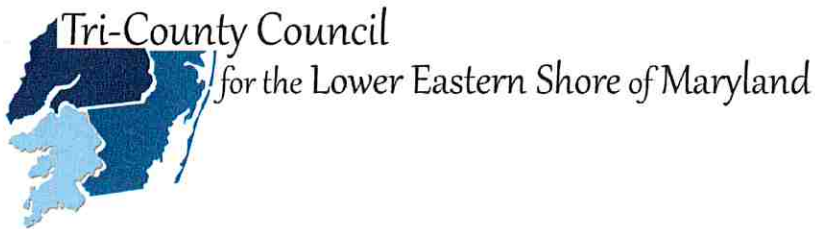


# **HB1125 Support Letter signed.pdf**

Uploaded by: Andrew Wile

Position: FAV



SHORE TRANSIT DIVISION  
31901 TRI-COUNTY WAY  
SUITE 133  
SALISBURY, MARYLAND 21804  
PHONE: 410.341.8951  
FAX: 410.341.8981  
WWW.SHORETRANSIT.ORG

March 3, 2022

**Bill:** House Bill 1125: Transit – Grant Funding for Local Service - Alterations

**Position:** SUPPORT

Dear Chair Barnes, Vice-Chair Chang, and Members of the Committee:

I write on behalf of the Tri-County Council for the Lower Eastern Shore of Maryland in support of House Bill 1125, which would place funding for the Locally Operated Transit Systems (LOTS) on a more sustainable basis and provide protection from the continuing cost increases we face in providing community transportation.

The Tri-County Council for the Lower Eastern Shore of Maryland was formed to facilitate regional planning and development in Somerset, Wicomico, and Worcester counties. The Shore Transit division is the public transit agency for the region providing fixed route and origin-to-destination services.

We make mobility a reality for our customers. Unfortunately, funding for this program has been cut in the aftermath of COVID-19. As we recover from the pandemic we are being called upon to provide more responsive service to more people while also beginning the transition to low and zero emissions technology.

State support for local transit is critical to ensure our goals of quality service, environmental protection, and equity are reached. As state funding has stagnated or decreased, our local matches for state and federal funding have taken on a greater and greater proportion of funding. Inflation has particularly hit our industry hard, with prices for vehicles increasing 15%-20% and the need for increased driver salaries to remain competitive.

Indexing our funding to the rate of inflation is another key element of HB 1125. Our costs always increase on a year to year basis, but funding is often flat for many years at a time. We need the ability to match increased costs without having to compromise service reach, frequency, or quality.

About 45 percent of Americans have no access to public transit. Black households are three times as likely as white households to have no access to a vehicle. When transit is accessible only for some, there are negative consequences to lack of access for all. Public transportation is a greener alternative. According to the Environmental Protection Agency, transportation makes up 29 percent of U.S. greenhouse gas emissions, and 41 percent of these emissions come from cars. Maryland should join other states in making a sustained and sustainable reinvestment in our local transit.

We fully support House Bill 1125's efforts to increase support for the mobility of the citizens and communities we serve.

Sincerely,

Gregory Padgham  
Executive Director



SERVING SOMERSET, WICOMICO AND WORCESTER COUNTIES



**HB1125\_Solomon\_FAV.pdf**

Uploaded by: Jared Solomon

Position: FAV

**JARED SOLOMON**  
*Legislative District 18*  
Montgomery County

Appropriations Committee

*Subcommittees*

Capital Budget

Vice Chair, Education  
and Economic Development

*House Chair*  
Joint Audit and Evaluation  
Committee



The Maryland House of Delegates  
6 Bladen Street, Room 222  
Annapolis, Maryland 21401  
301-858-3130 · 410-841-3130  
800-492-7122 Ext. 3130  
Fax 301-858-3053 · 410-841-3053  
Jared.Solomon@house.state.md.us

**THE MARYLAND HOUSE OF DELEGATES**  
ANNAPOLIS, MARYLAND 21401

**HB 1125 – Transit - Grant Funding for Local Service – Alterations**

**March 7<sup>th</sup>, 2023**

**Appropriations Committee**

Chairman Barnes, Vice-Chair Chang, Esteemed Colleagues, thank you for the opportunity to present on my bill, HB 1125, Grant Funding for Local Service.

HB 1125 is primarily a funding bill with two main functions: 1) to add an inflation adjustor to the two largest county-run transit agencies in the state, Montgomery County’s “Ride On” and Prince Georges County’s “The Bus” and 2) to codify and set a funding level for locally operated transit system grants that provide aid to every count in the state.

The primary purpose of the Office of Local Transit Support (OLTS) is to provide a variety of technical assistance services to the Local Operating Transit Systems (LOTS) operating in the State of Maryland. These services include federal and state regulatory compliance, operations, management, planning, and training. A county's LOTS services vary in relation to the jurisdiction's size and population density. Some jurisdictions have extensive fixed-route service, while others offer demand-response service that provides door-to-door transportation.

The largest county-run transit agencies in the state are Ride On in Montgomery County and the Bus in Prince George’s County. WMATA, which receives an annual inflation adjustor, overlaps extensively with both counties and can adjust its service because of the county services that are provided. HB 1125 will provide the same inflation adjustor for Ride On and The Bus so they can maintain their services accordingly. With recent inflation rates, it is essential that these adjusts are made to safeguard access to transit in two of its largest counties.

