SENATE BILL 908

By: Senators DeGrange, Astle, Conway, Ferguson, Gladden, Guzzone, Kagan, Klausmeier, Madaleno, Manno, McFadden, Middleton, Miller, Muse, Nathan–Pulliam, Pugh, Ramirez, Raskin, Zirkin, and Zucker
Introduced and read first time: February 5, 2016
Assigned to: Budget and Taxation

A BILL ENTITLED

AN ACT concerning

Maryland Open Transportation Investment Decision Act of 2016

FOR the purpose of establishing State transportation goals; establishing measures by which the Department of Transportation is required to score the extent to which major capital projects satisfy the goals; requiring the Department to evaluate, score, and rank major capital projects for inclusion in the draft and final Consolidated Transportation Program, in a certain manner; requiring, with a certain exception, that certain capital projects with higher scores be ranked ahead of capital projects with lower scores; requiring the Department to incorporate the State transportation goals in the Consolidated Transportation Program and Maryland Transportation Plan; requiring that certain analyses and benchmarks are included in the Consolidated Transportation Program and Maryland Transportation Plan; providing for the application of this Act; defining a certain term; altering certain definitions; making certain conforming changes; and generally relating to State transportation goals.

BY repealing and reenacting, with amendments,
Article – Transportation
Section 2–103.1
Annotated Code of Maryland
(2015 Replacement Volume and 2015 Supplement)

BY adding to
Article – Transportation
Section 2–103.7
Annotated Code of Maryland
(2015 Replacement Volume and 2015 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

That the Laws of Maryland read as follows:

**Article – Transportation**

2–103.1.

(a) (1) In this section the following words have the meanings indicated.

(2) “Capital project” means:

(i) Any project for which funds are expended for construction, reconstruction, or rehabilitation of a transportation facility by the Department or of a transportation facilities project by the Maryland Transportation Authority; or

(ii) Capital equipment, as defined by the Secretary.

(3) “Construction phase” means the phase of a capital project in which the project is committed and advanced from the project development phase to completion.

(4) “Major capital project” means any new, expanded, or significantly improved facility or service that involves planning, environmental studies, design, right-of-way, construction, or purchase of essential equipment related to the facility or service.

(5) “Minor capital project” means any project for the preservation or rehabilitation of an existing facility or service, including the planning, design, right-of-way, construction, or purchase of equipment essential to the facility or service, and generally not requiring the preparation of an environmental impact assessment.

(6) “Project development phase” means the phase of a capital project in which planning, engineering, and environmental studies and analyses are conducted with full participation by the public, prior to commitment to construction.

(7) (i) “Proposing entity” means a government agency or political subdivision that requests that a transportation project be included in the Consolidated Transportation Program.

(ii) “Proposing entity” includes a county, a municipality, a metropolitan planning organization, or a modal administration or any other agency of the Department.

(8) “Purpose and need summary statement” means a brief statement that specifies the underlying purpose and need for a project.

(9) “Significant change” means any change that affects the size or character of a project to the extent that the change:
(i) Substantially modifies the capacity, level of service, or cost of the project;

(ii) Alters the function or purpose of the project; or

(iii) Impacts the ability of a modal administration to accomplish the program priorities established by the Secretary in the State Report on Transportation.

(10) “State transportation goals” means the goals described in [the Maryland Transportation Plan] § 2–103.7 OF THIS SUBTITLE.

(11) “Transportation facilities project” has the meaning stated in § 4–101(i) of this article.

(12) “Transportation facility” has the meaning stated in § 3–101(l) of this article.

(b) The State Report on Transportation consists of the Consolidated Transportation Program and the Maryland Transportation Plan.

(c) (1) The Consolidated Transportation Program shall:

   (i) Be revised annually IN ACCORDANCE WITH § 2–103.7 OF THIS SUBTITLE; and

   (ii) Include:

       1. A list of:

          A. The current State transportation goals;

          B. Program priorities; and

          C. For projects in the construction phase, the criteria used to select major capital projects for inclusion in the capital program[, as determined by the Department];

       2. A statement of the Department’s projected annual operating costs, set forth separately for the Office of the Secretary and for each modal administration;

       3. Expanded descriptions of major capital projects;

       4. A list of major capital projects for the current year, the budget request year, and the 4 successive planning years;
5. A list of anticipated minor capital projects, including a specific list of anticipated special projects for the current year and the budget request year and an estimate of the Program level for each of the 4 successive planning years;

