPANY WITHIN OR OUTSIDE THE STATE;**

15           **(5) WHETHER THE BONDS ARE TO BE ISSUED IN COUPON OR**  
16 **REGISTERED FORM OR BOTH AND WHETHER PROVISION IS TO BE MADE FOR THE**  
17 **REGISTRATION OF THE PRINCIPAL ONLY OF COUPON BONDS, FOR THE**  
18 **RECONVERSION OF FULLY REGISTERED BONDS INTO COUPON FORM, AND FOR THE**  
19 **REPLACEMENT OF BONDS THAT ARE MUTILATED, LOST, OR DESTROYED;**

20           **(6) WHETHER ALL OR ANY PART OF THE BONDS ARE REDEEMABLE**  
21 **BEFORE MATURITY AND, IF SO, THE TERMS, CONDITIONS, AND PRICES OF**  
22 **REDEMPTION; AND**

23           **(7) ANY OTHER MATTER RELATING TO THE FORM, TERMS,**  
24 **CONDITIONS, ISSUANCE, SALE, AND DELIVERY OF THE BONDS.**

25           **(C) FORTY-FIVE DAYS BEFORE EACH ISSUANCE OF BONDS UNDER THIS**  
26 **SUBTITLE, THE DEPARTMENT SHALL REPORT THE PROPOSED ISSUANCE TO THE**  
27 **LEGISLATIVE POLICY COMMITTEE FOR REVIEW AND COMMENT.**

28 **7-1315.**

29           **(A) (1) REVENUE BONDS ISSUED UNDER THIS SUBTITLE SHALL BE**  
30 **EXECUTED ON BEHALF OF THE MARC RAIL AUTHORITY BY THE MANUAL**  
31 **SIGNATURE OF AT LEAST ONE AUTHORIZED INDIVIDUAL.**

32           **(2) OTHER SIGNATURES ON THE BONDS MAY BE EITHER MANUAL OR**

1 FACSIMILE.

2 (B) IF AN INDIVIDUAL WHOSE MANUAL OR FACSIMILE SIGNATURE APPEARS  
3 ON ANY BOND OR COUPON ISSUED UNDER THIS SUBTITLE CEASES TO SERVE IN AN  
4 AUTHORIZED CAPACITY BEFORE THE DELIVERY OF THE BOND, THE SIGNATURE  
5 NEVERTHELESS IS AS VALID AND SUFFICIENT FOR ALL PURPOSES AS IF THE  
6 INDIVIDUAL HAD REMAINED IN THAT CAPACITY UNTIL DELIVERY OF THE BOND.

7 7-1316.

8 NOTWITHSTANDING ANY OTHER PROVISION OF LAW OR ANY RECITALS IN THE  
9 INSTRUMENTS, THE REVENUE BONDS, NOTES, AND OTHER EVIDENCES OF  
10 OBLIGATION ISSUED UNDER THIS SUBTITLE ARE INVESTMENT SECURITIES UNDER  
11 THE LAWS OF THE STATE.

12 7-1317.

13 THE REVENUE BONDS, NOTES, AND OTHER EVIDENCES OF OBLIGATION  
14 ISSUED UNDER THIS SUBTITLE AND THEIR ISSUANCE AND SALE ARE EXEMPT FROM  
15 THE PROVISIONS OF §§ 8-206 AND 8-208 OF THE STATE FINANCE AND  
16 PROCUREMENT ARTICLE, AND THE MARC RAIL AUTHORITY MAY SELL THEM AT  
17 EITHER PUBLIC OR PRIVATE SALE IN THE MANNER AND FOR THE PRICE THAT IT  
18 DETERMINES.

19 7-1318.

20 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, REVENUE  
21 BONDS MAY BE ISSUED BY THE MARC RAIL AUTHORITY:

22 (1) WITHOUT OBTAINING THE CONSENT OF ANY INSTRUMENTALITY,  
23 AGENCY, OR UNIT OF THE STATE; AND

24 (2) WITHOUT ANY PROCEEDINGS OR THE HAPPENING OF ANY  
25 CONDITIONS OR THINGS OTHER THAN THOSE SPECIFICALLY REQUIRED BY THIS  
26 SUBTITLE.

