

(2) (i) 1. [For] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, FOR fiscal years 1988 through 1992 and each fiscal year thereafter, the Administration shall recover from fares and other operating revenues at least 50 percent of the total operating costs for the mass transit bus and rail services under its jurisdiction. It is the intent of the General Assembly that the provisions of this paragraph shall apply on a system-wide basis and not on an individual transit line basis. However, given the anticipated efficiency of light rail technology, the Department is encouraged, after 2 years of light rail operation, to recover from fares and other operating revenues at least 60 percent of the total operating costs for light rail services.

[(ii)] 2. The Administration shall obtain the fare recovery ratio through the establishment of reasonable fares in the Baltimore region and the implementation of cost containment measures as deemed necessary to meet the standard required under this paragraph.

~~(II) 1. THE ADMINISTRATION MAY EXEMPT A MASS TRANSIT BUS OR RAIL SERVICE THAT HAS BEEN IN OPERATION FOR LESS THAN 3 2 YEARS FROM THE REQUIREMENTS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH.~~

~~2. THE ADMINISTRATION MAY EXEMPT A NEW MASS TRANSIT BUS SERVICE THAT HAS BEEN IN OPERATION FOR LESS THAN 2 YEARS FROM THE REQUIREMENTS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH, PROVIDED THAT THE ANNUAL COST OF BUS SERVICE EXEMPTED MAY NOT EXCEED 1 PERCENT IN FISCAL YEAR 1997 AND 2 PERCENT IN FISCAL YEARS 1998 AND 1999 OF THE TOTAL ANNUAL COST OF BUS SERVICE PROVIDED.~~

~~(III) THE ANNUAL COST OF ALL MASS TRANSIT BUS AND RAIL SERVICE, INCLUDING THE MASS TRANSIT BUS AND RAIL SERVICES DESCRIBED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, MAY NOT EXCEED THE LEGISLATIVE BUDGET APPROPRIATION FOR THE FISCAL YEAR.~~

(II) 1. THE ADMINISTRATION MAY EXEMPT, FROM THE REQUIREMENTS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH, NEW LIGHT RAIL TRANSIT SERVICE THAT HAS BEEN IN OPERATION FOR LESS THAN 18 MONTHS.

2. SUBJECT TO SUB-SUBPARAGRAPH 3 OF THIS SUBPARAGRAPH, THE ADMINISTRATION MAY EXEMPT, FROM THE REQUIREMENTS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH, NEW MASS TRANSIT BUS SERVICE THAT HAS BEEN IN OPERATION FOR LESS THAN 18 MONTHS.

3. THE ANNUAL COST OF MASS TRANSIT BUS SERVICE EXEMPTED UNDER SUB-SUBPARAGRAPH 2 OF THIS SUBPARAGRAPH MAY NOT EXCEED, AS A PERCENTAGE OF THE TOTAL ANNUAL COST OF MASS TRANSIT BUS SERVICE, 1 PERCENT IN FISCAL YEAR 1997, 2 PERCENT IN FISCAL YEAR 1998, AND 2 PERCENT IN FISCAL YEAR 1999.

(III) THE OPERATING COST OF ALL MASS TRANSIT BUS AND RAIL SERVICES, INCLUDING THOSE EXCLUDED FROM THE FAREBOX RECOVERY CALCULATION, SHALL NOT EXCEED THE LEGISLATIVE BUDGET APPROPRIATIONS FOR THE FISCAL YEAR.