6. A list of major bridge work projects;

7. A summary of the capital and operating programs, as defined by the Secretary, for the Maryland Transportation Authority;

8. For each listed major capital project, an indication whether the revenue source anticipated to support that project consists of federal, special, general, or other funds;

9. The Department’s estimates of the levels and sources of revenues to be used to fund the projects in the Program;

10. A glossary of terms; and

11. A cross-reference table for the information contained in the various parts of the State Report on Transportation.

(2) In addition to the items listed in paragraph (1) of this subsection, the Consolidated Transportation Program shall include:

(i) A summary of current efforts and future plans, prepared after consultation with the Director of Bicycle and Pedestrian Access and the Bicycle and Pedestrian Advisory Committee established under § 2–606 of this title:

1. To develop and promote bicycle and pedestrian transportation; and

2. Working together with local jurisdictions, to accommodate in a safe and effective manner pedestrians and bicycles within a reasonable distance for walking and bicycling to rail stops, light rail stops, and subway stations;

(ii) A listing of all bicycle and pedestrian transportation projects expected to use State or federal highway funds; and

(iii) Reflected under the Office of the Secretary, any technology–related project to be funded from the account established under § 2–111 of this subtitle, along with a description and projected cost of each.

(3) Annually, the Consolidated Transportation Program shall include a report that:
(i) Identifies each major capital project for which the budget bill or a supplemental budget amendment first requests funds for the project development phase or for the construction phase;

(ii) With respect to each major capital project for which funds are requested in the budget request year, states:

1. The amount of the funds requested; and

2. The total estimated cost of the project;

(iii) Identifies significant changes in the cost, scope, design, or scheduling of major capital projects for each completed fiscal year;

(iv) When there is a significant change in cost, states the amount by which the expenditures that have been authorized exceed the original project estimate;

(v) When there is a significant change, states:

1. The amount by which costs exceed projected costs during each completed fiscal year; and

2. The total amount that has been expended for a major capital project;

(vi) Provides a purpose and need summary statement that includes:

1. A general description and summary that describes why the project is necessary and satisfies State TRANSPORTATION goals, including [current State transportation goals and] Climate Action Plan goals required by the Greenhouse Gases Emissions Reduction Act of 2009 under § 2–1205(b) of the Environment Article;

2. The location of the project, including a map of the project limits, project area, or transportation corridor; and

3. A summary of how the project meets the selection criteria ESTABLISHED UNDER § 2–103.7 OF THIS SUBTITLE for inclusion in the capital program; and

(vii) Includes any other information that the Secretary believes would be useful to the members of the General Assembly, the general public, or other recipients of the Consolidated Transportation Program.

(4) The total operating and capital expenditures for the Department or for the Office of the Secretary or any modal administration projected in the Consolidated Transportation Program for the budget request year may not exceed the budget request for the Department, Office, or modal administration for that year.
(5) For a major capital project to be considered for inclusion in the construction program of the Consolidated Transportation Program, a request must be submitted to the Secretary by the proposing entity along with a purpose and need summary statement justifying the project that includes:

(i) The location of the project, including a map of the project limits, project area, or transportation corridor;

(ii) The need for the project; and

(iii) A discussion of how the project:

1. Addresses State transportation goals; and

2. Supports local government land use plans and goals.

(6) (i) The Department shall evaluate requests for major capital projects based on the State’s TRANSPORTATION goals AND MEASURES ESTABLISHED UNDER § 2–103.7 OF THIS SUBTITLE and, as appropriate, criteria as determined by the information submitted by the proposing entity and the availability of funding.

(ii) As part of the evaluation under this paragraph, the Department shall acknowledge the difference between urban and rural transportation needs.

(7) (i) The Department, in developing a construction or improvement project involving a bridge or other transportation facility that is adjacent to or crosses a waterway for inclusion in the Consolidated Transportation Program, shall consider any reasonable and appropriate measures to provide or improve in the vicinity of the bridge or other transportation facility water access for fishing, canoeing, kayaking, or any other nonmotorized water dependent recreational activity.