27 (B) (1) (I) REVENUE BONDS SECURED BY FARE REVENUE MAY BE  
28 ISSUED IN ANY AMOUNT.

29 (II) ON OR BEFORE APRIL 1, 2026, THE MARC RAIL  
30 AUTHORITY SHALL SUBMIT, IN ACCORDANCE WITH § 2-1257 OF THE STATE  
31 GOVERNMENT ARTICLE, A REPORT TO THE GENERAL ASSEMBLY THAT INCLUDES:

1                   1.     **A RECOMMENDATION ON THE MAXIMUM AGGREGATE**  
2 **AMOUNT OF REVENUE BONDS THAT MAY BE OUTSTANDING AND UNPAID IN A FISCAL**  
3 **YEAR; AND**

4                   2.     **WHETHER THE MAXIMUM AGGREGATE AMOUNT**  
5 **DETERMINED UNDER ITEM 1 OF THIS SUBPARAGRAPH SHOULD BE ESTABLISHED BY**  
6 **LAW OR REGULATION.**

7                   (III) **THE RECOMMENDATION ON THE MAXIMUM AGGREGATE**  
8 **AMOUNT OF REVENUE BONDS THAT MAY BE OUTSTANDING AND UNPAID UNDER**  
9 **SUBPARAGRAPH (II) OF THIS PARAGRAPH SHALL BE REDUCED BY THE AMOUNT OF:**

10                   1.     **ANY LOAN EXTENDED TO THE STATE UNDER THE**  
11 **FEDERAL TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT;**  
12 **AND**

13                   2.     **ANY LINE OF CREDIT EXTENDED TO THE STATE**  
14 **UNDER THE FEDERAL TRANSPORTATION INFRASTRUCTURE FINANCE AND**  
15 **INNOVATION ACT, TO THE EXTENT THE STATE DRAWS ON THE LINE OF CREDIT.**

16                   (2) **EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, WITHOUT**  
17 **THE APPROVAL OF THE GENERAL ASSEMBLY, THE MARC RAIL AUTHORITY MAY**  
18 **ISSUE BONDS TO REFINANCE ALL OR ANY PART OF THE COST OF A PASSENGER RAIL**  
19 **OR TRANSIT PROJECT FOR WHICH THE MARC RAIL AUTHORITY PREVIOUSLY**  
20 **ISSUED BONDS AUTHORIZED UNDER THIS SUBTITLE.**

21 **7-1319.**

22                   (A) **SUBJECT TO THE PROVISIONS OF §§ 7-1318(B) AND 7-1332 OF THIS**  
23 **SUBTITLE, IF BY REASON OF INCREASED CONSTRUCTION COSTS, ERROR IN**  
24 **ESTIMATES, OR OTHERWISE, THE PROCEEDS OF THE REVENUE BONDS OF ANY ISSUE**  
25 **ARE LESS THAN THE AMOUNT REQUIRED FOR THE PURPOSE FOR WHICH THE BONDS**  
26 **ARE AUTHORIZED, ADDITIONAL REVENUE BONDS MAY BE ISSUED IN A SIMILAR**  
27 **MANNER TO PROVIDE THE AMOUNT OF THE DEFICIENCY.**

28                   (B) (1) **THE ADDITIONAL BONDS SHALL BE DEEMED TO BE OF THE SAME**  
29 **ISSUE AND SHALL BE ENTITLED TO PAYMENT FROM THE SAME FUND, WITHOUT**  
30 **PREFERENCE OR PRIORITY, AS THE BONDS FIRST ISSUED.**

31                   (2) **IF THE PROCEEDS OF THE ADDITIONAL BONDS EXCEED THE**  
32 **AMOUNT REQUIRED, THE EXCESS SHALL BE DEPOSITED TO THE CREDIT OF ANY**  
33 **RESERVE FUND FOR THE BONDS OR, IF SO PROVIDED IN THE TRUST AGREEMENT**  
34 **SECURING THE BONDS, MAY BE APPLIED TO THE COST OF ANY ADDITIONAL**

1 PROJECT.

2 7-1320.

