

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE
Revised

Senate Bill 49 (Chairman, Finance Committee)
(Departmental - Transportation)

Finance

Maryland Aviation Administration - Financial Assistance for Public Use Airports

This departmental bill authorizes the Maryland Aviation Administration (MAA) to grant or lend money to assist in the establishment or the operation of any privately owned airport that is made available for use by the public. The bill stipulates that the MAA must give loan and grant priority to publicly-owned airports.

Fiscal Summary

State Effect: Potential minimal decrease in Transportation Trust Fund (TTF) expenditures as fewer grants and more interest-free loans may be awarded. No effect on revenues.

Local Effect: None.

Small Business Effect: The Department of Transportation has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Current Law: The MAA may provide a grant or a loan to a political subdivision or a local authority that owns or controls an airport facility. The assistance must be used to establish or operate the airport. Additionally, under the grants-in-aid provision of current statute, the Secretary of Transportation may grant funds to any individual for any transportation purpose.

Background: The Maryland Assistance to Private Airports (MAPA) program was created

by regulation to provide grants and loans to the 30 publicly used, privately owned airports statewide. Such airports are not eligible for any federal assistance. The program was first funded in 1989. However, there is no statutory authority allowing loans to be made to such entities by either the MAA or the Secretary of Transportation, so no loans are being made at this time. The bill would make that correction and allow MAPA to operate as intended in regulation.

Beginning in 1989, MAPA has been funded at a constant level of \$325,000. However, the fiscal 2001 budget allowance includes \$700,000 for the program.

State Fiscal Effect: The bill is not expected to result in an increase in overall assistance to publicly used, privately owned airports. However, the bill may increase the amount of loans that are awarded and decrease the amount of grants that are awarded. Accordingly, TTF expenditures could decrease to the extent that loans are awarded in lieu of grants. The MAA is not authorized to charge interest on its loans.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Transportation (Maryland Aviation Administration), Department of Legislative Services

Fiscal Note History: First Reader - January 20, 2000
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