

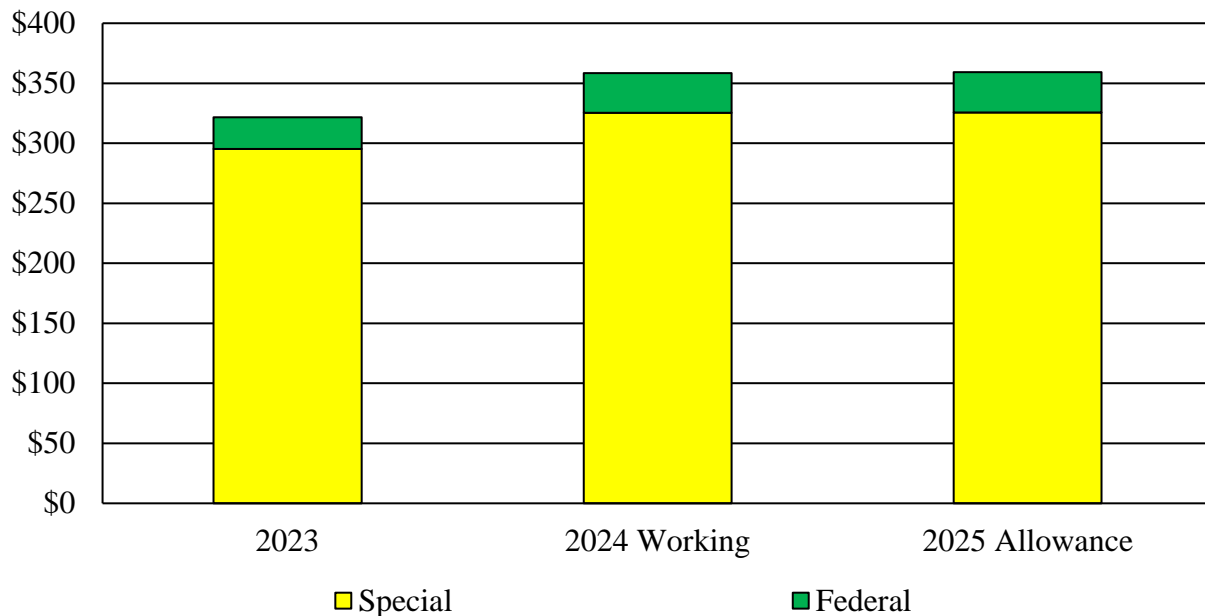
J00B01
State Highway Administration
Maryland Department of Transportation

Executive Summary

The State Highway Administration (SHA) is responsible for building and maintaining Maryland’s numbered highways and bridges outside Baltimore City. This includes operation of traffic and roadway monitoring and management, incident management, traveler information, and snow removal.

Operating Budget Summary

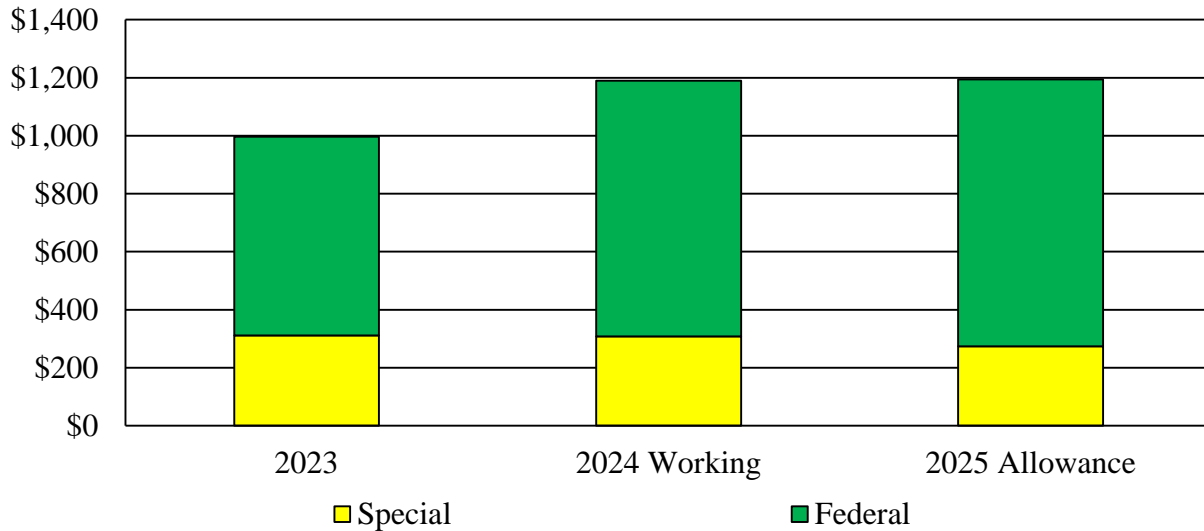
Fiscal 2025 Budget Increases \$0.7 Million, or 0.2%, to \$359.2 Million
(\$ in Millions)



Note: The fiscal 2024 impacts of statewide salary adjustments appear in the Statewide Account in the Department of Budget and Management (DBM), and adjustments are not reflected in this agency’s budget. The fiscal 2025 impacts of the fiscal 2024 statewide salary adjustments appear in this agency’s budget. The fiscal 2025 statewide salary adjustments are centrally budgeted in DBM and are not included in this agency’s budget. Fiscal 2025 reflects Supplemental No. 1.

PAYGO Capital Budget Summary

**Fiscal 2025 Budget Increases \$3.8 Million, or 0.3%, to \$1.2 Billion
(\$ in Millions)**



Note: Transportation aid to local governments (Highway User Revenues) are excluded from all years. The fiscal 2024 impacts of statewide salary adjustments appear in the Statewide Account in the Department of Budget and Management (DBM), and adjustments are not reflected in this agency’s budget. The fiscal 2025 impacts of the fiscal 2024 statewide salary adjustments appear in this agency’s budget. The fiscal 2025 statewide salary adjustments are centrally budgeted in DBM and are not included in this agency’s budget. Fiscal 2025 reflects Supplemental No. 1.

Key Observations

- ***Traffic Congestion Continues to Increase:*** Improvements in traffic congestion experienced during the pandemic are steadily eroding, with annual person hours of delay exceeding the goal for the second year in a row in calendar 2023.

Operating Budget Recommended Actions

1. Concur with Governor’s allowance.

PAYGO Budget Recommended Actions

1. Reduce funding for Highway User Revenues contingent on passage of legislation reducing the local share.

Budget Reconciliation and Financing Act Recommended Actions

1. Reduce the local share of Highway User Revenues beginning in fiscal 2025 to 9.6%.

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Budget Analysis

Program Description

SHA is responsible for nearly 5,200 miles of interstate, primary, and secondary roads and over 2,500 bridges. SHA employees plan, design, build, and maintain these roads and bridges to safety and performance standards while paying attention to social, ecological, and economic concerns.

SHA employs personnel in seven engineering districts throughout the State and at its Baltimore City headquarters. Each district encompasses a number of adjacent counties with a district office serving as its headquarters. There is at least one maintenance facility in each county. The districts are responsible for the management of highway and bridge construction contracts and maintenance functions, such as pavement repairs, bridge repairs, snow removal, roadside management, equipment maintenance, and traffic engineering operations.

