

Department of Legislative Services
 Maryland General Assembly
 2016 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 1338 (Delegate Smith)
 Environment and Transportation

Transportation - Transit Improvements - Interstate 270 Corridor

This bill requires the Governor to include appropriations in the budget bills for fiscal 2018 through 2021 that total at least \$100 million for the purpose of financing improvements to Maryland Area Rail Commuter (MARC) service on the Brunswick line in Montgomery and Frederick counties. The improvements must be consistent with the MARC Growth and Investment Plan issued by the Maryland Department of Transportation (MDOT) in 2007. By December 1, 2016, MDOT must submit a report to specified legislative committees that includes a detailed description of (1) the transit improvements, if any, that MDOT is considering as part of the project to relieve congestion on Interstate 270, as described in the fiscal 2016 through 2021 *Consolidated Transportation Program* and (2) how the \$100 million could be most effectively spent.

The bill takes effect June 1, 2016.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures increase by \$100,000 in FY 2017 for MDOT to determine the most effective manner in which to spend the mandated appropriation. TTF expenditures increase by an estimated \$25 million annually from FY 2018 through 2021 to meet the minimum mandated appropriation of \$100 million; however, the amount appropriated in any given year could vary. Revenues are not affected. Although the bill takes effect June 1, 2016, it is assumed that there is no impact in FY 2016. **This bill establishes a mandated appropriation beginning in FY 2018.**

(in dollars)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	100,000	25,000,000	25,000,000	25,000,000	25,000,000
Net Effect	(\$100,000)	(\$25,000,000)	(\$25,000,000)	(\$25,000,000)	(\$25,000,000)

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

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

Small Business Effect: None.

Analysis

Current Law: The Maryland Transit Administration (MTA) operates a comprehensive transit system throughout the Baltimore-Washington metropolitan area, including more than 50 local bus lines in Baltimore and other services such as the light rail, Metro subway, commuter buses, MARC trains, and mobility/paratransit vehicles. MTA is currently the lead agency for coordinating the financing, construction, and future operation of both the Red Line and Purple Line transit projects.

MARC commuter train service operates three different lines that serve several Maryland counties; Washington, DC; and Martinsburg, West Virginia: the Brunswick Line; the Camden Line; and the Penn Line. In December 2013, MARC began to offer weekend service on the Penn Line; the other lines offer service only on weekdays and select holidays. MARC train service on the Brunswick Line operates between Brunswick, Maryland and Union Station in Washington, DC. This line also includes an extension to Frederick, Maryland and Martinsburg, West Virginia. Stops along the Brunswick Line include areas surrounding Washington DC, such as Gaithersburg, Rockville, and Silver Spring, Maryland.

The *Consolidated Transportation Program (CTP)*, which is issued annually to the General Assembly, local elected officials, and interested citizens, provides a description of projects proposed by MDOT for development and evaluation or construction over the next six-year period.

Background: In the CTP for fiscal 2016, MDOT describes I-270 as one of Maryland's most heavily traveled roadways; its congestion affects both motorist safety and the economy. The CTP contains numerous projects to help alleviate congestion on I-270, including (1) the development of traffic management strategies; (2) a multimodal study to consider both highway and transit improvements in the I-270/US 15 corridor; (3) the construction of a new I-270 interchange at Watkins Mill Road, including bicycle and pedestrian improvements; and (4) the pilot implementation of active traffic management and innovative congestion mitigation tools.

In 2007, the MARC Growth and Investment Plan outlined goals for 2010, 2015, 2020, and 2035. For capital investment improvements to the Brunswick Line, that plan projected an investment of \$63 million in 2010, \$140 million in 2015, \$140 million in 2020, and \$190 million in 2035. The planned improvements included lengthening the trains,

increasing the number of trains that run per day, increasing the number of express trains, and extending service to northern Virginia.

In 2013, the MARC Growth and Investment Plan was updated and reorganized by near-term (2013 to 2019), long-term (2020 to 2029), and future (2030 to 2050) goals. For the Brunswick Line, the plan's near-term goals include a capital investment of \$57 million to maintain a state of good repair and improve overall MARC service. The plan's long-term goals include \$264 million in capital investments to lengthen trains, improve service, and overhaul existing trains and railcars. The plan's future goals include capital investments of \$321 million to continue improving service, increasing service hours, and overhauling existing equipment.

State Expenditures: Even though the bill does not specify how much money must be appropriated in each year between fiscal 2018 and 2021, for the purposes of this analysis, it is assumed that the Governor includes \$25 million in the budget bill each year for the four-year period to meet the bill's minimum mandated appropriation of \$100 million. Actual expenditures likely depend on the results of the bill's required study and associated report, which is due by December 1, 2016. In addition, the bill leaves discretion to the Governor to decide how much to include in the budget bill each year. Thus, TTF expenditures in any given year may vary as long as a minimum of \$100 million is included in the budget bills over the four-year period.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Transportation, Montgomery County, Department of Budget and Management, Department of Legislative Services

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md/lgc

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