3 (A) THE MARC RAIL AUTHORITY FROM TIME TO TIME MAY ISSUE ITS  
4 REVENUE REFUNDING BONDS FOR:

5 (1) REFUNDING ANY BONDS ISSUED UNDER THIS SUBTITLE OR ANY  
6 REVENUE BONDS OF PRIOR ISSUES, INCLUDING THE PAYMENT OF ANY REDEMPTION  
7 PREMIUM ON THE BONDS AND ANY INTEREST ACCRUED OR TO ACCRUE TO THE DATE  
8 OF REDEMPTION OF THE BONDS;

9 (2) CONSTRUCTING IMPROVEMENTS OR EXTENSIONS TO OR  
10 ENLARGEMENTS OF ANY MARC RAILROAD FACILITIES PROJECT; AND

11 (3) PAYING ALL OR ANY PART OF THE COST OF ANY ADDITIONAL  
12 MARC RAILROAD FACILITIES PROJECT.

13 (B) THE ISSUANCE OF REVENUE REFUNDING BONDS, THE DETAILS OF  
14 THEIR ISSUANCE, THE RIGHTS OF THEIR HOLDERS, AND THE RIGHTS, DUTIES, AND  
15 OBLIGATIONS OF THE MARC RAIL AUTHORITY WITH RESPECT TO THEM ARE  
16 GOVERNED BY THE PROVISIONS OF THIS SUBTITLE RELATING TO REVENUE BONDS,  
17 INSOFAR AS THOSE PROVISIONS MAY BE APPLICABLE.

18 7-1321.

19 BEFORE THE PREPARATION OF DEFINITIVE BONDS, THE MARC RAIL  
20 AUTHORITY MAY ISSUE ITS INTERIM CERTIFICATES OR TEMPORARY BONDS, WITH  
21 OR WITHOUT COUPONS, EXCHANGEABLE FOR DEFINITIVE BONDS WHEN THE  
22 DEFINITIVE BONDS HAVE BEEN EXECUTED AND ARE AVAILABLE FOR DELIVERY.

23 7-1322.

24 (A) THE MARC RAIL AUTHORITY MAY ISSUE ITS BOND ANTICIPATION  
25 NOTES, PAYABLE TO THE BEARER OR REGISTERED HOLDER OF THE NOTES, OUT OF  
26 THE FIRST PROCEEDS OF THE NEXT SALE OF BONDS ISSUED UNDER THIS SUBTITLE.

27 (B) THE RESOLUTION AUTHORIZING THE ISSUANCE OF BOND ANTICIPATION  
28 NOTES MAY PROVIDE FOR THE ISSUANCE OF THESE NOTES IN SERIES, AS FUNDS ARE  
29 REQUIRED, AND FOR THE RENEWAL OF THESE NOTES AT MATURITY, WITH OR  
30 WITHOUT RESALE.

31 (C) THE ISSUANCE OF BOND ANTICIPATION NOTES, THE DETAILS OF THEIR

1 ISSUANCE, THE RIGHTS OF THEIR HOLDERS, AND THE RIGHTS, DUTIES, AND  
2 OBLIGATIONS OF THE MARC RAIL AUTHORITY WITH RESPECT TO THEM ARE  
3 GOVERNED BY THE PROVISIONS OF THIS SUBTITLE RELATING TO THE ISSUANCE OF  
4 THE BONDS IN ANTICIPATION OF THE SALE OF WHICH THE NOTES ARE ISSUED,  
5 INsofar AS THOSE PROVISIONS MAY BE APPLICABLE.

6 7-1323.

