

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

House Bill 1355 (Delegate Bronrott, *et al.*)

Appropriations

Budget and Taxation

Sidewalks or Bicycle Pathways - Priority Funding Areas - Sharing of
Construction Costs

This bill increases the State share of construction costs for sidewalks or bicycle pathways in priority funding areas from 50% to 80%. Local governments must pay the remaining 20% of the costs.

Fiscal Summary

State Effect: None. The bill primarily alters the purposes for which existing funds may be used.

Local Effect: Potentially significant decrease in local government expenditures for sidewalk or bicycle pathway construction in priority funding areas.

Small Business Effect: None.

Analysis

Current Law: The State provides half of the funding for bike paths and sidewalks adjacent to State roads at the request of a local government. If sidewalks or bike paths are constructed or reconstructed as part of a roadway construction or reconstruction project, the State is responsible for all of the costs. Sidewalk projects in designated revitalization areas are eligible for full State funding.

Chapter 759 of 1997 (SB 389) established priority funding areas (PFAs) -- also known as Smart Growth areas -- throughout the State. With certain exceptions, that Act prohibits

State funding for growth-related projects outside priority funding areas designated by each county. PFAs include: designated revitalization neighborhoods, enterprise zones, certified heritage areas, areas located between Interstate Highway 495 and the District of Columbia (inner Beltway), and areas between Interstate 695 and Baltimore City.

State Expenditures: The State Highway Administration (SHA) expects to spend \$3.3 million in fiscal 2002 for sidewalk projects; the six-year Consolidated Transportation Program (fiscal 2001-2006) contains \$19.4 million for sidewalks. The Department of Legislative Services notes that while the bill does not require additional funding, it would speed up the use of existing resources dedicated to the CTP.

Local Expenditures: To the extent that more State funding is available for sidewalks and bike pathways, local government expenditures could decline significantly. The impact would vary by jurisdiction. Montgomery County estimates that it could save as much as \$220,000, assuming that the State Highway Administration continues to fund the same number of projects it does now. However, it advises that due to a backlog of 265 requests for sidewalks, the money would be reinvested in additional sidewalk projects. Prince George's County anticipates an indeterminate expenditure decrease and Wicomico County anticipates no effect on its finances.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Transportation; Montgomery, Prince George's, and Wicomico counties; Department of Legislative Services

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