The second part of HB 1125, codifies and sets a funding level for the locally operated transit system grants which go to every county in the state. These grants have been operating off the books with no formal legislative language and no certainty for the counties that receive those grants. During the height of the pandemic, MDOT decided to significantly cut the funding counties received, and because there was no statutory language indicating the funding source or level, they were able to do so. This bill would provide certainty to every county that they will receive a baseline level of funding that will also grow with inflation.

This bill is an important step in ensuring Maryland appropriately funds all local transit systems, investing in a more equitable system to connect Marylanders.

Thank you for your time, I encourage a favorable report on HB 1125.

**HB 1125\_TAM\_FAV.pdf**

Uploaded by: John Duklewski

Position: FAV



**Bill:** House Bill 1125: Transit – Grant Funding for Local Service - Alterations

**Position:** SUPPORT

Dear Chair Barnes, Vice-Chair Chang, and Members of the Committee:

I write on behalf of the Transportation Association of Maryland in support of House Bill 1125, which would place funding for the Locally Operated Transit Systems (LOTS) on a more sustainable basis and provide protection from the continuing cost increases our members face in providing community transportation.

In addition to federal grants and local funding, LOTS rely on MDOT MTA operating grants to fund both capital investment and operations. In the wake of the COVID-19 pandemic funding for LOTS operating grants was cut by 20% (or \$12,000,000), which was the largest single area cut by MDOT. This cut was officially justified on the idea that it would be offset by the availability of CARES act emergency funding. This emergency funding was made available three years ago, and in many cases, it was exhausted in 2021.

Our members make mobility a reality for their customers. As ridership recovers from the pandemic they are being called upon to provide more responsive service to more people while also beginning the transition to low and zero emissions technology. As new challenges and new expectations arise, restoring state support is of the utmost importance.

State support for local transit is critical to ensure our goals of quality service, environmental protection, and equity are reached. Inflation has hit our industry hard, with prices for new vehicles increasing by as much as 25%. The ongoing shortage of drivers has further placed financial pressure on our members as they strive to remain competitive with private sector employers.

Indexing our funding to the rate of inflation is therefore an important element of HB 1125. Our members' costs always increase on a year to year basis, but historically, funding has often remained flat for many years at a time. They need the ability to match increased costs without having to compromise service reach, frequency, or quality.

About 45 percent of Americans have no access to public transit. Black households are three times as likely as white households to have no access to a vehicle. When mobility is accessible only for some, there are negative consequences for all. Public transportation is the greener alternative. According to the Environmental Protection Agency, transportation makes up 29 percent of U.S. greenhouse gas emissions, and 41 percent of these emissions come from cars. Maryland should join other states in making a sustained and sustainable reinvestment in our local transit.

We fully support House Bill 1125's efforts to increase support for the mobility of the citizens and communities we serve.

Sincerely,

John Duklewski  
Executive Director, Transportation Association of Maryland

**MDOT\_FY21\_Operating\_Budget\_Reductions.pdf**

Uploaded by: John Duklewski

Position: FAV



## MDOT FY 2021 Operating Budget Reductions

TBU	Reduction	Reduction Amount
MDOT TSO	Various administrative reductions to travel, training, supplies, and postage to reflect hiring freeze and telework environment.	323,000
MDOT TSO	Reduce funds for various contracts based on cost containment.	640,000
MDOT TSO	Reduce available grant funds based on expected usage.	250,000
MDOT TSO	Reduction for various departmentwide information technology contracts and services due to improved pricing, streamlined services, and cost containment.	3,293,000
MDOT SHA	Reduce funding for signal and lighting maintenance activities.	2,000,000
MDOT SHA	Reduce roadway and inlet cleaning and maintenance due to cost containment.	8,125,000
MDOT SHA	Reduce roadside landscaping and repair and maintenance activities due to cost containment.	10,425,000
MDOT SHA	Various administrative reductions for uniforms, supplies, and reporting due to cost containment.	450,000
MDOT MPA	Various administrative reductions to overtime, travel, training, equipment, fleet, and postage to reflect hiring freeze, telework environment, and cost containment.	1,261,744
MDOT MPA	Reduction to various contracts based on actual and expected usage and cost containment efforts.	435,473
MDOT MPA	Reduction for communications charges due to system upgrade.	138,913
MDOT MPA	Reduction to utilities based on actual usage and current pricing.	1,163,870
MDOT MVA	Reduction in the need for additional staff and overtime that had been expected prior to extension of REAL-ID deadline. MVA's appointment-only operating status will reduce the impact on customers.	5,503,939
MDOT MVA	Reduce postage and printing based on increased use of electronic documents and transmittal and alternative service delivery.	1,107,679
MDOT MVA	Reduction to various information technology services to reflect cost containment.	1,200,000
MDOT MVA	Various administrative reductions to supplies, training, and security to reflect hiring freeze, modified operations, and cost containment.	535,410
MDOT MTA	Reduce the increase in Mobility costs based on reduced travel demand.	9,900,000
MDOT MTA	Reduce funding for Core Bus based on service reductions (detailed separately) in accordance with ridership analysis.	8,600,000
MDOT MTA	Reduce funding for Commuter Bus based on service reductions (detailed separately) in accordance with ridership analysis.	4,000,000
MDOT MTA	Reduce funding for Light Rail and Metro based on service reductions (detailed separately) in accordance with ridership analysis.	1,000,000