(ii) The Department, in consultation with the Department of Natural Resources and interested stakeholders, shall establish:

1. Standards and guidelines for identifying appropriate bridges and other transportation facilities to be considered for the provision or improvement of water access under this paragraph; and

2. Best practices and cost effective strategies for accommodating water access under this paragraph.

(d) The Maryland Transportation Plan shall:

(1) [Be] EXCEPT AS OTHERWISE PROVIDED, be revised every 5 years through an inclusive public participation process;
(2) Include a 20–year forecast of State transportation needs, based on the financial resources anticipated to be available to the Department during that 20–year period;

(3) Be expressed in terms of the State Transportation goals and [objectives] MEASURES; and

(4) Include a summary of the types of projects and programs that are proposed to accomplish the State Transportation goals and [objectives] MEASURES, using a multi–modal approach when feasible.

(e) On or before November 15 of each year, the Department shall visit each county to give local governments and local legislative delegations information about and an opportunity to comment on the proposed Consolidated Transportation Program and the proposed Maryland Transportation Plan.

(f) At the earliest practical date but no later than November 1 of each year, the Department shall provide the proposed Consolidated Transportation Program and the proposed Maryland Transportation Plan to the Department of Planning for review and comment on planning issues including consistency between transportation investments and the State Economic Growth, Resource Protection, and Planning Policy and State priority funding areas established under Title 5, Subtitle 7B of the State Finance and Procurement Article.

(g) Beginning with the year 2002 State Report on Transportation and continuing thereafter, before the General Assembly considers the proposed Maryland Transportation Plan and the proposed Consolidated Transportation Program, the Department shall submit an annual report on the attainment of State transportation goals and benchmarks for the approved and proposed Maryland Transportation Plan and the approved and proposed Consolidated Transportation Program to the Governor and, subject to § 2–1246 of the State Government Article, to the General Assembly.

(h) (1) The report required under subsection (g) of this section shall include:

(i) The establishment of certain measurable performance indicators or benchmarks, in priority funding areas at a minimum, designed to quantify the State Transportation goals and [objectives] MEASURES specified in the Maryland Transportation Plan and § 2–103.7 OF THIS SUBTITLE; and

(ii) The degree to which the projects and programs contained in the approved Maryland Transportation Plan and Consolidated Transportation Program attain those goals and benchmarks as measured by the performance indicators or benchmarks.

(2) The Department shall include in its report measurable long–term goals, and intermediate benchmarks of progress toward the attainment of the long–term goals, for the following measurable transportation indicators:
(i) An increase in the share of total person trips for each of transit, high occupancy auto, pedestrian, and bicycle modes of travel;

(ii) A decrease in indicators of traffic congestion as determined by the Department; and

(iii) Any other performance goals established by the Department for reducing automobile traffic and increasing the use of nonautomobile traffic.

(3) The performance indicators or benchmarks described in this subsection shall acknowledge the difference between urban and rural transportation needs.

(i) The Smart Growth Subcabinet, established under Title 9, Subtitle 14 of the State Government Article, shall conduct an annual review of the transportation goals, benchmarks, and indicators.

(j) (1) An advisory committee shall be assembled to advise the Department on the establishment of the transportation goals, benchmarks, and indicators under subsection (h) of this section.

(2) Membership of the advisory committee shall include but is not limited to the following members appointed by the Governor:

(i) A representative of the Maryland business community;

(ii) A representative of the disabled citizens community;

(iii) A representative of rural interests;

(iv) A representative of an auto users group;

(v) A representative of a transit users group;

(vi) A representative of the goods movement industry;

(vii) A nationally recognized expert on transportation demand management;

(viii) A nationally recognized expert on pedestrian and bicycle transportation;

(ix) A nationally recognized expert on transportation performance measurement;

(x) A representative of an environmental advocacy organization;
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(xi) A representative from the Maryland Department of Planning;

(xii) A representative of the Maryland Association of Counties; and

(xiii) A representative of the Maryland Municipal League.

(3) The Governor shall appoint the chairman of the advisory committee.

(4) The advisory committee shall meet at least four times during the process of developing the Maryland Transportation Plan to provide advice to the Department on meeting the requirements of this subsection.