SHA attempts to manage traffic and congestion through the Coordinated Highways Action Response Team (CHART) program. CHART provides information about traffic conditions and clears incidents on major roadways.

The highway safety program funds the Motor Carrier Division. The Motor Carrier Division manages the State's enforcement of truck weight and age limits by inspecting drivers, trucks, and cargo as well as auditing carriers.

The administration shares the key goals identified by the Maryland Department of Transportation (MDOT):

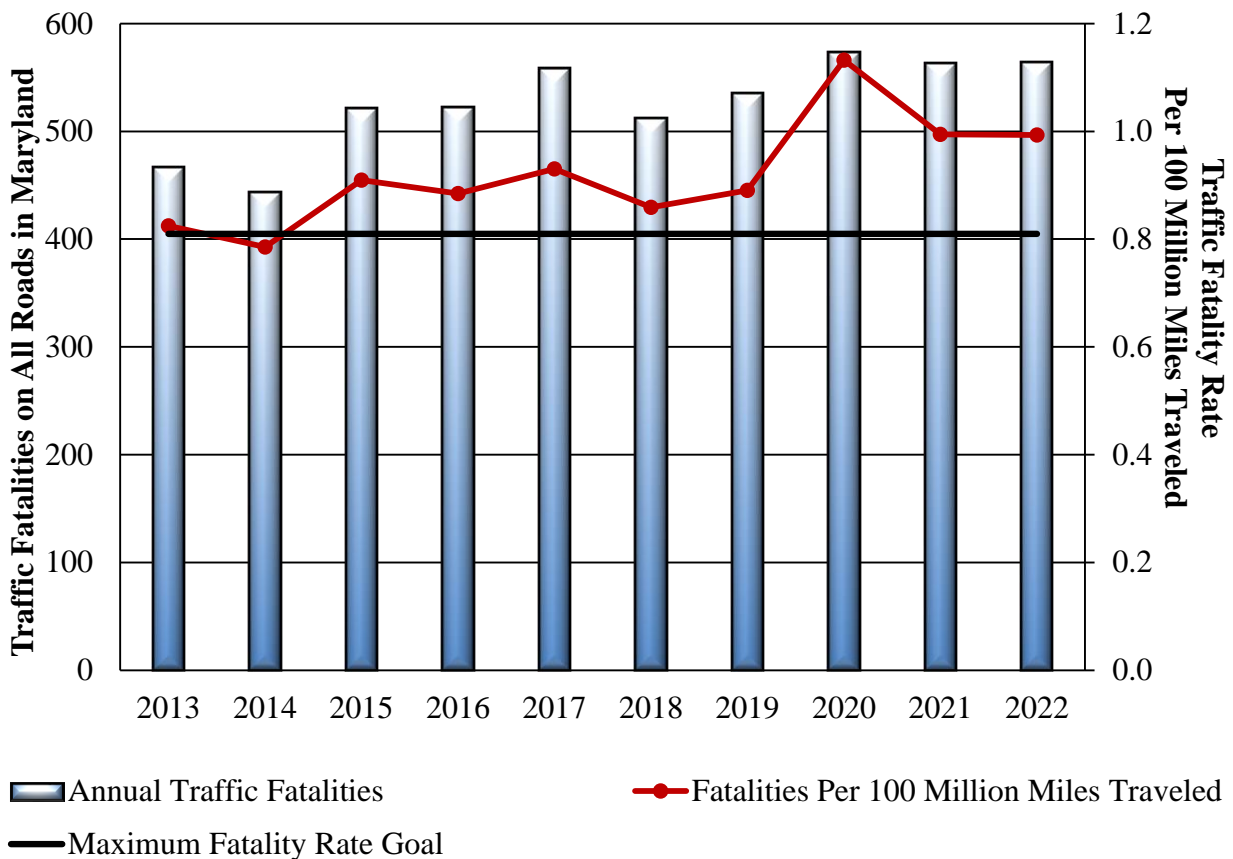
- ensuring a safe, secure, and resilient transportation system;
- maintaining a high standard and modernizing Maryland's multimodal transportation system;
- improving the quality and efficiency of the transportation system to enhance the customer experience;
- providing better transportation choices and connections;
- facilitating economic opportunity and reducing congestion in Maryland through strategic system expansion;
- ensuring environmental protection and sensitivity; and
- promoting fiscal responsibility.

Performance Analysis: Managing for Results

1. Safety and Security

Mayland has adopted the Vision Zero goal of having zero vehicle-related deaths or serious injuries by calendar 2030. **Exhibit 1** shows the number of traffic fatalities and the traffic fatality rate by calendar year for 2013 through 2022. In calendar 2022, total vehicle miles traveled increased by 200 million over the prior year, and traffic-related fatalities increased by 1 to 564. The fatality rate, which is a measure of the number of fatalities per 100 million miles traveled, decreased from 0.994 to 0.993.

