

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 116 (Delegate Palakovich Carr)
Environment and Transportation

Transportation – I-270 Commuter Bus Route Study

This bill requires the Maryland Department of Transportation (MDOT) to study and make recommendations on the feasibility of establishing a point-to-point commuter bus route that serves the population centers along the I-270 corridor in Frederick and Montgomery counties and provides service to and from the job centers in northern Virginia. MDOT must submit a final report of its findings, conclusions, and recommendations to the Governor and the General Assembly by December 1, 2022. **The bill takes effect July 1, 2021, and terminates June 30, 2023.**

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures increase by between \$200,000 and \$545,000 to complete the required study between FY 2022 and 2023, as discussed below. Revenues are not affected.

Local Effect: Affected local governments can coordinate with and provide information to MDOT as necessary and appropriate using existing budgeted resources. Local revenues are not affected.

Small Business Effect: Minimal or none.

Analysis

Bill Summary: In conducting the study, MDOT must:

- identify the start and end point for the bus route, including potential bus stops between the two;

- estimate the total ridership for the bus route, including the ridership at each potential bus stop;
- conduct a cost-benefit analysis on establishing all-day service versus rush-hour-only service;
- identify related infrastructure needs, capital costs, and operating costs, as specified; and
- consult with specified local government entities, the Washington Metropolitan Area Transit Authority, public transit advocates, representatives from the local business community, residents of Frederick and Montgomery counties, and the Commonwealth of Virginia.

Current Law: None directly relevant.

State Expenditures: MDOT advises, and the Department of Legislative Services (DLS) concurs, that the study required by the bill requires extensive research and time to conduct. MDOT advises that it plans to perform a travel market analysis, conduct ridership forecasting, estimate revenue projections, and review previous studies and best practices. Moreover, the broad scope of the work is likely to require coordination with multiple government entities, stakeholders, advocates, and entities beyond those required by the bill.

With respect to similar legislation introduced during a prior session, MDOT advised that the study would require approximately 1,050 hours of work. However, with respect to this bill, MDOT anticipates that the bill requires closer to 2,000 hours of work; MDOT now believes that a more robust study is needed to meet the bill's requirements. DLS cannot independently verify the exact scope of the work required by the bill. Depending on the scope of the study that is ultimately conducted, TTF expenditures increase by between \$200,000 and \$545,000 between fiscal 2022 and 2023 to employ the services and consultants necessary to conduct the required study.

This analysis assumes that MDOT redirects staff from existing priorities and projects to assist with the study as necessary. To the extent that MDOT is required to hire additional, temporary staff to assist with the study instead, TTF expenditures further increase.

Additional Comments: In September 2017, the Governor announced plans to add four new lanes to I-270 in Montgomery County, the Capital Beltway (I-495), and the Baltimore-Washington Parkway (MD 295), with the first two projects expected to be completed using public-private partnerships (P3s). In June 2019, the Board of Public Works voted to designate the I-270 and I-495 projects as eligible for a P3 and approved the proposed competitive solicitation method for selecting a developer for each phase of the program.

The draft *Consolidated Transportation Program (CTP) for fiscal 2021 through 2026* includes \$27.9 million to continue planning for the new lanes on I-270 and I-495.

Additional Information

Prior Introductions: HB 390 of 2020 passed the House with amendments and was referred to the Senate Finance Committee, but no further action was taken. Its cross file, SB 548, received a hearing in the Senate Finance Committee, but no further action was taken.

Designated Cross File: SB 242 (Senator Young) - Finance.

Information Source(s): Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - January 15, 2021
rh/lgc

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