## MDOT FY 2021 Operating Budget Reductions

TBU	Reduction	Reduction Amount
MDOT MTA	Reduce funding for rail operations based on service reductions (detailed separately) in accordance with ridership analysis.	7,500,000
MDOT MTA	Reduce LOTS operating grants by 20%, which is offset by the availability of CARES Act funding.	12,000,000
MDOT MAA	Various administrative reductions to communications, travel, fleet, uniforms, and supplies to reflect hiring freeze, telework environment, and cost containment efforts.	563,816
MDOT MAA	Reduction to utilities based on actual usage and current pricing.	900,000
MDOT MAA	Reduction to various repair and maintenance and landscaping contracts and activities at BWI Marshall Airport and Martin State Airport to reflect cost containment.	8,146,930
MDOT MAA	Reduction to various information technology services to reflect cost containment.	510,000
MDOT MAA	Reduction of shuttle bus service due to closure of certain airport parking lots based on demand.	4,812,000
MDOT MAA	Reduction for various contracts due to reduced passenger levels and cost containment efforts.	3,096,178
		<b>97,881,952</b>


**MTA Memorandum Award Methodology 12.20.22\_FINAL.pd**

Uploaded by: John Duklewski

Position: FAV

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**MEMORANDUM**

**TO:** MDOT MTA Locally Operating Transit Systems  
**FROM:** Travis Johnston, Director, MDOT MTA Office of Local Transit Support   
**SUBJECT:** Grant Award Methodology for Subrecipients  
**DATE:** December 20, 2022

**PURPOSE OF MEMORANDUM**

MDOT MTA's suballocation methodology of Federal formula funds to the Locally Operated Transit Systems (LOTS) has remained unchanged for many years. MDOT MTA recently completed a comprehensive review of the methodology to ensure the formula aligns with current service levels and region demographics for each LOTS. As a result of this review process, MDOT MTA has determined an improved suballocation method should be implemented to provide transparency, consistency and equity in awarding annual LOTS formula funding.

MDOT MTA will hold a webinar on January 9, 2023 at 1:00 PM to review the draft suballocation methodology and each LOTS is encouraged to attend. Details on how to access the webinar will be provided shortly. We have also included a comparison of actual FY23 operating awards vs. what maximum FY23 operating awards would have been if the proposed methodology was in place at that time. MDOT MTA will accept comments on the new, draft process through January 27, 2023. Comments, questions and/or concerns should be sent to Bryan Glazer, OLTS Administrative Assistant at [BGlazer1@mdot.maryland.gov](mailto:BGlazer1@mdot.maryland.gov).

Once finalized, the Fiscal Year 2024 operating grant awards will be calculated utilizing the updated suballocation methodology. State funding amounts are not anticipated to change.

The following bullets below provide a summary of the proposed suballocation methodology for all future Federal formula funds. This information is also outlined in the attached presentation.

- MDOT MTA, as the direct recipient of Federal funds, will suballocate funds to the Locally Operated Transit Systems (LOTS), the "subrecipients."
- Grants affected are the LOTS' formula grants for programs 5307, 5311, and 5339.
- The source of data used to calculate the basis of awards are the U.S. Census, the National Transit Database, and the Federal Transit Administration (FTA) apportionments.

- The formula approach to awarding 5307 operating (Baltimore UZA and Small Urban) grants will use population and service factors of vehicle revenue miles, vehicle revenue hours, and unlinked passenger trips.
- The formula approach to awarding 5311 operating (Rural) grants will use annual operating expenses and service factors of vehicle revenue miles, vehicle revenue hours, and unlinked passenger trips.
- Both the 5307 and 5311 formula approaches will identify the maximum amount of eligible operating funding. Operating awards will be allocated in the amount presented in the spending plan in the Annual Transportation Program Application, up to that maximum eligible amount.
- As in recent years, capital grants will remain discretionary and will be awarded based on need as described in the LOTS' Annual Transportation Program application and on available funding. 5339 Bus and Bus Facility, and portions of the 5307 and 5311 apportionments will be dedicated to capital needs.
- Funding levels may increase or decrease depending on reported service and Federal funding appropriations from year to year. However, starting in FY24, a two-year grace period will ensure that any decreases will not become effective until FY26.

**HB1125\_MDSierraClub\_fav 7Mar2023.pdf**

Uploaded by: Josh Tulkin

Position: FAV



P.O. Box 278  
Riverdale, MD 20738

**Committee: Appropriations**

**Testimony on: HB 1125 – “Transit – Grant Funding for Local Service – Alterations”**

**Position: Support**

**Hearing Date: March 7, 2023**

The Maryland Chapter of Sierra Club supports HB 1125 that would establish the Locally Operated Transit System Grant Program with grants totaling more than \$108 million beginning in fiscal year 2025 for Montgomery and Prince George’s Counties to come from federal and State public transportation programs. Total transit grants to Montgomery and Prince George’s Counties in fiscal year 2019 were almost \$108 million. The Department of Transportation (DOT) would administer the program and make grants each year that exceed the total grants for the previous fiscal year, adjusted for inflation.

The grants are intended to replace funds for the local bus service that previously was provided by the Washington Metropolitan Area Transit Authority. Grants must be applied for by the two counties, and could be used for bus purchase, operations, planning and other expenses for local bus service. If the bus service costs for a county decreased in the prior fiscal year, the DOT Secretary may make a proportional reduction in the county’s grant for the next fiscal year.