7 (A) (1) REVENUE BONDS ISSUED UNDER THIS SUBTITLE MAY BE  
8 SECURED BY A TRUST AGREEMENT BETWEEN THE MARC RAIL AUTHORITY AND A  
9 CORPORATE TRUSTEE THAT MAY BE ANY TRUST COMPANY OR BANK HAVING TRUST  
10 POWERS WITHIN OR OUTSIDE THE STATE.

11 (2) THE TRUST AGREEMENT MAY PLEDGE OR ASSIGN ALL OR ANY  
12 PART OF THE REVENUES OF THE MARC RAIL AUTHORITY OR OF ANY MARC  
13 RAILROAD FACILITIES PROJECT, BUT MAY NOT MORTGAGE ANY PART OF ANY MARC  
14 RAILROAD FACILITIES PROJECT.

15 (B) ANY TRUST AGREEMENT OR BOND AUTHORIZING RESOLUTION MAY:

16 (1) CONTAIN ANY PROVISIONS FOR THE PROTECTION AND  
17 ENFORCEMENT OF THE RIGHTS AND REMEDIES OF BONDHOLDERS AS ARE  
18 CONSIDERED REASONABLE AND PROPER, INCLUDING COVENANTS SETTING FORTH  
19 THE DUTIES OF THE MARC RAIL AUTHORITY AS TO THE FINANCING OR  
20 DEVELOPMENT OF ANY MARC RAILROAD FACILITIES PROJECT, THE EXTENSION,  
21 ENLARGEMENT, IMPROVEMENT, MAINTENANCE, OPERATION, REPAIR, AND  
22 INSURANCE OF THE PROJECT, AND THE CUSTODY, SAFEGUARDING, AND  
23 APPLICATION OF MONEY;

24 (2) PROVIDE FOR THE EMPLOYMENT OF CONSULTING ENGINEERS IN  
25 CONNECTION WITH THE CONSTRUCTION OR OPERATION OF ANY MARC RAILROAD  
26 FACILITIES PROJECT;

27 (3) SET FORTH THE RIGHTS AND REMEDIES OF THE BONDHOLDERS  
28 AND OF THE TRUSTEE;

29 (4) RESTRICT THE INDIVIDUAL RIGHT OF ACTION BY BONDHOLDERS;  
30 AND

31 (5) CONTAIN ANY OTHER PROVISIONS THAT THE MARC RAIL  
32 AUTHORITY CONSIDERS REASONABLE AND PROPER FOR THE SECURITY OF THE  
33 BONDHOLDERS, INCLUDING:

1                   **(I) COVENANTS TO RESTRICT OR PROHIBIT THE**  
2 **CONSTRUCTION OR OPERATION OF COMPETING MARC RAILROAD FACILITIES; AND**

3                   **(II) COVENANTS RELATING TO THE ISSUANCE OF ADDITIONAL**  
4 **PARITY BONDS ON STATED CONDITIONS CONSISTENT WITH THE REQUIREMENTS OF**  
5 **THIS SUBTITLE.**

6           **(C) ALL EXPENSES INCURRED IN CARRYING OUT THE TRUST AGREEMENT**  
7 **MAY BE TREATED AS A PART OF THE COST OF THE OPERATION OF THE MARC**  
8 **RAILROAD FACILITIES PROJECT IN CONNECTION WITH WHICH THE BONDS HAVE**  
9 **BEEN ISSUED.**

10           **(D) THE PROCEEDS OF THE SALE OF BONDS SHALL BE PAID TO THE**  
11 **TRUSTEE UNDER THE TRUST AGREEMENT SECURING THE BONDS AND SHALL BE**  
12 **DISBURSED IN THE MANNER AND UNDER THE RESTRICTIONS, IF ANY, PROVIDED IN**  
13 **THE TRUST AGREEMENT.**

14           **(E) ANY BANK OR TRUST COMPANY INCORPORATED UNDER THE LAWS OF**  
15 **THE STATE THAT ACTS AS DEPOSITARY OF THE PROCEEDS OF THE BONDS OR OF**  
16 **REVENUES MAY FURNISH ANY INDEMNIFYING BONDS OR PLEDGE ANY SECURITIES**  
17 **THAT THE MARC RAIL AUTHORITY REQUIRES.**

