

Department of Legislative Services

Maryland General Assembly

2001 Session

FISCAL NOTE

Senate Bill 355 (Chairman, Budget and Taxation Committee)
(Departmental – Transportation)

Budget and Taxation

Ways and Means

Transportation - Low-Income Workers - Job Access Program

This departmental bill establishes a “job access program” for which the Secretary of the Maryland Department of Transportation (MDOT) must identify funds in the annual budget of the department that the Secretary deems necessary to ensure that low-income persons may obtain reasonable transportation services to employment or job-related activities. The bill takes effect July 1, 2001.

Fiscal Summary

State Effect: The bill codifies the existing practice of the Mass Transit Administration (MTA). The proposed FY 2002 budget includes \$3 million in federal funds and \$4.7 million in Transportation Trust Funds (including approximately \$3.7 million in the Governor’s six-year transit initiative) to administer the program.

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.

Analysis

Bill Summary: Transportation providers must file a written application to MDOT and must have the concurrence of the local department of social services before receiving funds from the program. Funds are made available to transportation providers in areas of

the State that most need additional funds for “job access projects,” as determined by the Secretary.

A transportation provider that receives any funds for a capital expenditure under the job access program must expend matching funds of at least 20% of the total cost of the proposed capital expenditure. Similarly, a provider that receives any funds for operating expenditures under the program must expend matching funds of at least 25% of the total cost of the proposed operating expenditures. Each provider that receives a grant must submit a report to the Secretary that details how the money was spent.

The transportation provider must: (1) use all grants distributed to it only for the acquisition or replacement of equipment or the operating costs of the job access project; (2) consult with local departments of social services to determine the most effective means of serving the transportation needs of its low-income workers in the program; and (3) cooperate with other transportation providers to best serve the needs of the low-income workers in the program. Individuals who are not low-income workers may also be provided transportation service if excess capacity is available.

Current Law: None applicable.

Background: As part of the Transportation Equity Act for the 21st Century, the federal government provides grants to states under its Jobs Access and Reverse Commute program. It is designed to provide transportation alternatives for welfare recipients and low-income individuals in order to travel to and from jobs and activities related to employment. The program requires a 50% match from participating states and local jurisdictions.

MDOT started the job access program in fiscal 2000 with a \$4.2 million budget funded with federal, State, local, and nonprofit dollars. MDOT advises that the availability of federal funding for the job access program is unknown beyond 2003 when TEA-21 expires and that codifying the program will increase the possibility of continuing it without federal aid. The program is part of the Mass Transit Administration’s goal to double transit ridership by 2020.

MDOT will receive \$3 million in federal funds for the Jobs Access and Reverse Commute program in fiscal 2002 and 2003. The proposed fiscal 2002 budget includes \$4.7 million in Transportation Trust Funds (including approximately \$3.7 million in the Governor’s six-year transit initiative) to partially meet the match requirement. Local jurisdictions or other entities applying for funds will contribute the remainder of the match requirement. The application, funding, and other procedural requirements outlined by the bill mirror those which the MTA follows to administer the federal program.

Additional Information

Prior Introductions: A substantially similar bill was introduced as HB 1366 in the 2000 session. It passed the House with amendments but was not acted on by the Budget and Taxation Committee.

Cross File: None.

Information Source(s): Maryland Department of Transportation (Mass Transit Administration), National Conference of State Legislatures, Department of Human Resources, Baltimore City, Prince George's County, Garrett County, Department of Legislative Services

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jm/jr

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