

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

House Bill 310 Delegate Leopold, et al.)

Ways and Means

Budget and Taxation

Transportation Service - Elderly and Individuals with Disabilities - Criteria

This bill changes the criteria for distributing surplus State funds available for local jurisdictions to provide transportation service for elderly and disabled individuals by allowing the funds to be made available to counties with exemplary performance in providing such transportation services, as an option to allocating funds to counties where the funds are most needed. The bill is effective July 1, 2001.

Fiscal Summary

State Effect: The bill would not change total State expenditures for this program.

Local Effect: Potential increase in revenues for counties that meet the performance requirements of the bill. Potential foregone revenue for counties that demonstrate the greatest need, but do not have an exemplary performance record.

Small Business Effect: Minimal. Contractors who provide local transportation service may receive a slight increase in revenues if additional State funds are awarded.

Analysis

Current Law: MDOT is required to identify, within its budget, the amount considered necessary to be used for elderly and handicapped transportation service in each county. Transportation service for this program (called the Statewide Special Transportation Assistance Program) includes paratransit or fixed route service. MDOT allocates 60% of State funding from highway revenues equally among the counties, and distributes the

remaining amount according to the size of each county's elderly and handicapped population.

If any counties do not apply for these funds within six months after the beginning of the fiscal year, MDOT can distribute the excess, after consultation with the Department of Aging and the Governor's Office for Individuals with Disabilities, based on which county has the greatest need. Counties must provide a 25% match of the State allocation to receive the excess funds. A county's performance record in providing transportation service is not a consideration in determining allocation of excess funds.

Background: The fiscal 2001 appropriation for the Statewide Special Transportation Assistance Program is \$3.3 million. The Mass Transit Administration (MTA) advises that these program funds are fully allocated and that in practice, the procedures for allocating excess funds under current law are not used because such funds are generally not available. The proposed fiscal 2002 budget includes \$4.3 million for this program, a \$1 million increase that is part of the Administration's \$750 million, six-year mass transit funding initiative.

Local Revenues: The bill does not alter the existing formula for distributing program funds for this program, but rather the procedure for distributing surplus program funds. To the extent that surplus program funds materialize, local governments will have to compete for the funds based on their performance record; any revenue increases will thus vary by county. **Exhibit 1** sets forth each county's allocation for elderly and disabled transportation service under the program in the proposed fiscal 2002 budget.

Exhibit 1

FY 2002 Budget Allowance for Transportation Services (Elderly & Disabled) by County

<u>County</u>	<u>Elderly & Disabled</u>
Allegany	\$150,251
Anne Arundel	240,039
Baltimore City	442,804
Baltimore County	418,892
Calvert	123,177
Caroline	121,341
Carroll	148,643
Cecil	132,869
Charles	130,823
Dorchester	124,057
Frederick	154,891
Garrett	119,989

Exhibit 1 (cont'd)

<u>County</u>	<u>Elderly & Disabled</u>
Harford	160,104
Howard	150,031
Kent	121,342
Montgomery	365,374
Prince George's	291,895
Queen Anne's	122,343
St. Mary's	129,512
Somerset	119,098
Talbot	121,341
Washington	161,522
Wicomico	138,372
Worcester	127,079
Statewide/Unallocated	--
Total	\$4,315,789

Source: Department of Budget and Management

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Transportation (Mass Transit Administration), Department of Legislative Services, Baltimore City, Charles County, Montgomery County

Fiscal Note History: First Reader – February 1, 2001
ef/jr

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