

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1199 (Delegate Jacobs, *et al.*)
Environment and Transportation

Northern Bay Crossing

This bill prohibits the Maryland Department of Transportation (MDOT), the Maryland Transportation Authority (MDTA), and the State Roads Commission from planning, designing, financing, condemning property for, or constructing a northern crossing of the Chesapeake Bay with a terminus in Kent County, as specified. MDOT and MDTA must refocus attention away from bridges across the Chesapeake Bay and consider other alternatives, such as providing incentives to encourage motorists to use the Susquehanna River Bridge on Interstate 95 and reestablishing ferry service across the bay. **The bill takes effect June 1, 2018.**

Fiscal Summary

State Effect: Nonbudgeted expenditures and revenues for MDTA may be affected; however, any such impact cannot be reliably estimated, as discussed below.

Local Effect: Local government revenues and expenditures may be affected; however, any such impact cannot be reliably estimated, as discussed below.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: The State Roads Commission may not construct, maintain, repair, operate, perform preliminary engineering for, acquire right-of-way for, or issue revenue bonds for a northern crossing of the Chesapeake Bay that has a terminus in Kent County.

MDOT and MDTA may not include in any plan, study, analysis, report, proposal, conceptualization, or other document any reference or statement that considers a northern Chesapeake Bay crossing that has a terminus in Kent County; any such reference must be removed from any existing MDOT or MDTA document, as specified. However, an MDOT and MDTA document may include a prohibition against the planning, design, or construction of such a crossing. Kent County's comprehensive plan for the county may also include a statement that prohibits the planning, design, or construction of such a crossing.

The bill also states several related findings and declarations of the General Assembly. In addition, the bill states the intent of the General Assembly that MDOT carefully reexamine the provisions of the federal National Environmental Policy Act (NEPA) before making an assumption that any enactment of the General Assembly that removes from the law the concept of a Chesapeake Bay Crossing with a terminus in Kent County would conflict with NEPA.

Current Law: Since 1971, MDTA has been responsible for constructing, managing, operating, and improving the State's toll facilities and for financing new revenue-producing transportation projects. MDTA has the authority to set tolls on transportation facilities projects under its supervision. MDTA's transportation facilities projects are primarily comprised of bridges, tunnels, and toll highways, such as the Chesapeake Bay Bridge, the Baltimore Harbor Tunnel, and the John F. Kennedy Memorial Highway.

The State Roads Commission (now part of the State Highway Administration) has the authority to construct, maintain, and operate a crossing either parallel to the existing William Preston Lane Jr. Memorial Bridge (better known as the Chesapeake Bay Bridge) and running between Sandy Point and Kent Island, or between Millers Island and a point in Kent County. The State Roads Commission may perform preliminary engineering for such a crossing, acquire a right-of-way for the crossing, and issue revenue bonds to fund such a crossing.

A State agency, including MDTA, must get the approval of the majority of affected governments to construct a toll road, toll highway, or toll bridge in Caroline, Cecil, Dorchester, Kent, Queen Anne's, Somerset, Talbot, Wicomico, and Worcester counties.

Background:

Chesapeake Bay Bridge

The Chesapeake Bay Bridge is the only toll bridge that currently crosses the Chesapeake Bay. The bridge connects Maryland's Eastern Shore recreational regions with

the metropolitan areas of Baltimore, Annapolis, and the District of Columbia. The original two-lane bridge was constructed in 1952, and the second three-lane bridge was constructed in 1973. MDTA, which maintains and operates the bridge, estimates that about 25.6 million vehicles crossed the bridge in fiscal 2014. Traffic congestion on the bridge can be severe.

The 2015 Bay Bridge Life Cycle Cost Analysis estimates that, by 2040, average traffic on the bridge will increase by at least 31.3% (to 92,800 vehicles per day). Furthermore, on summer Fridays (one of the heaviest traffic days for the bridge), traffic volume is estimated to increase by at least 36.6% by 2040 (to 94,300 vehicles).

The analysis also researched and developed alternatives designed to improve the Bay Bridge and its approaching roadways. The analysis includes a cost estimate of \$3.25 billion to simply repair and maintain the bridge in its existing form through 2065, as well as a range of alternatives that involve building a third bridge across the bay, demolishing one or both existing bridges to rebuild with additional travel lanes, and widening the U.S. 50/301 main line by one lane. Costs for the alternatives are estimated through 2060 and range from \$7.80 billion (which simply widens and rehabilitates the existing eastbound bridge to three lanes) to \$25.34 billion (which demolishes both existing structures to rebuild a new, single, eight-lane bridge).

Environmental Impact Study Process

For major transportation projects, NEPA requires a range of alternatives to be considered and the environmental impacts of each alternative to be analyzed. This type of study is required prior to the commitment of federal funds by the Federal Highway Administration to any major project or prior to any action taken by a federal agency that might cause a significant impact on the environment. Some of the basic steps in this process include a public scoping process, data collection, analysis of policy alternatives, and preparation of draft and final documents. The process involves numerous federal, state, and local partners; can take several years; and costs millions of dollars.

State Fiscal Effect: MDTA advises that it is currently undertaking a Tier 1 NEPA study for a third crossing of the Chesapeake Bay and that one of the issues being explored is the best location for a new bridge. Any impact of restricting the location of such a transportation facility cannot be reliably estimated; however, MDTA advises that doing so may have an effect on its nonbudgeted revenues and expenditures. For example, to the extent that the NEPA study concludes or suggests that the best option for a third span has a terminus in Kent County, under the bill, MDTA must choose another alternative, which may be more expensive or have more environmental impacts. In addition, MDTA advises that the NEPA study may need to be altered to remove any assessment of bridge locations that have a terminus in Kent County.

Local Fiscal/Small Business Effect: The selection of a site for a bay crossing could significantly affect local governments and small businesses through increased traffic, possible changes in property values (and corresponding changes in local property tax revenues), and increased development. To the extent Kent County would have been chosen as a terminus for a new bridge in the absence of the bill, the bill may have fiscal effects on Kent County (and businesses in the county) as well as any county affected by an alternative terminus chosen as a result of the bill. However, any such impact cannot be reliably estimated at this time.

Additional Information

Prior Introductions: HB 981 of 2007 received an unfavorable report from the House Environmental Matters Committee.

Cross File: None.

Information Source(s): Kent and Queen Anne's counties; Maryland Department of Transportation; Department of Legislative Services

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mm/lgc

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