Exhibit 1
Traffic Fatalities and Fatality Rates
 Calendar 2013-2022

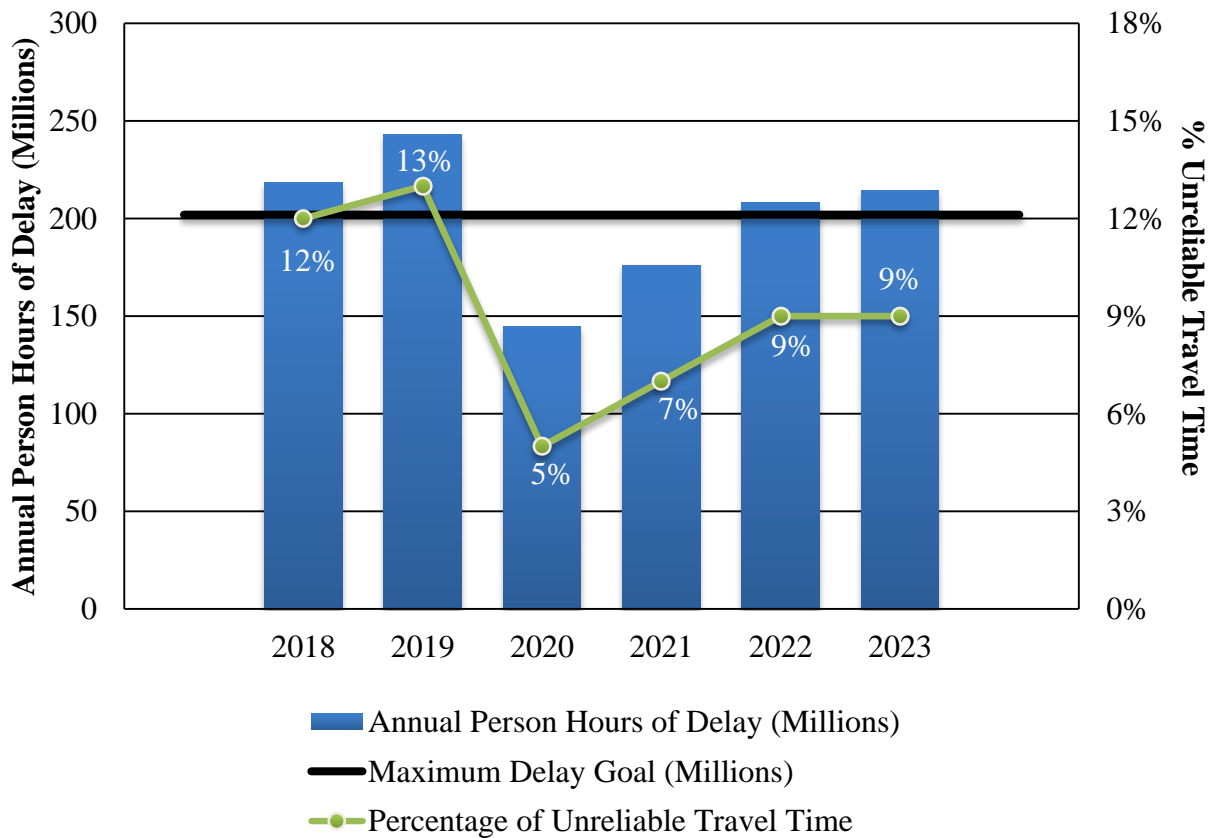


Source: Maryland Department of Transportation; Department of Legislative Services

2. Congestion

For many years, the Washington, DC and Baltimore metropolitan regions have been rated as having some of the highest levels of roadway congestion in the country. **Exhibit 2** shows the annual person hours of delay and the percentage of unreliable travel time on Maryland roads. The reduction in vehicle miles traveled in calendar 2020 and 2021 due to the COVID-19 pandemic resulted in significant reductions in the hours of delay and improvements in travel time reliability. In calendar 2022 and 2023, the annual hours of delay exceeded the goal of 202 million hours as the maximum number of hours of delay.

Exhibit 2
Annual Person Hours of Delay and
Travel Time Reliability on Maryland Roads
Calendar 2018-2023

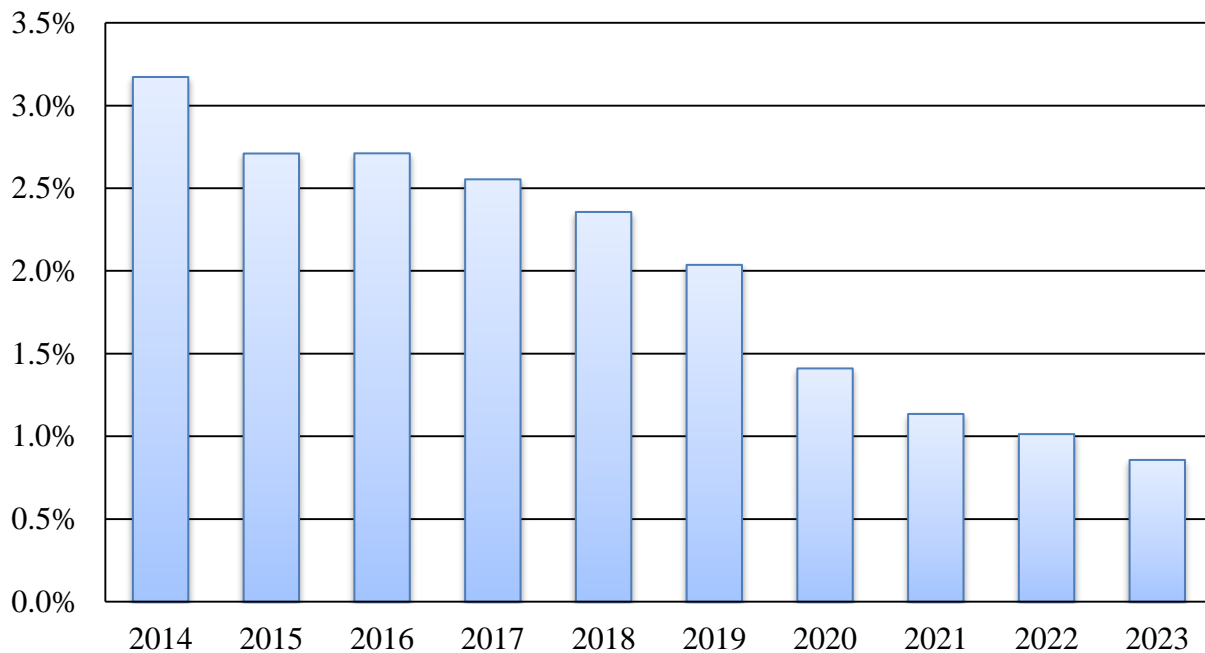


Source: 2024 Annual Attainment Report on Transportation System Performance, Maryland Department of Transportation; Department of Legislative Services

3. System Preservation and Maintenance – Bridges with Components Rated Poor or Worse

One objective under SHA’s goal of system preservation and maintenance is to preserve and maintain State-owned or State-funded bridges in a state of good repair (SOGR). **Exhibit 3** shows the percentage of bridges in the State highway network having one or more component (deck, superstructure, substructure, or culvert) rated in poor or worse condition for calendar 2014 through 2023. A rating of poor does not mean that a bridge is unsafe, a condition that would lead to the closing of the bridge but rather that one or more elements need to be addressed in order to reestablish a SOGR. As shown in Exhibit 3, the percentage of bridges with components with a poor or worse rating has decreased steadily over the past 10 years. Maryland’s performance on this measure is much better than that of most other states.

Exhibit 3
Percentage of Bridges in the State Highway Network with
One or More Components Rated as Poor or Worse
Calendar 2014-2023