18 **7-1324.**

19           **NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IF THE MARC RAIL**  
20 **AUTHORITY IS OPERATING A MARC RAILROAD FACILITIES PROJECT, THE MARC**  
21 **RAIL AUTHORITY SHALL FIX, REVISE, CHARGE, AND COLLECT RENTALS, RATES,**  
22 **FEES, FARES, AND OTHER CHARGES FOR ITS USE OR FOR ITS SERVICES CONSISTENT**  
23 **WITH THE PROVISIONS OF §§ 7-208, 7-505, AND 7-506 OF THIS TITLE AS THOSE**  
24 **PROVISIONS APPLY TO THE ADMINISTRATION.**

25 **7-1325.**

26           **(A) (1) ALL RENTALS, RATES, FARES, FEES, AND OTHER CHARGES AND**  
27 **REVENUES DERIVED FROM ANY MARC RAILROAD FACILITIES PROJECT SHALL BE**  
28 **SET ASIDE IN A FUND KNOWN AS THE MARC RAIL AUTHORITY FUND, EXCEPT TO**  
29 **THE EXTENT THAT THEY ARE PLEDGED UNDER AN APPLICABLE TRUST AGREEMENT**  
30 **TO SECURE EITHER:**

31                   **(I) REVENUE BONDS ISSUED UNDER THIS SUBTITLE IF THE**  
32 **TRUST AGREEMENT OR BOND AUTHORIZING RESOLUTION EXPRESSLY PROVIDES**  
33 **THAT THIS SECTION DOES NOT APPLY TO THOSE BONDS; OR**

1           **(II) REVENUE BONDS OF PRIOR ISSUES.**

2           **(2) THE MARC RAIL AUTHORITY FUND CONSISTS OF:**

3           **(I) SUBJECT TO PARAGRAPH (1) OF THIS SUBSECTION, THE**  
4 **RENTALS, RATES, FARES, FEES, AND OTHER CHARGES AND REVENUES DERIVED**  
5 **FROM ANY MARC RAILROAD FACILITIES PROJECT, EXCEPT TO THE EXTENT THAT**  
6 **THEY ARE PLEDGED UNDER AN APPLICABLE TRUST AGREEMENT; AND**

7           **(II) MONEY APPROPRIATED IN THE STATE BUDGET TO THE**  
8 **MARC RAIL AUTHORITY FUND.**

9           **(3) MONEY DISTRIBUTED TO THE MARC RAIL AUTHORITY FUND**  
10 **SHALL BE USED ONLY FOR THE MARC RAILROAD FACILITIES PROJECTS.**

11           **(4) THE MARC RAIL AUTHORITY FUND SHALL BE PLEDGED TO AND**  
12 **CHARGED WITH THE PAYMENT OF:**

13           **(I) THE INTEREST ON BONDS ISSUED UNDER THIS SUBTITLE AS**  
14 **IT FALLS DUE;**

15           **(II) THE PRINCIPAL OF THE BONDS AS IT FALLS DUE;**

16           **(III) THE NECESSARY CHARGES OF PAYING AGENTS FOR PAYING**  
17 **PRINCIPAL AND INTEREST; AND**

18           **(IV) THE REDEMPTION PRICE OR PURCHASE PRICE OF BONDS**  
19 **RETIRED BY CALL OR PURCHASE AS PROVIDED IN THE BOND AUTHORIZING**  
20 **RESOLUTION OR TRUST AGREEMENT.**

21           **(B) (1) THE PLEDGE IS VALID AND BINDING FROM THE TIME IT IS MADE.**

22           **(2) RENTALS, RATES, FARES, FEES, AND OTHER CHARGES AND**  
23 **REVENUES OR OTHER MONEY SO PLEDGED AND LATER RECEIVED BY THE MARC**  
24 **RAIL AUTHORITY IMMEDIATELY SHALL BE SUBJECT TO THE LIEN OF THE PLEDGE**  
25 **WITHOUT PHYSICAL DELIVERY OR ANY FURTHER ACT.**

