

District in accordance with capital contributions agreements between the Washington Metropolitan Area Transit Authority, the Washington Suburban Transit District, and other participating jurisdictions. The Washington Suburban Transit District shall consult with the Secretary of Transportation prior to the execution of any capital contributions agreement. Expenditures required of the Washington Suburban Transit District for projects and programs not included in the "Adopted Regional System - 1968" revised as of January 1, 1992, are only eligible for State funding in accordance with subsection (d) of this section.

(b) (1) Subject to the appropriation requirements and budgetary provisions of § 3-216(d) OF THIS ARTICLE and upon receipt of an approval of a grant application in such form and detail as the Secretary shall reasonably require, the Department shall provide for annual grants to the Washington Suburban Transit District for a share of the operating deficits of the regional transit system for which the District is responsible. "Operating deficit" means operating costs less:

(i) The greater of operating revenues or 50 percent of the operating costs; and

(ii) All federal operating assistance.

(2) The Department's share shall equal 100 percent of the operating deficit.

(3) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (2) OF THIS SUBSECTION, THE SECRETARY MAY AUTHORIZE PAYMENTS FOR THE COST OF NEW BUS SERVICE THAT DOES NOT RECOVER 50 PERCENT OF ITS OPERATING COSTS FOR THE FIRST ~~2 YEARS~~ 18 MONTHS OF ITS OPERATIONS PROVIDED THAT:

(I) THE ANNUAL COST TO THE DEPARTMENT OF NEW BUS SERVICE ADDED UNDER THIS SECTION AND § 10-207 ~~MAY OF THIS SUBTITLE DOES~~ NOT EXCEED 2 PERCENT OF THE TOTAL ANNUAL COST OF BUS SERVICE PROVIDED UNDER THIS SECTION AND § 10-207 OF THIS SUBTITLE; AND

(II) NO MORE THAN 1 PERCENT OF THE ANNUAL COST OF BUS SERVICE PROVIDED UNDER THIS SECTION AND § 10-207 OF THIS SUBTITLE ~~MAY BE IS~~ ADDED AS NEW SERVICE IN A SINGLE FISCAL YEAR.

(4) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (2) OF THIS SUBSECTION, THE SECRETARY MAY AUTHORIZE PAYMENTS FOR THE COST OF NEW SERVICE THAT DOES NOT RECOVER 50 PERCENT OF ITS OPERATING COSTS FOR THE FIRST ~~2 YEARS~~ 18 MONTHS OF ITS OPERATION.

(5) THE COST OF NEW SERVICE MAY NOT CAUSE THE DEPARTMENT TO EXCEED THE LEGISLATIVE APPROPRIATION FOR WASHINGTON METROPOLITAN AREA TRANSIT OPERATING GRANTS.

10-207.

(a) (1) In this section, the following words have the meanings indicated.

(2) "Eligible local bus service":