

SENATE BILL 484

R2

7lr1814
CF HB 271

By: **Senators Madaleno, Astle, Conway, Currie, Feldman, Ferguson, Guzzone, King, Lee, Manno, McFadden, Peters, Pinsky, Robinson, Rosapepe, Smith, and Zucker**

Introduced and read first time: January 30, 2017

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Transit Administration – Farebox Recovery, Goals, and Performance**
3 **Indicators**

4 FOR the purpose of repealing the requirement that a certain percentage of operating costs
5 for certain public transit services must be recovered by the Maryland Transit
6 Administration from certain revenues; establishing certain goals for the
7 Administration; altering requirements for certain annual reports submitted by the
8 Administration to certain committees of the General Assembly; altering
9 requirements relating to the Administration's implementation of performance
10 indicators; making a stylistic change; and generally relating to the Maryland Transit
11 Administration.

12 BY repealing and reenacting, with amendments,
13 Article – Transportation
14 Section 7–208
15 Annotated Code of Maryland
16 (2015 Replacement Volume and 2016 Supplement)

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

19 **Article – Transportation**

20 7–208.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

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

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

(ii) All passenger railroad services under the Administration's control.] **THE GOALS OF THE ADMINISTRATION INCLUDE:**

(I) PROVIDING RELIABLE SERVICE SUCH THAT AT LEAST 85% OF ALL PASSENGER TRIPS ARRIVE ON TIME;

(II) PROVIDING EFFICIENT SERVICE SUCH THAT THE AVERAGE TRIP TRAVEL TIME IN THE ADMINISTRATION'S CORE SERVICE AREA IS 45 MINUTES OR LESS;

(III) PROVIDING APPEALING SERVICE SUCH THAT 10% OF ALL RESIDENTS OF THE BALTIMORE-TOWSON METROPOLITAN REGION COMMUTE PRIMARILY BY PUBLIC TRANSPORTATION;

(IV) CONNECTING PEOPLE AND JOBS SUCH THAT AT LEAST 15% OF THE JOBS IN THE BALTIMORE-TOWSON METROPOLITAN REGION ARE ACCESSIBLE WITHIN 60 MINUTES BY TRANSIT FOR THE TYPICAL RESIDENT IN THE REGION; AND

(V) PROVIDING FREQUENT SERVICE SUCH THAT AT LEAST 50% OF THE POPULATION IN THE ADMINISTRATION'S CORE SERVICE AREA LIVES WITHIN WALKING DISTANCE OF HIGH-FREQUENCY TRANSIT FOR WHICH WALKING DISTANCE TO SERVICE STOPS IS WITHIN ONE-HALF MILE AND HIGH-FREQUENCY TRANSIT SERVICE HEADWAYS ARE 15 MINUTES OR LESS.

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

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

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

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

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

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

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

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

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

(1) Subject to paragraphs (2), (3), (4), (5), and (6) of this subsection, shall set the fare prices and collect other operating revenues in [an amount sufficient to achieve the farebox recovery requirement established in subsection (b) of] **ACCORDANCE WITH** this section;

(2) Beginning in fiscal year 2015, shall:

(i) On a biennial basis, increase base fare prices and the cost of multiuse passes to the nearest 10 cents for all transit services except those services listed in subparagraph (ii) of this paragraph by the same percentage as the biennial increase in the Consumer Price Index for all urban consumers, as determined from January 1, 2012, to December 31, 2013, and each subsequent 2-year period for which the amount is being calculated;

(ii) Every 5 years, increase one-way zone fare prices and the cost of multiuse passes to the nearest dollar for commuter rail and commuter bus service by:

1. At least the same percentage as the 5-year increase in the Consumer Price Index for all urban consumers, as determined from January 1, 2009, to December 31, 2013, and each subsequent 5-year period for which the amount is being calculated; and

2. Any additional amount the Administration determines is necessary after considering factors affecting commuting costs applicable to the jurisdictions in which the Administration provides commuter service, including:

