

March 10, 2020

The Honorable Shane Pendergrass
Chair, House Health and Government Operations Committee
241 House Office Building
Annapolis MD 21401

Re: *Letter of Information – House Bill 1539 – Grant Applications and Reporting – Uniform Forms and Requirements*

Dear Chair Pendergrass and Committee Members:

The Maryland Department of Transportation (MDOT) takes no position on House Bill 1539 but offers the following information for the Committee's consideration.

House Bill 1539 establishes the Maryland Efficient Grant Application Council (Council) to study and make recommendations to the Governor's Grants Office and the Board of Public Works regarding uniform requirements and regulations for grants awarded by State or local agencies. Certain State grant-making agencies would be required to appoint a Chief Accountability Officer to serve as a liaison to the Council and the Governor's Grants Office.

MDOT administers a number of grant programs that have very different grant requirements and applicants/recipients. Grant programs range in size, purpose, process, and authority for the program (established in statute, federal requirements, discretionary, etc.). Grant recipients range from local jurisdictions to law enforcement agencies to community associations. To give a better understanding of the diversity of these programs, several MDOT grant programs are listed below:

- Highway Safety Office grants to State and local governments, law enforcement agencies, non-profit organizations, and institutions of higher education;
- Transportation Alternative Program grants to support bicycle and pedestrian safety and connectivity across the State;
- Recreational Trails Program reimbursable grants to develop, construct, maintain, and restore recreational trails;
- Bikeways Program grants for a wide range of bicycle network development activities;
- Transportation Community Enhancement grants for transportation-related projects in communities surrounding BWI Marshall Airport;
- Locally Operated Transit System grants to locals and non-profits for transit services;
- Highways User Revenue grants for transportation projects in the counties and municipalities across Maryland; and
- Operating, capital, and dedicated capital funding grants to the Washington Metropolitan Area Transit Authority (WMATA).

MDOT recognizes the challenge that multiple grant applications and processes can have on potential applicants and is moving toward a One-Stop based application portal for several of its grant programs. This portal was selected by MDOT because the platform provides features geared toward transportation projects. While this platform works for certain grant programs within MDOT, it is not suitable for all of the grants that MDOT administers. A similar challenge may be faced by the Council when trying to identify a common application that works for all grant programs, as well as for all types of grant recipients (local jurisdictions, non-profits, community associations, etc.). A uniform application required by House Bill 1539 would potentially eliminate the critical data and justifications that MDOT needs to make informed discretionary award decisions.

MDOT currently has a process in place that guarantees our grant programs are managed with a great amount of oversight and technical review and adhere to compliance requirements addressing matching fund requirements, insurance, liability, engineering standards, public involvement, procurement, audits, and labor laws. Some of these grant programs have eligibility and criteria requirements already laid out in State law that may not conform to a universal grant application. Section 2 of House Bill 1539 specifies that the provisions of House Bill 1539 supersede all other grant requirements in law. Several of MDOT's grant programs, including Highway User Revenues and the WMATA grants, are the result of significant collaboration with many stakeholders, and Section 2 of House Bill 1539 would override all of those agreed upon provisions.

MDOT recognizes that House Bill 1539 provides the ability of a State or local agency that administers grants to request an exception to a requirement within House Bill 1539 under certain conditions. While this may help to mitigate some concerns, it may not provide enough flexibility for the large amount of diversity that is contained just within MDOT grants, and even more so on a Statewide level. The Committee may wish to consider excluding certain types of grants programs and/or grant recipients from House Bill 1539.

Finally, MDOT notes it is not named as having a representative on the Council, despite administering hundreds of millions in grant funds annually. Furthermore, according to this legislation, the Council would consist of a group of diverse stakeholders and stakeholder working groups, many of who may be unfamiliar with transportation-related grants.

The Maryland Department of Transportation respectfully requests the Committee consider this information when deliberating House Bill 1539.

Respectfully submitted,

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