The two counties are required to implement performance and farebox recovery indicators to track service efficiency for mass transit including operating expenses per vehicle mile and per passenger trip, and passenger trips per vehicle mile. Annual performance reports must be submitted to the Senate Budget and Taxation Committee, House Ways and Means Committee and House Appropriations Committee by December 1 of each year. The counties also are required to provide an independent management audit of the operational costs and revenues of mass transit in their respective jurisdictions every 4 years.

Transportation is the largest source of climate-disrupting greenhouse gases in Maryland and our nation today, so getting more people out of their gas and diesel-fueled vehicles and onto mass transit is critically important. Tailpipe emissions from fossil-fuel powered vehicles are also hazardous to human health, and are linked to cancers, heart disease, asthma, emphysema, other respiratory diseases, and premature death.

Transit serves residents of all income levels and especially those who don’t own a car. The more grants are given to locally operated transit systems, the more transit can be made more frequent and reliable, which will attract more ridership. The more people use transit, the better it would be for our environment and public health. Transit also can lessen traffic congestion by reducing the number of vehicles on the road.

In summary, HB1125 would increase transit in our state, which would have many benefits and bring about positive change. We urge a favorable report on this bill.

Brian Ditzler  
Transportation Chair  
Brian.Ditzler@MDSierra.org

Josh Tulkin  
Chapter Director  
Josh.Tulkin@MDSierra.org

Founded in 1892, the Sierra Club is America’s oldest and largest grassroots environmental organization. The Maryland Chapter has over 70,000 members and supporters, and the Sierra Club nationwide has over 800,000 members and nearly four million supporters.

# **Transit Endorsement Letter**

Uploaded by: Karen Lewis Young

Position: FAV





# MARYLAND TRANSIT CAUCUS

marylandtransitcaucus.org • @CaucusTransit  
transitcaucus@gmail.com

## Officers

Co-Chair: Senator Karen Lewis Young  
Co-Chair: Delegate Jared Solomon  
Vice Chair: Senator Arthur Ellis  
Vice Chair: Delegate Sheila Ruth  
Secretary: Delegate Julie Palakovich Carr  
At-Large Member: Delegate Marc Korman

Dear Chair Barnes, Vice Chair Chang, and Members of the Appropriations Committee,

The more than 90 members of the Transit Caucus have voted to endorse HB 1125 – Transit – Grant Funding for Local Service – Alterations.

The Transit Caucus is a bipartisan group of Senators and Delegates committed to supporting legislation that supports a robust, equitable, modern, and effective transit network that serves all Marylanders. To that end, the Caucus is dedicated to advancing reliable and sustainable transportation options for Marylanders. This includes, but is not limited to, interconnected public transit, a transition to clean vehicles, alternatives (walking and biking), and the infrastructure to support these options as safe modes of transit. We believe that ensuring every Marylander has access to a variety of safe and reliable mobility options is a critical element of achieving an equitable, prosperous, and healthy state.

The Caucus respectfully requests a favorable report for this legislation.

Thank you for your consideration.

Sincerely,

Senator Karen Lewis Young

Delegate Jared Solomon

## Members

Delegate Gabriel Acevero  
Delegate Nick Allen  
Delegate Carl Anderton  
Delegate Dalya Attar  
Senator Malcolm Augustine  
Delegate Heather Bagnall  
Delegate Sandy Bartlett  
Senator Pamela Beidle  
Delegate Harry Bhandari  
Delegate Adrian Bofo  
Delegate Regina Boyce  
Delegate Tony Bridges  
Senator Jill P. Carter  
Delegate Lorig Charkoudian  
Senator Paul Corderman  
Delegate Brian Crosby  
Delegate Charlotte Crutchfield  
Delegate Debra Davis  
Delegate Eric Ebersole  
Delegate Mark Edelson  
Delegate Elizabeth Embry  
Delegate Kris Fair  
Senator Brian Feldman  
Delegate Jessica Feldmark  
Delegate Linda Foley  
Delegate Catherine Forbes  
Delegate David Fraser-Hidalgo  
Delegate Jeff Ghrist  
Senator Dawn Gile  
Delegate Brooke Grossman  
Delegate Michele Guyton  
Senator Guy Guzzone  
Delegate Kevin Harris  
Delegate Anne Healey  
Senator Shelly Hettleman  
Delegate Terri Hill  
Delegate Kevin Hornberger  
Delegate Carl Jackson  
Senator Michael Jackson  
Delegate Andre Johnson  
Delegate Dana Jones  
Senator Cheryl Kagan  
Delegate Anne Kaiser  
Delegate Aaron Kaufman  
Delegate Ariana Kelly  
Delegate Ken Kerr  
Senator Nancy King  
Delegate Mary Lehman  
Delegate Jazz Lewis  
Delegate Robbyn Lewis  
Delegate Jeffrie E. Long Jr.  
Delegate Lesley Lopez  
Delegate Sara Love  
Delegate Aletheia McCaskill  
Senator Cory McCray  
Senator Mike McKay  
Delegate Bernice Mireku-North  
Delegate David Moon  
Delegate Joseline Pena-Melnyk  
Delegate N. Scott Phillips  
Delegate Andrew Pruski  
Delegate Lily Qi  
Delegate Kirill Reznik  
Senator Jim Rosapepe  
Delegate Samuel Rosenberg  
Senator Johnny Ray Salling  
Delegate Emily Shetty  
Delegate Karen Simpson  
Delegate Stephanie Smith  
Delegate Dana Stein  
Delegate Vaughn Stewart  
Senator Charles Sydnor III  
Delegate Deni Taveras  
Delegate Kym Taylor  
Delegate Jen Terrasa  
Delegate Chris Tomlinson  
Delegate Kris Valderrama  
Delegate Joe Vogel  
Senator Jeff Waldstreicher  
Senator Alonzo Washington  
Senator Mary Washington  
Delegate Courtney Watson  
Delegate Melissa Wells  
Delegate Jheanelle Wilkins  
Delegate Nicole Williams  
Delegate Chao Wu  
Delegate Natalie Ziegler  
Senator Craig Zucker