- A. Monthly parking fees;
- B. The retail price per gallon of motor fuel;
- C. The amount of any monthly federal commuting subsidy;
- D. Fare prices for intercity rail service; and
- E. Any other relevant commuting costs; [and]

(3) May not reduce the level of services provided by the Administration for the purpose of achieving [the] **A SPECIFIC** farebox recovery requirement;

(4) May not increase fares for all transit services except those services listed in paragraph (2)(ii) of this subsection by more than the amount required under paragraph (2)(i) of this subsection;

(5) May not increase fares under paragraph (2)(i) and (ii)¹ of this subsection if there is a decline or no growth in the Consumer Price Index; and

(6) Shall include the amount of any increase in fares that would have occurred previously in the absence of rounding to the nearest 10 cents or nearest dollar when calculating fare increases for subsequent periods under paragraph (2)(i) and (ii)¹ of this subsection.

(b-2) An increase in the Administration's fare prices by the minimum amount required under subsection (b-1) of this section is not subject to the requirements of § 7-506 of this title.

(c) (1) For fiscal year 2009 and each fiscal year thereafter, the Administration shall implement performance indicators to track service **QUALITY AND** efficiency for the Administration's mass transit services, including:

- (i) Operating expenses per revenue vehicle mile;
- (ii) Operating expenses per passenger trip; [and]
- (iii) Passenger trips per revenue vehicle mile;

(IV) **RELIABILITY, AS MEASURED BY ON-TIME PERFORMANCE FOR EACH MODE OF TRANSIT SERVICE;**

(V) SPEED, AS MEASURED BY AVERAGE TRIP TRAVEL TIMES
FOR EACH MODE OF TRANSIT SERVICE;

(VI) THE NUMBER OF PASSENGERS FOR EACH MODE OF TRANSIT
SERVICE;

(VII) ACCESS, AS MEASURED BY THE PROPORTION OF JOBS
LOCATED IN THE CORE SERVICE AREA THAT ARE ACCESSIBLE WITHIN A 45-MINUTE
TRANSIT COMMUTE FOR THE AVERAGE RESIDENT OF THE CORE SERVICE AREA; AND

(VIII) FREQUENCY, AS MEASURED BY THE PERCENT OF THE
TOTAL POPULATION IN THE CORE SERVICE AREA THAT LIVES WITHIN ONE-HALF
MILE OF FULL-DAY HIGH-FREQUENCY TRANSIT FOR WHICH AVERAGE HEADWAYS
ARE 15 MINUTES OR LESS.

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

(i) The status of the performance indicators listed in paragraph (1)
of this subsection for the prior fiscal year, including a discussion of the failure or success in
meeting the goals established for the prior fiscal year by the Administration;

(ii) The status of managing-for-results goals of the Administration
as they pertain to mass transit service in the Baltimore area;

(iii) Comparisons of performance indicators for the Administration's
mass transit services and other similar systems nationwide; and

(iv) The Administration's goals for each of the measures in
paragraph (1) of this subsection for the next fiscal year.

(d) (1) The Administration shall provide for an independent management
audit of the operational costs and revenues of the Administration's mass transit services
every 4 years.

(2) The audit shall provide data on fares, cost containment measures,
comparisons with other similar mass transit systems, and other information necessary in
evaluating the operations of the Administration's mass transit system.

(3) The findings from the audit shall be used as a benchmark for the annual
performance reports.

(e) The determinations of the Secretary, Administration, or Maryland
Transportation Authority as to the type of service performed or the rentals, rates, fees,

1 fares, and other charges imposed are not subject to judicial review or to the processes of
2 any court.

3 (f) Notwithstanding any other provision of this title or the Public Utilities Article,
4 the Public Service Commission does not have any jurisdiction over transit facilities owned
5 or controlled by the Administration or over any contractor operating these facilities.

6 (g) Except as provided in this title, the Administration does not have any
7 jurisdiction over transportation in the District by private carriers.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
9 1, 2017.