

# SENATE BILL 1149

R2, P2

8lr3535

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By: **Senators Pinsky and Peters**

Introduced and read first time: February 16, 2018

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Appropriations and Public–Private Partnerships – Transit Lines –**  
3 **Three–Station Requirement**

4 FOR the purpose of prohibiting an officer or a unit of State government from using an  
5 appropriation for the construction of certain transit lines; prohibiting certain  
6 reporting agencies from entering into a public–private partnership agreement for the  
7 purpose of delivering certain transit lines; and generally relating to the construction  
8 of transit lines.

9 BY adding to

10 Article – State Finance and Procurement  
11 Section 7–239 and 10A–403  
12 Annotated Code of Maryland  
13 (2015 Replacement Volume and 2017 Supplement)

14 BY repealing and reenacting, without amendments,

15 Article – State Finance and Procurement  
16 Section 10A–101(a), (f), and (g)  
17 Annotated Code of Maryland  
18 (2015 Replacement Volume and 2017 Supplement)

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

21 **Article – State Finance and Procurement**

22 **7–239.**

23 **AN OFFICER OR A UNIT OF STATE GOVERNMENT MAY NOT USE AN**  
24 **APPROPRIATION FOR THE CONSTRUCTION OF A TRANSIT LINE UNLESS THE TRANSIT**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **LINE WILL HAVE AT LEAST THREE STATIONS IN THE STATE.**

2 10A-101.

3 (a) In this title the following words have the meanings indicated.

4 (f) (1) "Public-private partnership" means a method for delivering public  
5 infrastructure assets using a long-term, performance-based agreement between a  
6 reporting agency and a private entity where appropriate risks and benefits can be allocated  
7 in a cost-effective manner between the contractual partners in which:

8 (i) a private entity performs functions normally undertaken by the  
9 government, but the reporting agency remains ultimately accountable for the public  
10 infrastructure asset and its public function; and

11 (ii) the State may retain ownership in the public infrastructure asset  
12 and the private entity may be given additional decision-making rights in determining how  
13 the asset is financed, developed, constructed, operated, and maintained over its life cycle.

14 (2) "Public-private partnership" does not include:

15 (i) a short-term operating space lease entered into in the ordinary  
16 course of business by a unit of State government and a private entity and approved under  
17 § 4-321 or § 12-204 of this article;

18 (ii) a procurement governed by Division II of this article;

19 (iii) public-private partnership agreements entered into by the  
20 University System of Maryland, St. Mary's College of Maryland, Morgan State University,  
21 or Baltimore City Community College, where no State funds are used to fund or finance  
22 any portion of a capital project; or

23 (iv) a revenue-producing transportation facility under  
24 21.01.03.03B.(1)(d) of the Code of Maryland Regulations that is not a public-private  
25 partnership as defined under paragraph (1) of this subsection.

26 (g) "Reporting agency" means:

27 (1) the Department of General Services;

28 (2) the Maryland Department of Transportation, for public infrastructure  
29 assets of any of its modal administrations;

30 (3) the Maryland Transportation Authority;

31 (4) the University System of Maryland;

- 1           (5)    Morgan State University;
- 2           (6)    St. Mary's College of Maryland; and
- 3           (7)    the Baltimore City Community College.

4   **10A-403.**

5           A REPORTING AGENCY MAY NOT ENTER INTO A PUBLIC-PRIVATE  
6 PARTNERSHIP AGREEMENT FOR THE PURPOSE OF DELIVERING A TRANSIT LINE  
7 UNLESS THE TRANSIT LINE WILL HAVE AT LEAST THREE STATIONS IN THE STATE.

8           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
9 1, 2018.