(5) The Department and the advisory committee shall consider the following:

(i) Transportation and population trends and their impact on the State’s transportation system and priority funding areas;

(ii) Past and present State funding devoted to the various transportation modes and demand management;

(iii) The full range of unmet transportation needs in priority funding areas;

(iv) The full range of transportation measures and facilities available, and their role, effectiveness, and cost effectiveness in providing travel choices and reducing congestion;

(v) A review of transportation performance indicators and their use in other states;

(vi) A review of the coordination of State transportation investments with local growth plans for priority funding areas;

(vii) The types of investments needed and their levels of funding for supporting the STATE TRANSPORTATION goals and [objectives of the Maryland Transportation Plan] MEASURES ESTABLISHED UNDER § 2–103.7 OF THIS SUBTITLE;

(viii) The impact of transportation investment on:

1. The environment;

2. Environmental justice as defined in § 1–701 of the Environment Article;

3. Communities; and
Economic development; and


(k) The Department may:

(1) Conduct its analysis of planned transportation investments in priority funding areas on a statewide basis or in groupings of priority funding areas centered on regions, metropolitan areas, cities, or other groupings suitable for transportation modeling; and

(2) Choose to exclude from its analysis priority funding areas which have an insignificant role in transportation trends because of small size, population, or physical isolation.

(l) In the report required under subsection (g) of this section, the Department shall:

(1) Use narrative, graphs, charts, tables, and maps as appropriate to make the results easily understood by the public;

(2) Include projected long–term trends for each of the indicators and the effect of planned transportation investments on the trends;

(3) To the extent practicable, account for the effect of planned transportation investments on inducing automobile travel;

(4) To the extent practicable, account for automobile trips not taken due to demand management measures, including teleworking, teleshopping, and land use patterns supporting alternatives to driving; and

(5) Indicate the cost effectiveness of investments for achieving relevant performance goals and benchmarks, including a specific analysis of planned transportation investments detailing:

(i) Any projected decreases or increases in indicators of traffic congestion and accessibility as defined by the Department; and

(ii) The cost per passenger mile and other indicators of cost effectiveness as defined by the Department, including the estimated annual cost of maintenance and operations.

(m) (1) (i) Subject to § 2–1246 of the State Government Article:

1. On or before September 1 of each year, the Department shall submit copies of the proposed Consolidated Transportation Program, INCLUDING
THE MANNER IN WHICH EACH MAJOR PROJECT WAS EVALUATED AND RANKED UNDER § 2–103.7 OF THIS SUBTITLE, and the supporting financial forecast to the General Assembly; and

2. On submission of the budget bill to the presiding officers of the General Assembly, the Department shall submit copies of the approved Consolidated Transportation Program, INCLUDING THE MANNER IN WHICH EACH MAJOR PROJECT WAS EVALUATED AND RANKED UNDER § 2–103.7 OF THIS SUBTITLE, and the supporting financial forecast to the General Assembly.

(ii) Notwithstanding § 2–1246(b)(2) of the State Government Article, the Department shall provide to each member of the General Assembly a copy of the proposed Consolidated Transportation Program and the approved Consolidated Transportation Program.

(2) (i) The financial forecast supporting the Consolidated Transportation Program to be submitted to the General Assembly under paragraph (1) of this subsection shall include the following components:

1. A schedule of operating expenses for each specific modal administration;

2. A schedule of revenues, including tax and fee revenues, deductions from revenues for other agencies, Department program and fees, Motor Vehicle Administration cost recovery, deductions for highway user revenues, operating revenues by modal administration, and miscellaneous revenues; and

3. A summary schedule for the Transportation Trust Fund that includes the opening and closing Fund balance, revenues, transfers, bond sales, bond premiums, any other revenues, expenditures for debt service, operating expenses, amounts available for capital expenses, bond interest rates, bond coverage ratios, total bonds outstanding, federal capital aid, and the total amount for the Transportation Capital Program.

(ii) The financial forecast shall include, for each of the components specified in subparagraph (i) of this paragraph:

1. Actual information for the last full fiscal year; and

2. Forecasts of the information for each of the six subsequent fiscal years, including the current fiscal year, the fiscal year for the proposed budget, and the next four subsequent fiscal years.

(iii) The Department shall incorporate in the financial forecast the most recent estimates by the Board of Revenue Estimates of the revenues from:
1. The corporate income tax and the sales and use tax for each of the six subsequent years, including the current fiscal year and the fiscal year for the proposed budget; and

2. Motor fuel taxes and motor vehicle titling taxes for the current fiscal year and the fiscal year for the proposed budget.

2–103.7.

(A) In this section, “major capital project” has the meaning stated in § 2–103.1 of this subtitle.