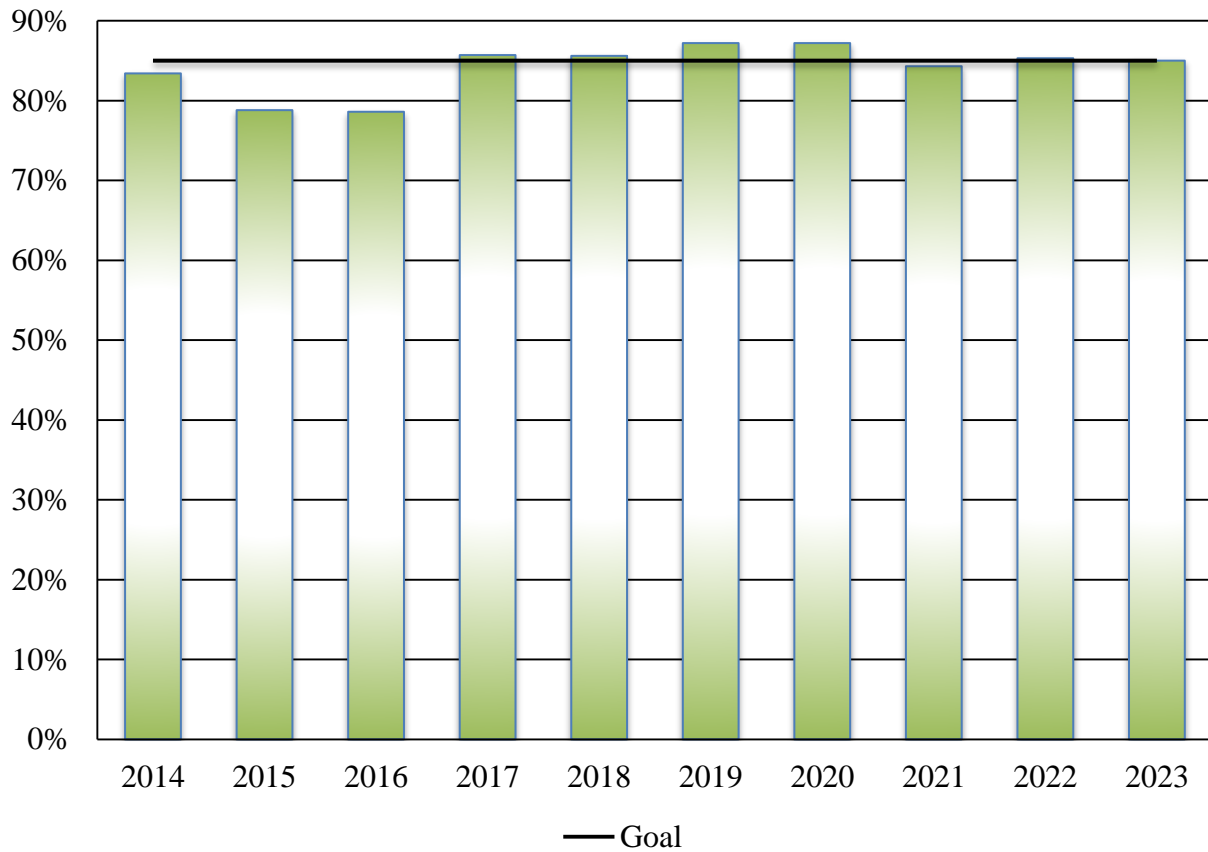


Source: U.S. Department of Transportation, Federal Highway Administration; Department of Legislative Services

4. System Preservation and Maintenance – Highway Maintenance Condition

Another objective of the system preservation and maintenance goal is to improve and maintain at least 85% of the highway network in an overall preferred maintenance condition. As shown in **Exhibit 4**, SHA met this goal 6 out of the past 10 years. SHA supplemented its workforce through use of contracts for maintenance work in fiscal 2022 to help attain the goal, after falling just short the prior year.

Exhibit 4
Percentage of Highway Network in Overall Preferred Maintenance Condition
Calendar 2014-2023

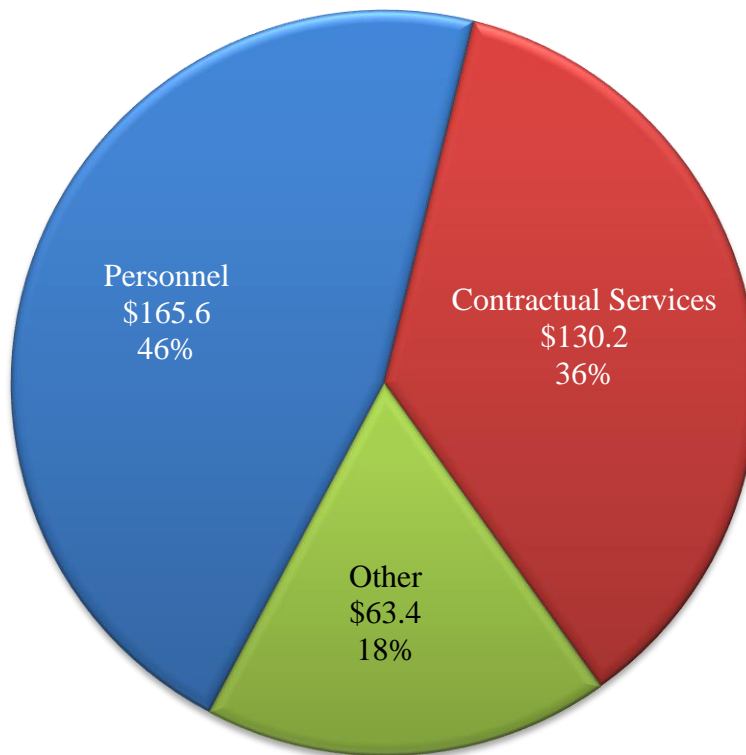


Source: Maryland Department of Transportation; Department of Legislative Services

Fiscal 2025 Overview of Agency Spending

In maintaining the State highways and roads and in carrying out its other responsibilities, SHA relies on its own employees and on services obtained through contracts with private companies. As shown in **Exhibit 5**, spending on its own workforce (including contractual full-time equivalents (FTE)) is projected to exceed spending for contractual services by over \$35 million.

Exhibit 5
Overview of Agency Spending
Fiscal 2025 Allowance
(\$ in Thousands)



Source: Governor’s Fiscal 2025 Budget Books; Department of Legislative Services

Proposed Budget Change

As shown in **Exhibit 6**, the fiscal 2025 allowance for SHA, including funding provided in Supplemental Budget No. 1, increases by \$717,000 (0.2%) over the current year working appropriation. Personnel expenses increase by \$10 million, which is offset by a \$10.2 million decrease in winter maintenance/snow removal expenses that are budgeted at the five-year average of actual expenditures.

**Exhibit 6
Proposed Budget
MDOT – State Highway Administration
(\$ in Thousands)**

How Much It Grows:	Special Fund	Federal Fund	Total
Fiscal 2023 Actual	\$295,354	\$26,235	\$321,589
Fiscal 2024 Working Appropriation	325,500	32,987	358,487
Fiscal 2025 Allowance	<u>325,624</u>	<u>33,580</u>	<u>359,204</u>
Fiscal 2024-2025 Amount Change	\$124	\$593	\$717
Fiscal 2024-2025 Percent Change		1.8%	0.2%

Where It Goes:	Change
Personnel Expenses	
Salary increases and associated fringe benefits including fiscal 2024 COLA and increments	\$13,294
Additional assistance	-109
Workers’ compensation contributions	-475
Overtime	-2,688
Other fringe benefits	28
Operations	
Vehicle maintenance and repair at 3.4% over fiscal 2023 actuals.....	3,000
Electricity usage budgeted at level of fiscal 2023 actual expenditures	2,036
Education and training	173
Security services	129
Highway Safety Office grants.....	46
In- and out-of-state travel at 8.5% over 2023 actuals	-189
Loan repayment on energy conservation	-208
Motor vehicle gas and oil at 4% over fiscal 2023 actuals.....	-775
Equipment rental and replacement	-3,770

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Where It Goes:	<u>Change</u>
Winter maintenance/snow removal budgeted at five-year average	-10,204
Cost Allocations	
Insurance paid to the State Treasurer’s Office.....	406
Other	23
Total	\$717

COLA: cost-or-living adjustment
MDOT: Maryland Department of Transportation

Note: Numbers may not sum to total due to rounding.

Cost Containment Negates Planned Increases

SHA intended to boost funding in fiscal 2025 for a variety of maintenance and repair activities; however, as part of MDOT’s cost containment efforts to balance the *Consolidated Transportation Program (CTP)*, it had to defer increases totaling \$22.4 million. SHA’s cost containment reductions are shown in **Exhibit 7**.