**HB 1125 - MoCo\_Wenger\_FAV (GA 23).pdf**

Uploaded by: Melanie Wenger

Position: FAV



# Montgomery County

## Office of Intergovernmental Relations

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ROCKVILLE: 240-777-6550

ANNAPOLIS: 240-777-8270

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**HB 1125**

**DATE: March 7, 2023**

**SPONSOR: Delegate Solomon, et al.**

**ASSIGNED TO: Appropriations**

**CONTACT PERSON: Melanie Wenger (melanie.wenger@montgomerycountymd.gov)**

**POSITION: Support**

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### **Transit – Grant Funding for Local Service – Alterations**

Montgomery County strongly supports House Bill 1125. The legislation formally establishes in State statute the existing Locally Operated Transit System (LOTS) grant program that provides funding to counties and municipalities to support their local transit systems. The bill also requires an annual inflationary adjustment for the grants provided by the LOTS program and the existing program for Ride On in Montgomery County and The Bus in Prince George's County created by Transportation Article § 10-207. Together, these provisions create a more transparent and reliable system of supporting local transit across the State.

While Montgomery County benefits from both of these transit programs, it is highly dependent on the State subsidy provided for its Ride On bus system. Ride On is the second largest transit system in the State, behind MTA, and it is the second largest in the region, behind Metrobus|WMATA (Metrobus). Pre-COVID, Ride On operated 81 routes and served 20 million passengers a year.

The County has always been thankful for the State support it has received, which was provided based on the rationale that Ride On and The Bus were less expensive alternatives to Metrobus, which would require full State funding support. This has proven to be the case: Ride On only requires about 65% of the funding for the same service provided by Metrobus. Recent data show Ride On's operating cost per vehicle revenue hour is \$117 compared to \$193 for the operating cost per vehicle revenue hour for Metrobus. This isn't just a good State investment – it's a great one, especially considering that absent Ride On service, the State investment in Metrobus would require 100% financial support compared with the 33% subsidy required by Ride On. House Bill 1125 would not change this subsidy rate, but it would ensure that this subsidy, as well as the funding for the LOTS program, would be indexed to inflation.

House Bill 1125 reflects a very fair approach to rebalancing the State's investment in locally operating transit systems and recognizing their value. For this reason, Montgomery County urges a favorable report on the bill.

**Anne Arundel County\_FAV\_HB 1125.pdf**

Uploaded by: Peter Baron

Position: FAV



March 7, 2023

**House Bill 1125**

**Transit - Grant Funding for Local Service - Alterations**

**Appropriations Committee**

**Position: FAVORABLE**

Anne Arundel County **SUPPORTS** House Bill 1125 – Transit - Grant Funding for Local Service - Alterations. This Bill would establish the Locally Operated Transit System (“LOTS”) Grant Program, authorize funds to be sourced from federal and State public transportation programs, require that beginning in fiscal year 2025, the total grants for locally operated transit service to exceed the total for fiscal year 2019, adjusted for inflation, and require the Department of Transportation to make adjustments in a subsequent fiscal years to reflect inflation.

County Executive Steuart Pittman, in his letter on Anne Arundel County’s FY 23 list of priorities for the FY 2023-28 Consolidated Transportation Program (“CTP”) requested a dedicated funding stream for LOTS funding. We appreciate state coordination for both the Regional Transit Plan for Central Maryland and the inclusion of county staff in ongoing efforts towards a Statewide Transit Plan, as well as state provided regional bus and rail service in the County. However, more resources are needed to provide adequate local bus services to link both county residents to the regional system, as well as out-of-county residents to county employers.

A dedicated LOTS funding stream could allow the County to partner with the Washington Metropolitan Area Transit Authority (“WMATA”) and MTA to extend local services into the County as well as provide expanded coverage, frequency, and span of service by both the county and City of Annapolis-operated transit systems. Anne Arundel is the second most populous county in the region and fourth most populous county in the state and while we have committed current CARES Act funding to our operations, which are currently fare-free, those funds will be exhausted before the end of FY 2024. We require an infusion of operations funds to add new services, increase frequency on our existing lines, and expand our successful microtransit call and ride services countywide. The LOTS Grant Program this Bill establishes would provide critical funding for Anne Arundel County to maintain and expand its Locally Operated Transit System.

For all of these reasons, Anne Arundel County respectfully requests a **FAVORABLE** report on House Bill 1125.

**HB1125-APP\_MACo\_SUP.pdf**

Uploaded by: Sarah Sample

Position: FAV



## House Bill 1125

### *Transit - Grant Funding for Local Service - Alterations*

MACo Position: **SUPPORT**

To: Appropriations Committee

Date: March 7, 2023

From: Dominic J. Butchko and Sarah Sample

The Maryland Association of Counties (MACo) **SUPPORTS** HB 1125. This bill codifies and stabilizes the Locally Operated Transit System (LOTS) grant program that provides funding to counties and municipalities to support their local transit systems. The bill also requires an annual inflationary adjustment for the grants provided by the LOTS program and State support for Ride On in Montgomery County and The Bus in Prince George's County.

