

Department of Legislative Services  
 Maryland General Assembly  
 2012 Session

FISCAL AND POLICY NOTE

House Bill 1323 (Delegate Bates, *et al.*)  
 Ways and Means

**Task Force to Study Separating Mass Transit Funding from the Transportation Trust Fund**

This bill establishes a Task Force to Study Separating Mass Transit Funding from the Transportation Trust Fund staffed by the Maryland Department of Transportation (MDOT) and Maryland Transit Administration. An interim report of the task force’s preliminary findings and recommendations must be provided to the Governor and the General Assembly by January 1, 2013, with a final report due by January 1, 2014.

The bill takes effect July 1, 2012, and terminates June 30, 2014.

**Fiscal Summary**

**State Effect:** Given the State’s fiscal difficulties, agency budgets have been constrained. Thus, the requirement to staff the task force and develop the reports is not absorbable within the existing budgeted resources of MDOT. Instead, Transportation Trust Fund (TTF) expenditures increase by \$75,000 in FY 2013 and \$75,000 in FY 2014 to hold meetings and complete the reports. Revenues are not affected.

(in dollars)	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	75,000	75,000	0	0	0
Net Effect	(\$75,000)	(\$75,000)	\$0	\$0	\$0

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** The bill does not materially affect local operations or finances.

**Small Business Effect:** None.

## Analysis

**Bill Summary:** The task force must review and evaluate (1) current State funding for TTF; (2) current State needs for transportation infrastructure improvements and maintenance; (3) benefits and disadvantages of separating mass transit funding from TTF; (4) sustainable, long-term revenue sources and options to support TTF and a separate mass transit fund, including establishing specified special taxing districts; (5) specified public-private partnerships; and (6) other matters the task force determines. Task force members may not receive compensation but are entitled to reimbursement for expenses under the standard State travel regulations, as provided in the State budget.

**Current Law/Background:** Chapters 525 and 526 of 2010 established the Blue Ribbon Commission on Maryland Transportation Funding. The commission was tasked with reviewing, evaluating, and making recommendations on a variety of issues, including (1) the current State funding sources and structure of TTF; (2) short- and long-term transit and highway construction and maintenance funding needs; (3) options for public-private partnerships to meet transportation funding needs; (4) the structure of regional transportation authorities and their ability to meet transportation needs; and (5) options for sustainable, long-term revenue sources for transportation. The commission's November 1, 2011 final report recommends, among other things, protecting and increasing transportation funding and facilitating funding partnerships.

**State Expenditures:** TTF expenditures increase by \$75,000 in fiscal 2013 and \$75,000 in fiscal 2014 for contractual costs associated with contributing to meetings and completing technical studies and national research. This estimate is based on contractual costs MDOT incurred in fiscal 2011 and 2012 for the commission.

This estimate assumes that MDOT redirects resources from other projects so it may absorb (1) a potentially significant amount of staff time associated with coordinating the task force, holding meetings, and contributing to the reports; and (2) reimbursements for the task force members.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Department of Transportation, Department of Legislative Services

**Fiscal Note History:** First Reader - March 12, 2012  
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