Exhibit 7 Fiscal 2025 Cost Containment (\$ in Thousands)

<u>Cost Containment Action</u>	<u>Amount</u>
Reduce funding for contract curb and gutter repairs that assist with drainage issues.	-\$500
Delete funding for corridor maintenance contracts	-900
Reduce funding for landscape maintenance contracts	-950
Reduce funding for contract roadside sweeping (net of \$500,000 restoration)	-1,000
Reduction for processing of access permits	-1,800
Reduce funding for drainage contracts	-2,200
Move certain expenses in the Office of Structures from operating to capital	-4,000
Reduce funding for contract brush and tree cutting	-4,000
Reduce funding for guardrails and end treatments	-7,000
Total	\$22,350

Source: Maryland Department of Transportation; Department of Legislative Services

Winter Maintenance and Snow Removal

Budget bill language added to SHA’s fiscal 2020 budget stated the intent of the General Assembly that SHA increase the amount that it budgets for snow removal expenses by \$5 million each year until the budgeted amount reflected the rolling five-year average of actual snow removal expenditures. The fiscal 2025 allowance of \$69.8 million complies with this intent. The five-year average of actual snow removal expenses for the period ending with fiscal 2023 is \$69.8 million. As of January 31, 2024, SHA had expended \$37.1 million of its \$80 million fiscal 2024 snow removal budget.

Operating and PAYGO Personnel Data

	<u>FY 23 Actual</u>	<u>FY 24 Working</u>	<u>FY 25 Allowance</u>	<u>FY 24-25 Change</u>
Regular Operating Budget Positions	1,424.50	1,424.50	1,424.50	0.00
Regular PAYGO Budget Positions	1,532.00	<u>1,531.00</u>	<u>1,532.00</u>	<u>1.00</u>
Total Regular Positions	2,956.50	2,955.50	2,956.50	1.00
Operating Budget FTEs	8.40	16.00	16.00	0.00
PAYGO Budget FTEs	<u>29.00</u>	<u>52.00</u>	<u>52.00</u>	<u>0.00</u>
Total FTEs	37.40	68.00	68.00	0.00
Total Personnel	2,993.90	3,023.50	3,024.50	1.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	177.33	6.00%
Positions and Percentage Vacant as of 12/31/23	186.50	6.31%

Vacancies Above Turnover 9.17

- The number of regular and FTE positions in the operating budget remain unchanged between the current year and the allowance. Pay-as-you-go positions increase by 1 via an interdepartmental transfer.

PAYGO Capital Program

Program Description

The State System Construction program provides funds for the capital program of SHA. Financing is available from current revenues, federal aid, and bond proceeds for construction and reconstruction projects on the State highway system, program-related planning and research, acquisition of major capital equipment, and all other capital expenditures. Funding is also provided for local capital programs through the State Aid in Lieu of Federal Aid program and various federal grants, including bridge replacement and rehabilitation and the national highway system.

The CTP includes a development and evaluation (D&E) program and a construction program. Generally, projects are first added to the D&E program, at which stage they are evaluated by planners and engineers, and rights-of-way may be purchased. SHA also typically completes the National Environmental Policy Act requirements for projects in the D&E program. These studies examine alternatives that include a no-build option and a number of different alignments. Spending on a project while in the D&E program is usually less than 15% of the total project cost. When SHA wants to move a project forward, it is moved into the construction program.

State Aid – Mandated Capital Grants

Included in SHA’s section of the CTP is State aid to local governments, commonly referred to as Highway User Revenues (HUR). HUR is provided to counties and municipalities in the form of mandated capital grants, in amounts set by statutory formula expressed as percentages of the balance of the Gasoline and Motor Vehicle Revenue Account (GMVRA) in the Transportation Trust Fund (TTF). The percentage of GMVRA going to local governments has varied over the years. Chapter 240 of 2022 establishes 15.6% of GMVRA as the new base amount for local governments beginning in fiscal 2024 and provides for temporary increases to 18% in fiscal 2025 and to 20% in fiscal 2026 and 2027. The Budget Reconciliation and Financing Act of 2024 (SB 362/HB 352), as introduced, contains a provision that would reduce the local rate for fiscal 2026 and 2027 to the 15.6% base rate. This provision would reduce the amount going to local governments for these two years by approximately \$100 million per year and increase the funding available for the State transportation capital program by the same amount.

Exhibit 8 shows the mandated capital grant amount for fiscal 2023 through 2025. The \$61.3 million (18.3%) increase in funding in fiscal 2025 results primarily from the higher percentage for locals provided by Chapter 240. The amount going to Baltimore City is much greater than the amounts for the counties and municipalities because Baltimore City maintains all the roads within the city limits except for the Maryland Transportation Authority (MDTA) toll facilities; SHA maintains State roads in all counties.

Exhibit 8
State Aid – HUR Capital Grants
Fiscal 2023-2025
(\$ in Millions)

	<u>Actual 2023</u>	<u>Working 2024</u>	<u>Allowance 2025</u>	<u>Change</u>
Baltimore City	\$172.9	\$203.8	\$242.0	\$38.2
Counties	66.7	79.4	94.6	15.2
Municipalities	41.7	51.5	59.4	7.9
Total	\$281.2	\$334.7	\$396.0	\$61.3

HUR: Highway User Revenues

Note: Numbers may not sum to totals due to rounding.

Source: Governor’s Fiscal 2025 Budget Books

Exhibit 9 provides, by county, the fiscal 2025 allocations for counties, municipalities, and Baltimore City.

Exhibit 9
State Aid – Mandated Capital HUR Grants
Fiscal 2025

	<u>Counties</u>	<u>Municipalities</u>	<u>Total</u>
Allegany	\$1,645,009	\$2,747,205	\$4,392,213
Anne Arundel	9,943,978	3,320,308	13,264,287
Baltimore	13,816,330	0	13,816,330
Calvert	2,202,116	725,967	2,928,083
Caroline	1,362,114	1,085,611	2,447,725
Carroll	3,804,805	3,508,699	7,313,503
Cecil	2,225,045	1,711,679	3,936,724
Charles	3,438,723	998,512	4,437,235
Dorchester	1,501,444	1,293,778	2,795,222
Frederick	4,851,731	6,941,303	11,793,034
Garrett	1,794,718	896,993	2,691,711
Harford	4,799,779	2,749,713	7,549,493
Howard	5,583,980	0	5,583,980
Kent	773,550	618,948	1,392,499
Montgomery	12,725,317	9,095,438	21,820,755

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	<u>Counties</u>	<u>Municipalities</u>	<u>Total</u>
Prince George’s	10,435,353	11,953,218	22,388,571
Queen Anne’s	1,828,968	470,921	2,299,889
St. Mary’s	2,757,380	342,624	3,100,004
Somerset	956,136	437,183	1,393,319
Talbot	1,095,862	1,710,800	2,806,662
Washington	3,030,029	3,627,680	6,657,709
Wicomico	2,243,702	3,260,206	5,503,907
Worcester	1,783,845	1,903,161	3,687,006
Subtotal	\$94,599,914	\$59,399,946	\$153,999,860
Baltimore City	\$241,999,780		\$241,999,780
Total	\$336,599,694	\$59,399,946	\$395,999,640

HUR: Highway User Revenues

Note: Numbers may not sum to totals due to rounding.