Marylanders in every region of the state rely on public transportation systems, supported by the LOTS program, to commute both to and from work as well as within their communities at large. The vast majority of these systems are developed, operated, and maintained by county governments. Following the pandemic, previously predictable revenue streams and ridership rates declined dramatically and have yet to fully stabilize. This, in turn, adds challenges for these local systems, leaving them unable to make multi-year service plans and commitments. HB 1125 seeks to provide predictability for LOTS, both putting the LOTS grant program into statute and by tying future grant distributions to inflation.

Counties support HB 1125 as a commonsense bill. Predictability helps counties to better plan for future operations and maintain continuity of service. Accordingly, MACo urges the Committee to issue a **FAVORABLE** report for HB 1125.

# **HB 1125 Queen Anne's County.pdf**

Uploaded by: Stephen Palmer

Position: FAV





## Queen Anne's County

### **County Commissioners:**

James J. Moran, At Large  
Jack N. Wilson, Jr., District 1  
J. Patrick McLaughlin, District 2  
Philip L. Dumenil, District 3  
Christopher M. Corchiarino, District 4

## DEPARTMENT OF COMMUNITY SERVICES

### **Area Agency on Aging**

104 Powell St  
Centreville, MD 21617

Telephone: (410) 758-0848

Fax: (410) 758-4489

TDD: (410) 758-2126

E-mail: [agingadmin@qac.org](mailto:agingadmin@qac.org)

*Catherine Riggs Willis, LMSW, Director*

**Bill:** House Bill 1125: Transit – Grant Funding for Local Service - Alterations

**Position:** SUPPORT

Dear Chair Barnes, Vice-Chair Chang, and Members of the Committee:

I write on behalf of Queen Anne's County, County Ride in support of House Bill 1125, which would place funding for the Locally Operated Transit Systems (LOTS) on a more sustainable basis and provide protection from the continuing cost increases we face in providing community transportation.

Queen Anne's County, County Ride is a local operated transit system that currently runs 6 full time routes throughout the county and is averaging 50 riders per day through the Statewide Specialized Transportation Assistance Program (SSTAP). We are looking to increase this with additional funding.

We make mobility a reality for our customers. Unfortunately, funding for this program has been cut in the aftermath of COVID-19. As we recover from the pandemic, we are being called upon to provide more responsive service to more people while also beginning the transition to low and zero emissions technology.

State support for local transit is critical to ensure our goals of quality service, environmental protection, and equity are reached. As state funding has stagnated or decreased, our local matches for state and federal funding have taken on a greater and greater proportion of funding. Inflation has particularly hit our industry hard, with prices for vehicles increasing twenty five percent and the need for increased driver salaries to remain competitive.

Indexing our funding to the rate of inflation is another key element of HB 1125. Our costs always increase on a year-to-year basis, but funding is often flat for many years at a time. We need the ability to match increased costs without having to compromise service reach, frequency, or quality.

About 45 percent of Americans have no access to public transit. Black households are three times as likely as white households to have no access to a vehicle. When transit is accessible only for some, there are negative consequences to lack of access for all. Public transportation is a greener alternative. According to the Environmental Protection Agency, transportation makes up 29 percent of U.S. greenhouse gas emissions, and 41 percent of these emissions come from cars. Maryland should join other states in making a sustained and sustainable reinvestment in our local transit.

We fully support House Bill 1125's efforts to increase support for the mobility of the citizens and communities we serve.

Sincerely,

A handwritten signature in blue ink, consisting of stylized initials 'SP' followed by a long horizontal flourish.

Stephen Palmer

Transit Administrator

Queen Anne's County

**HB 1125, FAV, FCG TransIT, LS23.pdf**

Uploaded by: Victoria Venable

Position: FAV



# FREDERICK COUNTY GOVERNMENT

## TRANSIT SERVICES DIVISION

Jessica Fitzwater  
County Executive

Roman Steichen, Director

### House Bill 1125: Transit – Grant Funding for Local Service - Alterations

**DATE:** March 7, 2023  
**COMMITTEE:** House Appropriations Committee  
**POSITION:** SUPPORT  
**FROM:** Roman Steichen, Director, Transit Services, Frederick County Government

Thank you for your consideration of House Bill 1125: Transit – Grant Funding for Local Service - Alterations. As the Director of the Transit Services Division in Frederick County, I urge the committee to give HB 1125 a favorable report.

Our Division provides public transit, paratransit and commuter services/employer outreach information throughout Frederick County, MD serving medical, employment, education, and shopping centers and connecting communities throughout the county.

HB 1125 is a crucial bill that will place funding for the Locally Operated Transit Systems (LOTS) on a more sustainable basis and provide protection from the continuing cost increases we face in providing community transportation. The passage of this bill would save the County approximately \$215,000 and provide additional stability for transportation funding.

State support for local transit is critical to ensure our goals of quality service, environmental protection, and equity are reached. As state funding has stagnated or decreased, our local matches for state and federal funding have taken on a greater and greater proportion of funding.

Indexing our funding to the rate of inflation is another key element of HB 1125. Our costs always increase on a year to year basis, but funding is often flat for many years at a time. We need the ability to match increased costs without having to compromise service reach, frequency, or quality.

