

MDOT RESPONSE TO DLS ANALYSIS

DLS Budget Analysis Issues

1. Local Transportation Capital Grants Proposed in Lieu of Changing Distribution Formula for Highway User Revenues (Page 18)

To ensure adequate oversight by the General Assembly, it is recommended that language be added to the budget bill making the appropriation of this local transportation aid contingent on enactment of legislation modifying the HUR formula and authorizing transfer of the appropriation to the operating program of the State Highway Administration (SHA) to be distributed pursuant to changes made by that legislation. Suggested language is included in the Recommended Actions section of this analysis.

MDOT Response:

The Department respectfully does not concur with the recommended language in the Recommended Actions section of this analysis.

Providing local jurisdictions with supplemental grants to support their transportation needs was a practice started by the prior Administration. The local jurisdictions have become dependent upon these grants to help maintain their existing infrastructure and support improvements.

Legislation is not needed to implement this new grant. Further, the Administration is committed to funding this grant in FY 2017 and future years consistent with the current statute.

MDOT RESPONSE TO DLS ANALYSIS

DLS Budget Analysis Issues (Continued)

2. Paratransit Pilot Programs Ending-Evaluation to Follow (Page 19)

Committee narrative is included in the Recommend Actions section of this analysis requesting MDOT to report on its analysis of the pilot projects and whether it intends to implement any new service delivery model(s) for paratransit services as a result.

MDOT Response:

The Department concurs with the narrative to report on paratransit pilot projects.

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Operating Budget Recommended Actions (page 20)

1. Add the following language to the special fund appropriation:

, provided that no more than \$3,989,395 of this appropriation may be expended for operating grants-in-aid, except for:
 - (1) any additional special funds necessary to match unanticipated federal fund attainments; or
 - (2) any proposed increase either to provide funds for a new grantee or to expand funds for an existing grantee.

Further provided that no expenditures in excess of \$3,989,395 may occur unless the department provides notification to the budget committees to justify the need for additional expenditures due to either item (1) or (2) above, and the committees provide review and comment or 45 days elapse from the date such notification is provided to the committees.

Explanation: This annual language caps the level of special funds provided for operating grants-in-aid. The cap may be increased to match unanticipated federal dollars or to provide new or expanded grant funding upon notification to the budget committees.

MDOT Response:

The Department concurs with the recommended language.

MDOT RESPONSE TO DLS ANALYSIS

Operating Budget Recommended Actions (Continued)

2. Adopt the following narrative:

Coordinated Alternative to Paratransit Service Pilot Project Evaluation:

The Maryland Department of Transportation (MDOT), in coordination with the Washington Metropolitan Area Transit Authority (WMATA) and various human service providers, has implemented a pilot project to test alternative service delivery models for customers of the WMATA MetroAccess paratransit services. The hope is that alternative transportation services can be provided at a lower cost for certain MetroAccess subset populations. The budget committees request that MDOT report the results of its evaluation of the pilot program including the service improvements realized and potential cost savings achieved. The report should also include a discussion of the broader paratransit policy challenges and what role, if any, a future alternative service could play in addressing the growth projections for MetroAccess services.

MDOT Response:

The Department concurs with the narrative to report on paratransit pilot projects.

MDOT RESPONSE TO DLS ANALYSIS

Paygo Capital Budget Recommended Actions (page 22)

1. Add the following language to the special fund appropriation:

Further provided that no funds may be expended by the Secretary’s Office for any system preservation or minor project with a total project cost in excess of \$500,000 that is not currently included in the fiscal 2016-2021 Consolidated Transportation Program except as outlined below:

- (1) the Secretary shall notify the budget committees of any proposed system preservation or minor project with a total project cost in excess of \$500,000, including the need and justification for the project, and its total cost; and
- (2) the budget committees shall have 45 days to review and comment on the proposed system preservation or minor project.

MDOT Response:

The Department concurs with the recommended language.

MDOT RESPONSE TO DLS ANALYSIS

Paygo Capital Budget Recommended Actions(continued)

2. Add the following language to the special fund appropriation:

Further provided that \$53,593,537 of this appropriation made for the purpose of providing transportation grants to local governments may not be expended for that purpose but instead is authorized to be transferred by budget amendment to the operating program of the State Highway Administration program J00B01.05 County and Municipality Funds to be distributed as a portion of the local share of Highway User Revenues. This authorization to transfer funds is contingent upon the enactment of legislation increasing the local share of Highway User Revenues. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be cancelled.

MDOT Response:

The Department respectfully does not concur with the recommended language.

Providing local jurisdictions with supplemental grants to support their transportation needs was a practice started by the prior Administration. The local jurisdictions have become dependent upon these grants to help maintain their existing infrastructure and support improvements.

Legislation is not needed to implement this new grant. Further, the Administration is committed to funding this grant in FY 2017 and future years consistent with the current statute.