Source: Governor’s Fiscal 2025 Budget Books

Infrastructure Investment and Jobs Act and Inflation Reduction Act Discretionary Funding

In June 2023, SHA was awarded an \$11.9 million discretionary grant through the federal Advanced Transportation Technologies and Innovative Mobility Deployment Program for new technology aimed at improving safety and reducing congestion on US 50 on Maryland’s Eastern Shore. The funds will be used to deploy software, sensors, traffic cameras, and message signs along 113 miles of US 50. The federal government grant requires a 20% State match (\$2.4 million). **Exhibit 10** lists the grants for which SHA has applied but has not yet been notified of an award decision.

Exhibit 10
Discretionary Grant Applications Awaiting Award Decisions
As of February 2024
(\$ in Millions)

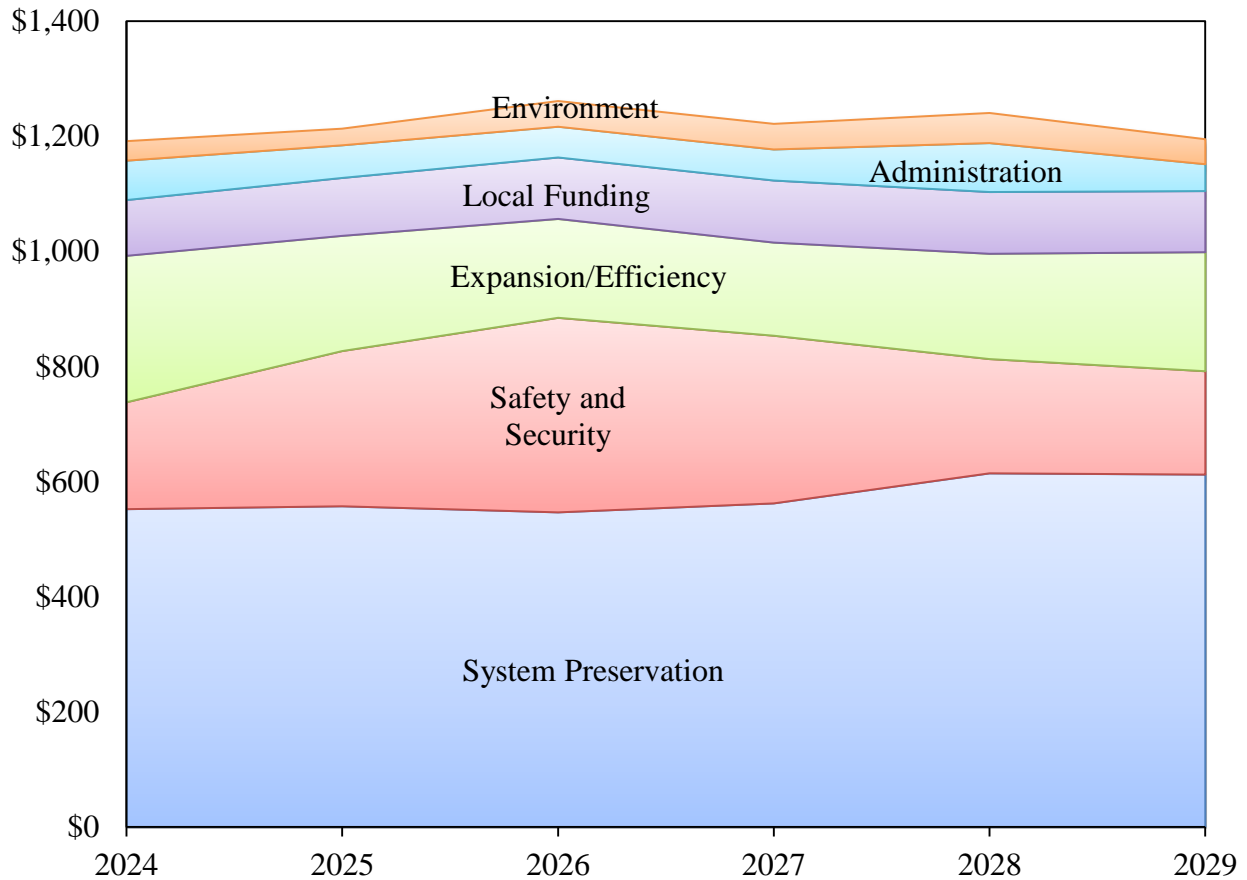
<u>Federal Program</u>	<u>Amount</u>	<u>Project</u>	<u>State Match</u>
Bridge Investment Program – Large Bridges	\$2,200.0	American Legion Bridge Replacement	\$806.0
Reconnecting Communities and Neighborhoods	4.5	Enhancing Easton Neighborhood Access on US 50	1.1
Reconnecting Communities and Neighborhoods	2.3	Forest Glen, Wheaton, and Glenmont Community Connection Plan (MD 97)	0.6
Reconnecting Communities and Neighborhoods	1.6	Reconnecting US 40 (Dual Highway) – Planning for Community Prosperity and Equitable Connections	0.4
Reconnecting Communities and Neighborhoods	1.6	Unlocking University Boulevard – Greenbelt Road Community Connectivity Plan	0.0

Source: Maryland Department of Transportation; Department of Legislative Services

Fiscal 2024 to 2029 Consolidated Transportation Program

The fiscal 2024 to 2029 six-year capital program for SHA, excluding State aid to local governments (HUR grants), totals \$7.3 billion, which is \$733 million less than the prior six-year program. **Exhibit 11** shows the six-year funding by investment category.

Exhibit 11
Capital Funding by Investment Category
Fiscal 2024-2029
(\$ in Millions)