About 45 percent of Americans have no access to public transit. Black households are three times as likely as white households to have no access to a vehicle. When transit is accessible only for some, there are negative consequences to a lack of access for all. Public transportation is a greener alternative. According to the Environmental Protection Agency, transportation makes up 29 percent of U.S. greenhouse gas emissions, and 41 percent of these emissions come from cars. Maryland should join other states in making a sustained and sustainable reinvestment in our local transit.

Thank you for your consideration of HB 1125. On behalf of Frederick County Government, I urge a favorable report.

Roman Steichen  
Director, Transit Services of Frederick County



**BaltimoreCounty\_FWA\_HB1125.pdf**

Uploaded by: Joshua Greenberg

Position: FWA



JOHN A. OLSZEWSKI, JR.  
*County Executive*

JENNIFER AIOSA  
*Director of Government Affairs*

AMANDA KONTZ CARR  
*Legislative Officer*

JOSHUA M. GREENBERG  
*Associate Director of Government Affairs*

**BILL NO.:**            **HB 1125**

**TITLE:**                **Transit - Grant Funding for Local Service - Alterations**

**SPONSOR:**           **Delegate Solomon**

**COMMITTEE:**        **Appropriations**

**POSITION:**          **SUPPORT WITH AMENDMENTS**

**DATE:**                **March 7, 2023**

Baltimore County **SUPPORTS WITH AMENDMENTS** House Bill 1125 – Transit - Grant Funding for Local Service - Alterations. This legislation would establish the Locally Operated Transit System Grant Program.

Baltimore County is committed to improving local transit options for its more than 850,000 residents. Many residents work elsewhere in the region and rely on safe, reliable, and efficient public transportation. Baltimore County Executive John Olszewski has championed providing residents with access to transportation by establishing a first-of-its-kind free local bus service in downtown Towson, The Loop, with plans to expand routes and availability to other growth centers. The County supports the spirit of the bill, which would bring more transit funding to local jurisdictions, but believes the bill should be amended to make it more equitable. The allocation of the LOTS funding must be made transparent and equitably distributed based on population. The baseline funding level should be increased as well. Currently, there is no publicly available formula or process that jurisdictions or their LOTS agencies can rely on to accurately predict or request LOTS funding to grow local service.

Baltimore County is the third most populous county in Maryland, behind only Montgomery and Prince George's Counties, yet our County has historically received significantly less funding than other large jurisdictions - less than half a million dollars in operating support despite continuous population growth and diversification. The Baltimore Metropolitan Area is among the most congested urban areas in the country, due largely to a long history of under investment. Residents of the entire Baltimore region deserve access to inter- and intra-jurisdictional transportation options.

The expansion of LOTS funding is absolutely critical, but a blanket expansion of existing funding levels does not address the lack of clarity in the funding allocation or the funding disparities across the state. Therefore, Baltimore County respectfully requests that House Bill 1125 be amended to increase formula funding based on population, so that other large jurisdictions can benefit from these funds. To grow our

economy and support our residents, businesses and visitors, Baltimore County needs additional State resources to support our regional transit development.

Accordingly, Baltimore County requests a **FAVORABLE WITH AMENDMENTS** report on HB 1125. For more information, please contact Jenn Aiosa, Director of Government Affairs at [jaiosa@baltimorecountymd.gov](mailto:jaiosa@baltimorecountymd.gov).

**HB1125\_MAA\_UNF.pdf**

Uploaded by: Hayley Evans

Position: UNF



CHAIRMAN:  
Jeff Graf  
VICE CHAIRMAN  
David Slaughter

**MARYLAND ASPHALT ASSOCIATION**



TREASURER:  
Paul Bramble  
SECRETARY:  
Curtis Hall  
PRESIDENT:  
G. Marshall Klinefelter

March 7, 2023

Delegate Ben Barnes, Chair  
House Appropriations Committee  
Room 121 House Office Building  
Annapolis, MD 21401

**RE: House Bill 1125 – UNFAVORABLE – Transit - Grant Funding for Local Service – Alterations**

Dear Chair Barnes and Members of the Appropriations Committee:

The Maryland Asphalt Association (MAA) is comprised of 19 producer members representing more than 48 production facilities, 25 contractor members, 25 consulting engineer firms and 41 other associate members. MAA works proactively with regulatory agencies to represent the interests of the asphalt industry both in the writing and interpretation of state and federal regulations that may affect our members. We also advocate for adequate state and federal funding for Maryland's multimodal transportation system.

House Bill 1125 would establish a Locally Operated Transit System Grant Program within the Maryland Department of Transportation (MDOT), to be funded through a mandated appropriation in the State budget beginning in FY 2025 and increased annually by the inflation rate of the Consumer Price Index CPI-U. Similarly, the amount of each grant for bus service to each county must also exceed the prior year's grant by the same inflation rate of the Consumer Price Index CPI-U.

MAA opposes House Bill 1125 because it would mandate that an increasing amount of funding be provided specifically to locally operated transit services at the expense of other transportation solutions. Although we understand the value of local transit and its importance to traditionally underserved and underprivileged communities, we believe that transportation-related funding decisions should remain the purview of the Governor and the MDOT Secretary, following consultation with the localities as part of the long-established Consolidated Transportation Program development process.

We appreciate you taking the time to consider our request for an UNFAVORABLE report on House Bill 1125.

