

Department of Legislative Services  
Maryland General Assembly  
2001 Session

FISCAL NOTE

House Bill 77 (Delegates Leopold and James)  
Ways and Means

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Transportation Services for Elderly and Handicapped Individuals -  
Discretionary Supplemental Grants to Counties

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This bill directs the Maryland Department of Transportation (MDOT) to create a discretionary supplemental grant to help counties provide transportation services for elderly and disabled individuals and establish procedures no later than July 1, 2002 for counties to receive funding. The procedures must be based on: (1) performance measures established by MDOT; (2) the ability of counties to match State funds, relative to their wealth base; and (3) any other appropriate factors determined by MDOT in consultation with the Department of Aging and the Governor's Office for Individuals with Disabilities.

Beginning in fiscal 2003, if MDOT's budget exceeds the fiscal 2001 budget for these elderly and disabled transportation services, it will allocate half of the excess to the counties for transportation services and half to the discretionary grant program. The bill is effective July 1, 2001.

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**Fiscal Summary**

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

**Local Effect:** Potential increase in revenues for local governments who qualify for the additional funds under the discretionary grant program, beginning in FY 2003.

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

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## **Analysis**

**Current Law:** MDOT is required to identify, within its budget, the amount considered necessary to be used for elderly and disabled transportation service in each county. Transportation service for this program (called the Statewide Special Transportation Assistance Program) includes paratransit or fixed route service. The Secretary allocates 60% of State funding (from highway revenues) equally among the counties and distributes the remaining amount according to the size of the county's elderly and disabled population, based on Census data.

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.

**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 the program, a \$1 million increase that is part of the Administration's \$750 million mass transit funding initiative. Assuming a \$4.3 million appropriation in fiscal 2003, 50% of this \$1 million increase would be allocated to the discretionary grant program. The other 50% would be distributed to counties under the existing formula.

**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, beginning in fiscal 2003, in excess of the fiscal 2001 baseline. Local governments will have to compete for the surplus funds in the proposed discretionary grant program, based on the procedures that will be established; revenue increases will vary by county. Assuming a \$4.3 million appropriation for fiscal 2003, each county, including Baltimore City, would receive \$12,500 (60% of \$500,000, distributed equally), as well as its share of the remaining 40% (\$200,000), based on the size of its elderly and disabled population.

**Exhibits 1 and 2** set forth each county's allocation for elderly and disabled transportation for fiscal 2001 and 2002.

**Exhibit 1**  
**FY 2001 Appropriation for Transportation Services (Elderly & Disabled) by County**

<u>County</u>	<u>Elderly &amp; Disabled</u>
Allegany	\$115,437
Anne Arundel	184,420
Baltimore City	340,203
Baltimore County	321,832
Calvert	94,636
Caroline	93,226
Carroll	114,201
Cecil	102,082
Charles	100,510
Dorchester	95,312
Frederick	119,002
Garrett	92,187
Harford	123,007
Howard	115,268
Kent	93,225
Montgomery	280,714
Prince George's	224,261
Queen Anne's	93,995
St. Mary's	99,503
Somerset	91,502
Talbot	92,226
Washington	124,096
Wicomico	106,310
Worcester	97,634
<b>Statewide/Unallocated</b>	--
<b>Total</b>	<b>\$3,315,789</b>

Source: Department of Budget and Management

**Exhibit 2**  
**FY 2002 Budget Allowance for Transportation Services (Elderly & Disabled)**  
**by County**

<u>County</u>	<u>Elderly &amp; Disabled</u>
Allegany	\$150,251
Anne Arundel	240,039
Baltimore City	442,804
Baltimore County	418,892
Calvert	213,177
Caroline	121,341
Carroll	148,643
Cecil	132,869
Charles	130,823
Dorchester	124,057
Frederick	154,891
Garrett	119,989
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
<b>Statewide/Unallocated</b>	--
<b>Total</b>	<b>\$4,315,789</b>

Source: Department of Budget and Management

## **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Aging, Department of Transportation (Mass Transit Administration), Governor's Office for Individuals with Disabilities, Department of Legislative Services

**Fiscal Note History:** First Reader – February 1, 2001  
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