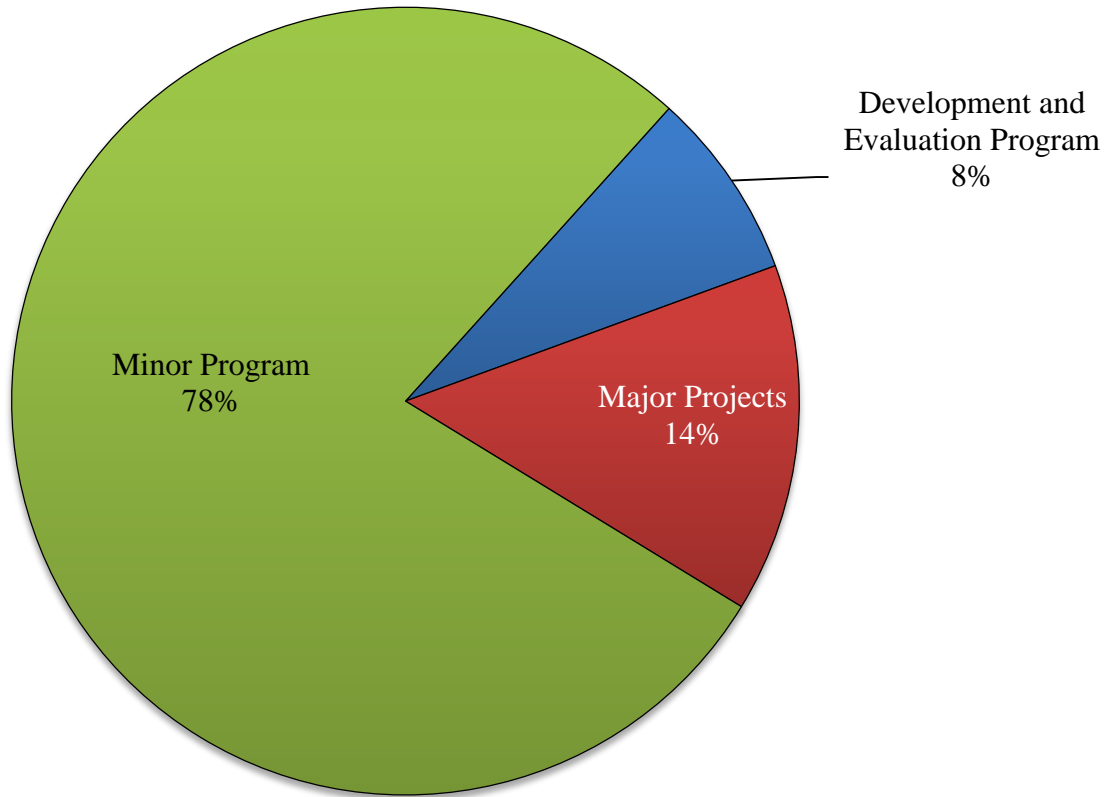


Source: Maryland Department of Transportation, 2024 *Consolidated Transportation Program*; Department of Legislative Services

Fiscal 2025 Capital Allowance

SHA’s fiscal 2025 capital allowance, excluding State aid but including other funds that do not flow through the budget, totals just over \$1.2 billion, a net increase of \$21.5 million over the current year working appropriation. Increases in federal funds and general obligation bond funds of \$38.6 million and \$19.5 million, respectively, more than offset the \$36.8 million decrease in special funds. **Exhibit 12** shows that more than three quarters of the allowance is for projects in the minor program.

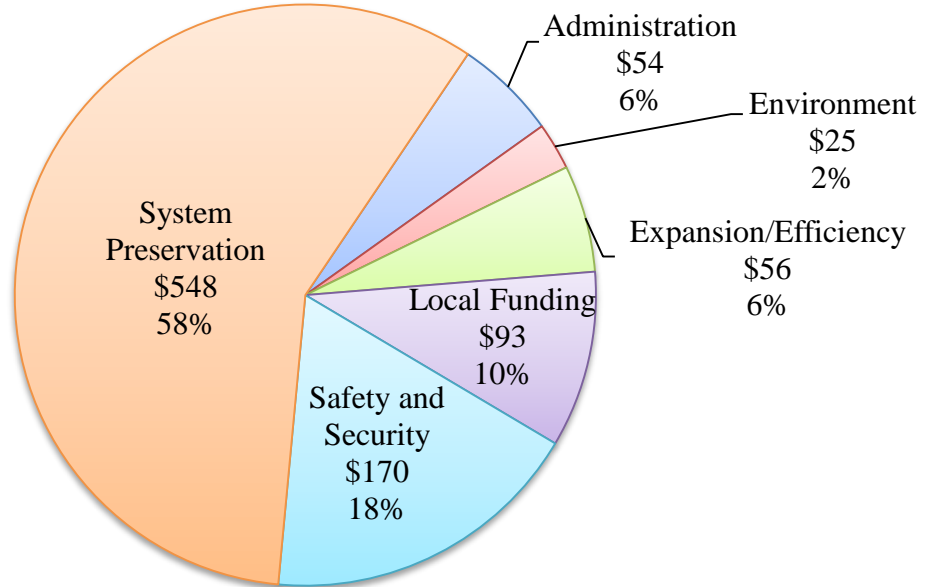
Exhibit 12
Fiscal 2025 Allowance by Program



Source: Maryland Department of Transportation, 2024 *Consolidated Transportation Program*; Department of Legislative Services

Exhibit 13 breaks out the \$945 million in minor program funding for fiscal 2025 by investment category. **Exhibit 14** shows how this funding is distributed by project type.

Exhibit 13
Minor Program Funding by Investment Category
Fiscal 2025
(\$ in Millions)



Source: Maryland Department of Transportation, 2024 *Consolidated Transportation Program*; Department of Legislative Services

Exhibit 14
Minor Program Funding by Project Type
Fiscal 2025
(\$ in Millions)

<u>Project Type</u>	<u>Amount</u>
Safety, Congestion Relief, Highway and Bridge	
Resurfacing and Rehabilitation	\$233.7
Bridge Replacement/Rehabilitation	228.4
Statewide Planning and Research	58.5
Safety and Spot Improvement	58.1
Traffic Management	46.5

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<u>Project Type</u>	<u>Amount</u>
Coordinated Highway Action Response Team	33.1
Quick Response	27.1
Drainage Improvements	18.5
Bicycle Retrofit	15.8
Sidewalk Program	14.2
Americans with Disabilities Act Retrofit	10.6
Commuter Action Improvements	6.6
Railroad Crossings	5.6
Intersection Capacity	4.9
Neighborhood Conservation	4.4
Environmental Projects	4.0
<i>Safety, Congestion Relief, Highway and Bridge Subtotal</i>	<i>\$770.0</i>
State Aid in Lieu of Federal Funds	\$78.3
Transportation Enhancements	22.4
Total Maximum Daily Load Compliance	19.9
Facilities	18.3
System Preservation Program Reimbursables	14.6
Major Information Technology Projects	6.2
Equipment	6.0
Truck Weight	4.1
Noise Barriers	2.3
Environmental Compliance	2.2
Communications	1.1
Total	\$945.4

Source: Maryland Department of Transportation, 2024 *Consolidated Transportation Program*; Department of Legislative Services

Fiscal 2024 and 2025 Cash Flow Analysis

Exhibit 15 shows the changes in SHA capital funding, including funds that do not flow through the budget, by category between the fiscal 2024 budget as introduced and the working appropriation and between the working appropriation and the fiscal 2025 allowance.

Exhibit 15
Cash Flow Changes
Fiscal 2024-2025
(\$ in Millions)

	2024	2024	
	<u>As Introduced</u>	<u>Working</u>	<u>Change</u>
Major Construction Program	\$275.0	\$241.0	-\$34.0
Major Development and Evaluation Program	75.4	49.4	-26.0
Minor Program	945.4	901.3	-44.1
<i>Subtotal</i>	<i>\$1,295.8</i>	<i>\$1,191.7</i>	<i>-\$104.1</i>
State Aid – Mandated Capital Grants	\$331.4	\$334.3	\$2.9
Total as Shown in the CTP	\$1,627.2	\$1,526.0	-\$101.2
	2024	2025	
	<u>Working</u>	<u>Allowance</u>	<u>Change</u>
Major Construction Program	\$241.0	\$173.8	-\$67.2
Major Development and Evaluation Program	49.4	94.0	44.6
Minor Program	901.3	945.4	44.1
<i>Subtotal</i>	<i>\$1,191.7</i>	<i>\$1,213.2</i>	<i>\$21.5</i>
State Aid – Mandated Capital Grants	\$334.3	\$395.9	\$61.6
Total as Shown in the CTP	\$1,526.0	\$1,609.1	\$83.1

CTP: *Consolidated Transportation Program*

Source: Maryland Department of Transportation, 2023 and 2024 *Consolidated Transportation Programs*; Department of Legislative Services

Exhibit 16 provides a list of SHA projects in the construction or D&E program receiving funding of at least \$1 million in fiscal 2025 or \$5 million or more over the six-year program.

