

**Department of Legislative Services**  
Maryland General Assembly  
2026 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

House Bill 58 (Delegate Healey)  
Environment and Transportation

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**Transportation - Paratransit Services - Interjurisdictional Routes**

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This bill makes various changes to the program through which the Maryland Department of Transportation (MDOT) provides funding to counties (including Baltimore City) for elderly and handicapped transportation services. Generally, the program is modified to require local transportation programs that receive State funding to include interjurisdictional paratransit service routes between counties and the facilities within those counties in the following networks of providers: (1) Adventist Healthcare; (2) Johns Hopkins Medicine; (3) LifeBridge Health; (4) Luminis Health Maryland; (5) MedStar Health; and (6) University of Maryland Medical System.

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**Fiscal Summary**

**State Effect:** The bill’s requirements can be handled using existing budgeted resources. Revenues are not affected.

**Local Effect:** Local governments that receive State funding may incur additional costs to provide interjurisdictional paratransit services, as discussed below. While total State funding provided to the counties and Baltimore City is unchanged, the bill may affect the distribution of funding across local jurisdictions, as discussed below.

**Small Business Effect:** Minimal.

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## Analysis

### Bill Summary/Current Law:

#### *Statewide Special Transportation Assistance Program*

*Under current law*, the Secretary of Transportation must identify separately within its annual budget an amount of funding to be used for elderly and handicapped transportation service in each county (including Baltimore City); MDOT advises that the program is referred to as the Statewide Special Transportation Assistance Program (SSTAP). The amount identified by the Secretary, or appropriated by the General Assembly, must be distributed using a specified formula based on the combined elderly and handicapped population in each county and Baltimore City. Chapter 416 of 2022 requires the Secretary to identify separately within MDOT's annual budget at least the following amounts for the program:

- for fiscal 2024, at least \$4,305,908; and
- for fiscal 2025 and each fiscal year thereafter, an amount that is equal to at least the amount in the immediately preceding fiscal year adjusted for inflation, as specified.

#### *Applications for Funding*

*Under current law*, a written application to receive funding through SSTAP may not be accepted or considered by the Secretary unless the local area agency on aging certifies its approval of the project for the funding for which the application is made.

*Under the bill*, the written application must also identify a county-administered paratransit service that provides transportation for elderly and handicapped residents within designated service areas, including interjurisdictional routes between counties and the facilities within those counties in the specified networks of providers.

#### *Procedures for Program Enforcement*

*Under current law*, the Secretary, in consultation with the Department of Aging and the Department of Disabilities, must monitor the use of SSTAP funds and develop procedures for the proper enforcement of the program. The procedures must ensure that:

- a county uses its funding only for the acquisition or replacement of equipment or for the operating costs of the county's transportation service;

- a county, in consultation with the local area agency on aging, determines the most effective means of serving the transportation needs of its elderly and handicapped residents;
- each county cooperates with the others to best serve the transportation needs of the State's elderly and handicapped residents; and
- a county administering a service that receives program funding must (1) must provide trips for any purpose; (2) must serve the elderly and handicapped citizens within the service areas identified in its application; (3) may not restrict its transportation service to clients of social service agencies; (4) may establish reasonable fares; and (5) may permit persons other than the elderly and handicapped to use or benefit from its transportation service to the extent capacity is available.

*Under the bill*, the requirement that the procedures must ensure that each county must cooperate with others to best serve the transportation needs of the State's elderly and handicapped residents is modified to specify that the cooperation must include establishing interjurisdictional paratransit service routes between counties and the facilities within those counties in the specified networks of providers.

Also *under the bill*, the requirement that the procedures must ensure that a county administering a transportation service that receives program funds must serve the elderly and handicapped citizens within the service areas identified in its application is modified to specify that this must include interjurisdictional paratransit service routes between counties and the facilities within those counties in the specified networks of providers.

**Local Fiscal Effect:** In order to be eligible for SSTAP funding under the bill, counties and Baltimore City must provide interjurisdictional paratransit services as required by the bill. As a result, local paratransit expenditures likely increase to provide additional services.

While total State funding provided to all counties and Baltimore City through the program is unchanged, the bill may affect the distribution of funding across local governments. MDOT anticipates that some applicants that receive funding under current law may be unable to meet the additional eligibility requirements established by the bill, resulting in a decrease in funding for those jurisdictions and an increase in funding for other jurisdictions. County and Baltimore City revenues and expenditures are affected accordingly.

In addition, the Maryland Association of Counties advises that the bill may create administrative challenges for locally operated paratransit programs. Specifically, because health care providers frequently move into or out of network from year to year, a provider's network status is not always clear. As a result, in order to meet the bill's interjurisdictional paratransit service requirements, affected counties and Baltimore City will need to keep track of this information.

## **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Maryland Department of Transportation; Maryland Department of Aging; Maryland Department of Disabilities; Baltimore City; Kent County; Maryland Association of Counties; Department of Legislative Services

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