26           **(3) THE LIEN OF THE PLEDGE IS VALID AND BINDING AS AGAINST ALL**  
27 **PARTIES HAVING ANY CLAIMS OF ANY KIND IN TORT, CONTRACT, OR OTHERWISE**  
28 **AGAINST THE MARC RAIL AUTHORITY, WHETHER OR NOT THESE PARTIES HAVE**  
29 **NOTICE OF THE PLEDGE.**

30           **(4) NOTWITHSTANDING ANY LAW TO THE CONTRARY, NEITHER THE**

1 RESOLUTION NOR ANY TRUST AGREEMENT BY WHICH A PLEDGE IS CREATED NEED  
2 BE FILED OR RECORDED OTHER THAN IN THE RECORDS OF THE MARC RAIL  
3 AUTHORITY.

4 (C) THE USE AND DISPOSITION OF MONEY TO THE CREDIT OF THE MARC  
5 RAIL AUTHORITY FUND IS SUBJECT TO THE PROVISION OF THE APPLICABLE BOND  
6 AUTHORIZING RESOLUTION OR TRUST AGREEMENT.

7 7-1326.

8 WITHOUT IN ANY WAY LIMITING OR RESTRICTING ITS EFFECT OR  
9 APPLICATION, THIS SUBTITLE IS INTENDED TO AUTHORIZE THE MARC RAIL  
10 AUTHORITY TO FINANCE ANY ONE OR MORE OR ANY COMBINATION OF MARC  
11 RAILROAD FACILITIES PROJECTS BY ANY ONE OR MORE OR COMBINATION OF ISSUES  
12 OR SERIES OF BONDS SECURED BY THE PLEDGE OF THE NET OR GROSS OR ANY  
13 COMBINATION OF THE NET OR GROSS RENTALS, RATES, FARES, FEES, AND OTHER  
14 CHARGES AND REVENUES DERIVED FROM ANY MARC RAILROAD FACILITIES  
15 PROJECT OR COMBINATION OF PROJECTS DESIGNATED BY ANY BOND AUTHORIZING  
16 RESOLUTION OR TRUST AGREEMENT SECURING THE BONDS.

17 7-1327.

18 ALL MONEY THAT IS RECEIVED BY THE MARC RAIL AUTHORITY AS  
19 PROCEEDS FROM THE SALE OF REVENUE BONDS, NOTES, OR OTHER EVIDENCES OF  
20 OBLIGATION UNDER THIS SUBTITLE AND BY WAY OF RENTALS, RATES, FARES, FEES,  
21 AND OTHER CHARGES AND REVENUES DERIVED FROM ANY MARC RAILROAD  
22 FACILITIES PROJECT OR COMBINATION OF PROJECTS AND THAT IS DESIGNATED BY  
23 ANY AUTHORIZING RESOLUTION OR TRUST AGREEMENT AS SECURITY FOR THE  
24 BONDS, NOTES, OR OTHER EVIDENCES OF OBLIGATION SHALL BE DEEMED TO BE  
25 TRUST FUNDS TO BE HELD AND APPLIED ONLY AS PROVIDED IN THIS SUBTITLE.

26 7-1328.

27 EXCEPT TO THE EXTENT RESTRICTED BY THE TRUST AGREEMENT, THE  
28 TRUSTEE OR ANY HOLDER OF REVENUE BONDS ISSUED UNDER THIS SUBTITLE OR  
29 OF ANY OF THE COUPONS APPERTAINING TO THE BONDS MAY:

30 (1) BRING A SUIT, AN ACTION, A MANDAMUS, OR ANY OTHER  
31 PROCEEDING AT LAW OR IN EQUITY TO PROTECT AND ENFORCE ANY RIGHT UNDER  
32 THE LAWS OF THE STATE OR UNDER THE BOND AUTHORIZING RESOLUTION OR  
33 TRUST AGREEMENT; AND

34 (2) ENFORCE AND COMPEL THE PERFORMANCE OF ALL DUTIES



1 REQUIRED BY THIS SUBTITLE OR BY THE TRUST AGREEMENT TO BE PERFORMED BY  
2 THE MARC RAIL AUTHORITY OR BY ANY OF ITS OFFICERS, INCLUDING THE FIXING,  
3 CHARGING, AND COLLECTING OF RENTALS, RATES, FARES, FEES, AND OTHER  
4 CHARGES AND REVENUES.

