

Department of Legislative Services  
Maryland General Assembly  
2020 Session

FISCAL AND POLICY NOTE  
First Reader

House Bill 205 (Delegate D.M. Davis, *et al.*)  
Appropriations and Environment and  
Transportation

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**Southern Maryland Rapid Transit Project - Requirements and Funding**

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This bill requires the Maryland Department of Transportation (MDOT) to promptly undertake all steps necessary to complete the design, engineering, and National Environmental Policy Act (NEPA) process and secure a record of decision for the Southern Maryland Rapid Transit Project. To meet this requirement, the Governor must include in the annual State budget an appropriation from the Transportation Trust Fund (TTF) of at least (1) \$12.0 million in fiscal 2022 and (2) \$15.0 million in fiscal 2023. These appropriations may be reduced by the amount of funding authorized in fiscal 2021 for the project. **The bill takes effect July 1, 2020.**

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**Fiscal Summary**

**State Effect:** Because MDOT’s capital program is fully subscribed, overall TTF expenditures are not affected. However, the bill requires MDOT to redirect a total of \$27.0 million in funding from other projects between FY 2021 and 2023, as discussed below. Revenues are not affected. **The bill establishes a mandated appropriation for FY 2022 and 2023.**

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

**Small Business Effect:** Minimal.

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**Analysis**

**Bill Summary:** “Southern Maryland Rapid Transit Project” means a high-capacity, fixed-route rapid transit service, with light rail transit as the preferred option, operating in

a dedicated, grade-separated 18.7-mile transitway in the Maryland Route 5/U.S. Route 301 corridor from the Branch Avenue Metrorail Station in Prince George's County to Waldorf and White Plains in Charles County.

### **Current Law/Background:**

#### *Maryland Transit Administration*

The Maryland Transit Administration (MTA) is a modal unit within MDOT, and it 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, Baltimore Metro subway, commuter buses, Maryland Area Regional Commuter trains, and mobility/paratransit vehicles. With the exception of the District of Columbia Metrorail system, MDOT and MTA are generally the agencies responsible for the construction and operation of transit lines in the State.

#### *Environmental Impact Study Process*

For major transportation projects, such as the project being proposed by the bill, NEPA requires a range of alternatives to be considered and the environmental impacts of each alternative to be analyzed. This Environmental Impact Statement (EIS) is required prior to the commitment of federal funds 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.

NEPA is triggered when a project requires federal action, including approval of funding, joint and multiple use permits, changes in access control, and more. According to federal regulations, there are three classes of actions that have different levels of documentation required under NEPA. Class I actions require a full EIS; these include construction of new highways, fixed rail transit facilities, and other similar projects. Class II actions do not have a significant environmental effect and, therefore, do not require an EIS or environmental assessment; they include (1) actions that do not involve or lead to construction; (2) installation of noise barriers; (3) specified emergency repairs; and (4) other specified actions. Class III actions are those in which the significance of the environmental impact is not clearly established and, therefore, require the preparation of an environmental assessment, which is a less rigorous analysis than an EIS.

**State Expenditures:** The bill's mandated appropriations do not increase total TTF expenditures; MDOT's capital program is fully subscribed through fiscal 2025 and the current draft [Consolidated Transportation Program for Fiscal 2020 through 2025](#) does not

include any funding for the Southern Maryland Rapid Transit Project. Therefore, the mandated appropriations require funding to be redirected from other existing projects.

Specifically, the bill establishes a mandated appropriation of at least \$12.0 million in fiscal 2022 and at least \$15.0 million in fiscal 2023, but allows MDOT to reduce these appropriations by the amount of funding authorized in fiscal 2021 for the project. As such, MDOT has discretion over which existing projects receive less funding as a result of the bill and when the \$27.0 million in total mandated funding is spent between fiscal 2021 and 2023.

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### **Additional Information**

**Prior Introductions:** SB 845 of 2019 received a hearing in the Senate Budget and Taxation Committee, but no further action was taken.

**Designated Cross File:** SB 105 (Senator Ellis) - Budget and Taxation.

**Information Source(s):** Maryland Department of Transportation; Department of Budget and Management; Maryland Department of the Environment; Department of Legislative Services

**Fiscal Note History:** First Reader - January 17, 2020  
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