(B) The Department shall evaluate and rank major capital projects for inclusion in the draft and final Consolidated Transportation Program based on the goals and measures established under subsection (C) of this section.

(C) (1) The State transportation goals are:

   (i) Safety and security;

   (ii) System preservation;

   (iii) Quality of service;

   (iv) Environmental stewardship;

   (v) Community vitality;

   (vi) Economic prosperity;

   (vii) Equitable access to transportation; and

   (viii) Cost effectiveness and return on investment.

(2) In evaluating whether and to what extent a major capital project satisfies the goals established under paragraph (1) of this subsection, the Department, using a 20–year forecast in the project area, shall assign a score from 1 to 100 for each goal in the following manner:

   (i) For safety and security:
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1. The expected reduction in total fatalities and severe injuries in all modes affected by the project shall account for 50% of the score;

2. The extent to which the project implements the Maryland State Highway Administration’s Complete Streets policies shall account for 25% of the score; and

3. The extent to which the project is expected to reduce vehicle miles traveled shall account for 25% of the score.

(II) For system preservation:

1. The degree to which the project increases the lifespan of the affected facility shall account for 40% of the score;

2. The degree to which the project increases the functionality of the facility shall account for 30% of the score; and

3. The degree to which the project renders the facility more resilient shall account for 30% of the score.

(III) For quality of service:

1. The expected change in cumulative job accessibility within an approximately 45–minute commute for highway projects or an approximately 60–minute commute for transit projects shall account for 50% of the score;

2. The expected change in cumulative job accessibility for disadvantaged populations within a 45–minute commute for highway projects or an approximately 60–minute commute for transit projects shall account for 20% of the score; and

3. The degree to which the project supports connections between different modes of transportation and promotes multiple transportation choices shall account for 30% of the score.

(IV) For environmental stewardship:
1. The potential of the project to limit or reduce harmful emissions shall account for 30% of the score;

2. The degree to which the project avoids impacts on State resources in the project area and adjacent areas shall account for 30% of the score; and

3. The degree to which the project advances the State environmental goals of the State shall account for 40% of the score.

(v) For community vitality:

1. The degree to which the project is projected to increase the use of walking, biking, and transit shall account for 25% of the score;

2. The degree to which the project enhances existing community assets shall account for 25% of the score;

3. The degree to which the project furthers the affected community’s and State’s plans for revitalization shall account for 25% of the score; and

4. The degree to which the project supports compact development patterns in existing communities and does not induce premature and low-density development on the outskirts of existing communities shall account for 25% of the score.

(vi) For economic prosperity:

1. The projected increase in the cumulative job accessibility within an approximately 45-minute commute for projects shall account for 40% of the score;

2. The extent to which the project is projected to enhance access to critical intermodal locations for the movement of goods and services shall account for 30% of the score; and

3. The projected increase in furthering nonspeculative local and State economic development strategies in existing communities shall account for 30% of the score.
(VII) For equitable access to transportation:

1. The expected increase in job accessibility for disadvantaged populations within an approximately 45–minute commute for projects shall account for 40% of the score;

2. The projected economic development impact on low–income communities shall account for 30% of the score; and

3. The potential for the project to revitalize and enhance low–income communities shall account for 30% of the score.

(VIII) For cost effectiveness and return on investment:

1. The extent to which the project is projected to enhance access to critical intermodal locations for the movement of goods and services shall account for 50% of the score; and

2. The degree to which the enhancements to the project area are weighted against the per capita cost of the project shall account for 50% of the score.

(3) The department shall multiply the total combined score of each major capital project by a weighting factor equal to one plus the results of dividing the population in the project area by the population of Maryland.

(D) (1) The score of a major capital project shall be based solely on the goals and measures established under subsection (C) of this section.

(2) Except as provided under paragraph (3) of this subsection, the department shall prioritize major capital projects with higher scores for inclusion in the Consolidated Transportation Program over major capital projects with lower scores.

(3) The department may include in the Consolidated Transportation Program a major capital project with a lower score over a major capital project with a higher score if it provides in writing a rational basis for the decision.
(E) This section does not apply to minor capital projects, as defined in § 2–103.1 of this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That the Department of Transportation update the 2014 Maryland Transportation Plan to reflect the goals and measures established under this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any major capital project moved to the construction phase before the effective date of this Act.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.