5 7-1329.

6 (A) ALL PUBLIC OFFICERS AND PUBLIC AGENCIES OF THE STATE AND ITS  
7 POLITICAL SUBDIVISIONS, ALL BANKS, TRUST COMPANIES, SAVINGS AND LOAN  
8 ASSOCIATIONS, INVESTMENT COMPANIES, AND OTHERS CARRYING ON A BANKING  
9 BUSINESS, ALL INSURANCE COMPANIES, INSURANCE ASSOCIATIONS, AND OTHERS  
10 CARRYING ON AN INSURANCE BUSINESS, ALL PERSONAL REPRESENTATIVES,  
11 GUARDIANS, TRUSTEES, AND OTHER FIDUCIARIES, AND ALL OTHER PERSONS MAY  
12 LEGALLY AND PROPERLY INVEST FUNDS, INCLUDING CAPITAL IN THEIR CONTROL  
13 OR BELONGING TO THEM, IN REVENUE BONDS, NOTES, AND OTHER EVIDENCES OF  
14 OBLIGATION ISSUED UNDER THIS SUBTITLE.

15 (B) THESE BONDS, NOTES, AND OTHER EVIDENCES OF OBLIGATION MAY  
16 LEGALLY AND PROPERLY BE DEPOSITED WITH AND RECEIVED BY ANY STATE OR  
17 MUNICIPAL OFFICER OR ANY AGENCY OR POLITICAL SUBDIVISION OF THE STATE  
18 FOR ANY PURPOSE FOR WHICH THE DEPOSIT OF BONDS OR OTHER OBLIGATIONS OF  
19 THE STATE IS AUTHORIZED BY LAW.

20 7-1330.

21 THE REVENUE BONDS, NOTES, AND OTHER EVIDENCES OF OBLIGATION  
22 ISSUED UNDER THIS SUBTITLE, THEIR TRANSFER, THE INTEREST PAYABLE ON  
23 THEM, AND ANY INCOME DERIVED FROM THEM, INCLUDING ANY PROFIT REALIZED  
24 IN THEIR SALE OR EXCHANGE, SHALL BE EXEMPT AT ALL TIMES FROM EVERY KIND  
25 AND NATURE OF TAXATION BY THE STATE OR BY ANY OF ITS POLITICAL  
26 SUBDIVISIONS, OR BY PUBLIC AGENCIES OF ANY KIND.

27 7-1331.

28 (A) THE REVENUE BONDS, NOTES, AND OTHER EVIDENCES OF OBLIGATION  
29 ISSUED UNDER THIS SUBTITLE ARE NOT AND MAY NOT BE CONSIDERED TO  
30 CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF  
31 MARYLAND, BUT SHALL BE PAYABLE ONLY FROM THE FUNDS FROM OR REVENUES  
32 PROVIDED BY THIS SUBTITLE FOR THAT PURPOSE.

