

SENATE BILL 698

R2

2lr1766

By: **Senators Pipkin, Brinkley, Colburn, Getty, Glassman, and Jacobs**
Introduced and read first time: February 3, 2012
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Transit Administration – Farebox Recovery**

3 FOR the purpose of requiring the Maryland Transit Administration to separately
4 recover from fares and other operating revenues the total operating and capital
5 costs for certain bus, light rail, and subway services and certain passenger
6 railroad services; and generally relating to the farebox recovery of the costs of
7 certain services provided by the Maryland Transit Administration.

8 BY repealing and reenacting, without amendments,
9 Article – Transportation
10 Section 7–208(a) and (b–1)
11 Annotated Code of Maryland
12 (2008 Replacement Volume and 2011 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Transportation
15 Section 7–208(b)
16 Annotated Code of Maryland
17 (2008 Replacement Volume and 2011 Supplement)

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

20 **Article – Transportation**

21 7–208.

22 (a) Subject to the authority of the Secretary and, where applicable, the
23 Maryland Transportation Authority, the Administration has jurisdiction:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (1) Consistent with the provisions of Division II of the State Finance
2 and Procurement Article, for planning, developing, constructing, acquiring, financing,
3 and operating the transit facilities authorized by this title; and

4 (2) Over the services performed by and the rentals, rates, fees, fares,
5 and other charges imposed for the services performed by transit facilities owned or
6 controlled by the Administration.

7 (b) (1) For fiscal year [2009] **2013** and each fiscal year thereafter, the
8 Administration shall separately recover from fares and other operating revenues [at
9 least 35 percent of] the total operating **AND CAPITAL** costs for:

10 (i) The Administration's bus, light rail, and Metro subway
11 services in the Baltimore region; and

12 (ii) All passenger railroad services under the Administration's
13 control.

14 (2) The Administration shall submit, in accordance with § 2-1246 of
15 the State Government Article, an annual report to the Senate Budget and Taxation
16 Committee, House Ways and Means Committee, and House Appropriations
17 Committee by December 1 of each year that includes:

18 (i) Separate farebox recovery ratios for the prior fiscal year for:

19 1. Bus, light rail, and Metro subway services provided by
20 the Administration in the Baltimore region;

21 2. Commuter bus service provided under contract to the
22 Administration in the Baltimore region; and

23 3. Maryland Area Rail Commuter (MARC) service
24 provided under contract to the Administration;

25 (ii) A discussion of the success or failure to achieve the farebox
26 recovery requirement established in paragraph (1) of this subsection;

27 (iii) Comparisons of farebox recovery ratios for the
28 Administration's mass transit services and other similar transit systems nationwide;
29 and

30 (iv) The estimated fare prices necessary to achieve the farebox
31 recovery requirement established in paragraph (1) of this subsection for the next fiscal
32 year.

33 (b-1) Subject to § 7-506 of this title, the Administration:

1 (1) Shall set the fare prices and collect other operating revenues in an
2 amount sufficient to achieve the farebox recovery requirement established in
3 subsection (b) of this section; and

4 (2) May not reduce the level of services provided by the
5 Administration for the purpose of achieving the farebox recovery requirement.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 July 1, 2012.