

Larry Hogan Governor Boyd K. Rutherford Lt. Governor

Gregory Slater Acting Secretary

January 28, 2020

The Honorable Maggie McIntosh Chair, House Appropriations Committee 121 House Office Building Annapolis MD 21401

## RE: Letter of Opposition – House Bill 205 – Southern Maryland Rapid Transit Project -Requirements and Funding

Dear Chair McIntosh and Committee Members:

The Maryland Department of Transportation (MDOT) respectfully opposes House Bill 205 as it circumvents the statutory Consolidated Transportation Program (CTP) process, creates a mandated earmark from the Transportation Trust Fund, and selects a project alternative before the completion of the federal National Environmental Policy Act (NEPA) process, which is in violation of federal law.

The Southern Maryland Rapid Transit (SMRT) project is a proposed rapid transit system along 18.7 miles of the MD 5 (Branch Avenue)/US 301 (Crain Highway) corridor, between Branch Avenue Metrorail Station in Prince George's County and the Waldorf-White Plains area in Charles County. This area of the State has seen significant growth over the last twenty years and is in need of congestion relief and transportation alternatives. By opposing this bill, the Department is not taking a philosophical position on the project itself, which would be a positive step in providing commuting benefits for tens of thousands of daily commuters.

However, this legislation mandates appropriations of \$27 million between FY 22-23 to complete the design, engineering, full NEPA process and secure a Record of Decision from the Federal Transit Administration for the light rail solution for Southern Maryland Rapid Transit Project. This bill selects a project alternative before a NEPA process has even begun, which is against federal law. The decision on how to move forward (light rail vs. bus rapid transit (BRT) must be part of a federally-sanctioned NEPA process, not mandated in State law.

The requirements in House Bill 205 circumvent the nearly century old process for selecting projects statewide, including Chapter 30 of 2017. The development of MDOT's capital program involves many stakeholders and public meetings to prioritize needs across the State. The process includes: the submission of priority letters from all counties; the annual CTP tour to allow State officials to hear from local jurisdictions, elected officials, and the public in every county (a practice that has been in place for over 100 years); and a prioritization of needs. Projects are prioritized based on the State's goals, the availability of funding, and the scoring system established by Chapter 30 of 2017.

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Selecting a certain local project to receive transportation funding through the legislative process discounts the collaborative process used to develop the CTP and subverts the transparency of the project funding process that MDOT recently implemented in response to Chapter 30 of 2017. Requiring funding of certain projects through legislative mandate without regard to total cost, constructability, or prioritization of Statewide needs sets a dangerous precedent that undermines the CTP development process.

Finally, the TTF was established to provide flexibility in funding projects across the entire State. Designating portions of the TTF for specific purposes undermines setting up a MDOT-wide funding source by restricting its flexibility to distribute funds between the transportation business units to fund the most pressing capital expansion and system preservation projects.

It is important to understand that the TTF is a nonlapsing special fund that provides funding for transportation. It consists of tax and fee revenues, operating revenues, bond proceeds, and fund transfers. Any statutory diversion of funds will negatively impact the ability of MDOT to issue bonds backed by TTF revenues and diminish any investment income generated by the TTF fund balance. Redirecting these funds will require that other construction-ready projects already included in the CTP go unfunded.

For these reasons, the Maryland Department of Transportation respectfully requests the Committee grant House Bill 205 an unfavorable report.

Respectfully submitted,

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