Sincerely,

Marshall Klinefelter  
President  
Maryland Asphalt Association

**HB1125\_MTBMA\_UNF.pdf**

Uploaded by: Hayley Evans

Position: UNF



March 7, 2023

Delegate Ben Barnes, Chair  
House Appropriations Committee  
Room 121 House Office Building  
Annapolis, MD 21401

**RE: House Bill 1125 – UNFAVORABLE – Transit - Grant Funding for Local Service – Alterations**

Dear Chair Barnes and Members of the Appropriations Committee:

The Maryland Transportation Builders and Materials Association (MTBMA) has been and continues to serve as the voice for Maryland's construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland's multimodal transportation system.

House Bill 1125 would establish a Locally Operated Transit System Grant Program within the Maryland Department of Transportation (MDOT), to be funded through a mandated appropriation in the State budget beginning in FY 2025 and increased annually by the inflation rate of the Consumer Price Index CPI-U. Similarly, the amount of each grant for bus service to each county must also exceed the prior year's grant by the same inflation rate of the Consumer Price Index CPI-U.

MTBMA opposes House Bill 1125 because it would mandate that an increasing amount of funding be provided specifically to locally operated transit services at the expense of other transportation solutions. Although we understand the value of local transit and its importance to traditionally underserved and underprivileged communities, we believe that transportation-related funding decisions should remain the purview of the Governor and the MDOT Secretary, following consultation with the localities as part of the long-established Consolidated Transportation Program development process.

We appreciate you taking the time to consider our request for an UNFAVORABLE report on House Bill 1125.

Thank you,

A handwritten signature in blue ink, appearing to read "Michael Sakata", is written over a faint, light blue circular watermark or stamp.

Michael Sakata  
President and CEO  
Maryland Transportation Builders and Materials Association

**HB1125 - MTA - LOTS - LOI\_FINAL.pdf**

Uploaded by: Patricia Westervelt

Position: INFO

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March 7, 2023

The Honorable Ben Barnes  
Chair, House Appropriations Committee  
Room 121, House Office Building  
Annapolis MD 21401

***RE: Letter of Information – House Bill 1125 – Transit – Grant Funding for Local Service – Alterations***

Dear Chair Barnes and Committee Members:

The Maryland Department of Transportation (MDOT) takes no position on House Bill 1125 but offers the following information for the Committee's consideration.

House Bill 1125 codifies the Locally Operated Transit System (LOTS) Grant Program that is administered by the MDOT Maryland Transit Administration (MTA), requires annual inflation increases to the Program, and further specifies the Washington Area Grants (WAG) Program must increase annually at the rate of inflation.

The primary purpose of the LOTS Program is to provide federal and State funding to the Locally Operate Transit Systems who provide transit service throughout the State. The MTA administers the funding through a number of grants, supporting both public transportation and specialized transportation services. The LOTS Grant Program includes federal public transit formula grant program funds and the following State transportation funds:

- Washington Area Grants (WAG)
- Americans with Disabilities Act (ADA) Program
- Statewide Special Transportation Assistance Program (SSTAP) Maryland
- State matching funds

The annual increases to the WAG Program, as required by House Bill 1125, would result in a fiscal impact ranging from \$38M to \$75M between Fiscal Year (FY) 25 and FY 28, depending on how the inflation factor is applied. There is not expected to be any fiscal impact for the non-WAG portions over the next five years, as the levels of federal funding available to LOTS under the Bipartisan Infrastructure Law (BIL) are increasing by 30-50 percent; this will offset the required increases in House Bill 1125 over the next five years.

It is important to note that federal funding increases in the future are not guaranteed. If federal formula funding is reduced or less than the rate of inflation, State funds would be required to make up the difference. This could exacerbate challenges with keeping State transportation programs operating in an environment where federal funding is reduced.

The Honorable Ben Barnes  
Page Two

House Bill 1125 identifies that the baseline funding amount from 2019, \$107,997,595, includes WAG at \$56,499,828. As that Program is addressed separately in House Bill 1125, MTA requests clarification on if WAG and Montgomery and Prince George's County capital grants are intended to be included. If they are intended to continue to be handled separately in law, then those amounts should be subtracted from the 2019 baseline, resulting in a total of \$48,997,747.

As capital needs are often larger expenditures that occur periodically, capital grants vary on an annual basis; for example, replacing a bus division only occurs every 50 years. To reflect the need for flexibility so as to best address LOTS capital needs, increased flexibility would be needed in House Bill 1125 to allow annual adjustments, as long as the overall funding levels are achieved over the six-year Consolidated Transportation Program.

It is also unclear as to how the inflation factor (CPI) is intended to be applied. Generally, budgets are created a year in advance so the CPI that could be applied to FY25 would be the FY23 CPI. MTA requests clarification on if the intent is to apply the CPI from FY19 – FY23 or if a single averaged year of inflation is intended to be applied for FY25 (vs FY19). This calculation would have an extreme effect on the impact as the CPI for July 2018 – January 2023 equals 18.7%. If average CPI is utilized (1 year of inflation over FY19) then the Impact vs FY19 is 4.1% vs 18.7% (If 5 years of CPI is considered).

The Maryland Department of Transportation respectfully requests the Committee consider this information when deliberating House Bill 1125.

Respectfully submitted,

David Myers  
Director of Governmental Affairs  
Maryland Transit Administration  
410-767-0820

Pilar Helm  
Director of Government Affairs  
Maryland Department of Transportation  
410-865-1090