33 (B) ALL REVENUE BONDS, NOTES, AND OTHER EVIDENCES OF OBLIGATION  
34 ISSUED UNDER THIS SUBTITLE SHALL CONTAIN A STATEMENT ON THEIR FACE TO  
35 THE EFFECT THAT:

1           **(1) THE STATE IS NOT OBLIGATED TO PAY THE PRINCIPAL OF OR THE**  
2 **INTEREST ON THEM EXCEPT FROM REVENUES; AND**

3           **(2) NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF**  
4 **THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST**  
5 **ON THEM.**

6 **7-1332.**

7           **IF THE MARC RAIL AUTHORITY INTENDS TO PLEDGE ANY FUTURE FEDERAL**  
8 **AID FROM ANY SOURCE TO SUPPORT REPAYMENT OF ANY DEBT INSTRUMENT ISSUED**  
9 **UNDER THIS SUBTITLE:**

10           **(1) THE AGGREGATE PRINCIPAL AMOUNT OF DEBT ISSUED UNDER**  
11 **THIS SUBTITLE OR TITLE 3, SUBTITLE 6 OF THIS ARTICLE THAT IS SECURED BY A**  
12 **PLEDGE OF FUTURE FEDERAL AID MAY NOT EXCEED \$1,000,000,000 AS OF JUNE 30**  
13 **OF ANY FISCAL YEAR;**

14           **(2) THE DATE OF MATURITY MAY NOT BE LATER THAN 12 YEARS**  
15 **AFTER THE DATE OF ISSUE;**

16           **(3) NOTWITHSTANDING § 3-215(D) OF THIS ARTICLE, IF FUTURE**  
17 **FEDERAL AID IS INSUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE**  
18 **BONDS ISSUED UNDER THIS SUBTITLE WHEN DUE, THE TAX LEVIED UNDER § 3-215**  
19 **OF THIS ARTICLE, TO THE EXTENT THE PROCEEDS OF THE TAX ARE NOT NECESSARY**  
20 **TO PROVIDE THE SINKING FUND REQUIRED UNDER § 3-215(C) OF THIS ARTICLE, IS**  
21 **IRREVOCABLY PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON**  
22 **THE BONDS ISSUED UNDER THIS SUBTITLE AS THEY BECOME DUE AND PAYABLE;**

23           **(4) THE LIEN OF THE PLEDGE UNDER ITEM (3) OF THIS SECTION**  
24 **SHALL AT ALL TIMES BE SUBORDINATE TO THE LIEN OF THE PLEDGE OF THE TAX**  
25 **UNDER § 3-215(D) OF THIS ARTICLE TO THE PAYMENT OF PRINCIPAL OF AND**  
26 **INTEREST ON CONSOLIDATED TRANSPORTATION BONDS; AND**

27           **(5) NO PART OF THE TAX LEVIED UNDER § 3-215 OF THIS ARTICLE**  
28 **MAY BE REPEALED, DIMINISHED, OR APPLIED TO ANY OTHER PURPOSE UNTIL:**

29           **(I) THE BONDS ISSUED UNDER THIS SUBTITLE AND INTEREST**  
30 **ON THEM HAVE BECOME DUE AND FULLY PAID; OR**

31           **(II) ADEQUATE AND COMPLETE PROVISION FOR PAYMENT OF**  
32 **THE PRINCIPAL AND INTEREST HAS BEEN MADE.**

1 **7-1333.**

2 (A) **THE MARC RAIL AUTHORITY MAY ISSUE BOND ANTICIPATION NOTES**  
3 **SECURED BY A PLEDGE OF A LINE OF CREDIT EXTENDED TO THE STATE UNDER THE**  
4 **FEDERAL TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT.**

5 (B) **NOTES ISSUED UNDER THIS SECTION SHALL HAVE A MATURITY DATE OF**  
6 **UP TO 3 YEARS AFTER THE DATE OF ISSUE.**

7 (C) **A PLEDGE OF A LINE OF CREDIT AS AUTHORIZED UNDER THIS SECTION**  
8 **DOES NOT CONSTITUTE THE PLEDGE OF FUTURE FEDERAL REVENUES, AND NOTES**  
9 **ISSUED UNDER THIS SECTION ARE NOT SUBJECT TO § 3-601(D) OF THIS ARTICLE OR**  
10 **§ 7-1332 OF THIS SUBTITLE.**

11 SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Department of  
12 Transportation shall transition all MARC operations and contracts to the MARC Rail  
13 Authority to the extent permissible by such agreements.

14 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
15 1, 2025.