Exhibit 16
Select Major Projects
Fiscal 2025-2029
(\$ in Millions)

<u>County</u>	<u>Project</u>	<u>2025</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Allegany	MD 144, Naves Cross Road: Replacement of Bridge No. 0109100 on MD 144 over Evitts Creek.	\$0.1	\$9.3	\$8.2
Allegany	MD 51, Old Town Road: Replacement of Bridge No. 0104700 on MD 51 over Town Creek.	0.8	12.8	11.9
Allegany	I-68 Cumberland Viaduct: Deck replacement and rehabilitation of Bridge No. 0109600 (the Cumberland Viaduct).	1.8	51.0	50.2
Anne Arundel	I-97, US 50 to MD 32: Widen I-97 to six lanes from MD 32 to US 50 (7 miles), including ramp modifications at US 50/ US 301.	1.0	3.7	2.7
Anne Arundel	MD 100, Paul T. Pitcher Memorial Highway: Safety and resurfacing improvements along MD 100 from Howard County line to MD 170. The work includes patching, milling, and resurfacing the existing pavement, upgrades to the existing traffic barrier, select upgrades to the existing ground mounted signage, and storm drain repairs.	1.7	11.9	11.4
Anne Arundel	MD 175, Annapolis Road: Widen MD 175 from Sellner Road/Race Road to McCarron Court from two lanes to six lanes and reconfigure ramps at the MD 295 interchange to create signalized left turns at MD 175. Bicycle and pedestrian accommodations will be provided.	19.7	77.0	41.8
Baltimore County	I-695, Baltimore Beltway: Replacement of Bridge No. 0317400 on Putty Hill Avenue over I-695.	0.0	20.1	16.2
Baltimore County	I-695, Baltimore Beltway: This project from US 40 to MD 144 improved mobility and safety on I-695 by widening the roadway to provide a fourth lane on the outer loop. This project also accommodates the ultimate configuration of this section of I-695 and includes replacing and extending the inner loop noise barrier from Shady Nook Avenue to US 40.	0.3	124.3	6.7

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<u>County</u>	<u>Project</u>	<u>2025</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Baltimore County	I-95 and I-695, Baltimore Beltway: Latex modified concrete bridge deck overlays on I-95 at the I-695 interchange (10 bridges).	8.7	40.7	23.6
Baltimore County	MD 151/MD151B, Sparrows Point Boulevard: Replacement of Bridge No. 0309900 on MD 151 and Bridge Nos. 0335000 and 0335100 on MD 151B.	0.1	34.3	5.1
Baltimore County	I-695, Baltimore Beltway: The work on I-695 is a Transportation System Management and Operations project involving lane controls, intelligent traffic monitoring, and other features to improve safety and reduce congestion along the I-695 inner and outer loops between I-70 and east of White Marsh Boulevard.	41.9	178.6	127.4
Baltimore County	I-695, Baltimore Beltway: Reconstruct interchange at I-695 and I-70.	0.7	275.4	133.2
Baltimore County	I-795, Northwest Expressway: Project to construct an interchange at Dolfield Boulevard. Includes widening and operational improvements along I-795 from Owings Mills Boulevard (MD 940) to Franklin Boulevard. Southbound access to I-795 will be provided by ramps connecting to Red Run Boulevard. Northbound access to I-795 will be provided through a directional on-ramp from Dolfield Boulevard. The northbound off-ramp will connect to a new roundabout along Tollgate Road. A shared-use path will be constructed on Dolfield Boulevard between Red Run Boulevard and Tollgate Road. Sidewalks will be provided along Tollgate Road from Dolfield Boulevard to Hewitt Farms Road.	1.5	29.6	13.7

J00B01 – MDOT – State Highway Administration

<u>County</u>	<u>Project</u>	<u>2025</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Calvert	MD 4, Patuxent Beach Road and Solomons Island Road: Study to upgrade MD 4 between MD 2 and MD 235 (4.0 miles), including the Governor Thomas Johnson Memorial Bridge (bridge 04019) over the Patuxent River and the intersection at MD 235. MD 4 is planned to become a four-lane divided highway with wide shoulders, a shared used path, and sidewalk accommodations where appropriate.	1.0	7.9	2.0
Carroll	MD 91, Emory Road: Replacement of Bridge No. 0602000 on MD 91 over N. Branch Patapsco River and Bridge No. 0604700 on MD 91 over Maryland Midland Railroad.	4.5	14.6	13.2
Frederick	MD 17, Burkittsville Middletown Road: Replacement of Bridge No. 1001900 on MD 17 over Middle Creek	1.2	4.0	3.2
Frederick	MD 75, Green Valley Road: Deck replacement and rehabilitation of Bridge No.1015600 on MD 75 over I-70.	1.7	5.0	3.2
Frederick	MD 77, Rocky Ridge Road: Replacement of Bridge No. 1005400 on MD 77 over Beaver Branch.	1.2	7.1	5.6
Frederick	US 15, Frederick Freeway, and US 40, Frederick Freeway: Project to construct safety and mainline operational improvements along US 15 and US 40 from I-70 to MD 26 (4 miles). The project includes adding a third through lane (inside widening) in each direction along US 15 and the reconstruction and widening of seven structures. Significant noise mitigation will be included.	5.0	21.9	15.7
Garrett	MD 42, Friendsville Road: Replacement of Bridge No. 1101000 on MD 42 over Buffalo Run.	3.3	7.7	6.4
Garrett	US 219, Garrett Highway: Replacement of Bridge No. 1102400 over the Youghiogheny River (0.04 miles).	0.9	12.2	10.4

J00B01 – MDOT – State Highway Administration

<u>County</u>	<u>Project</u>	<u>2025</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Garrett	US 219, Chestnut Ridge Road: Project to relocate US 219 from Old Salisbury Road to the Pennsylvania State line (1.0 mile). This project represents Maryland’s portion of the bi-state US 219 corridor between I-68/US 40 and Meyersdale, Pennsylvania.	2.5	22.6	16.5
Harford	MD 24, Rocks Road: MD 24 will be resurfaced and reconstructed including slope repair and guardrail replacement. This is the southern section (Section G), which extends from 900 feet south of Sharon Road to 1,700 feet north of Ferncliff Lane.	3.3	8.9	5.8
Harford	US 1, Belair Road: Replacement of Bridge No. 1206600 on US 1 over Tollgate Road and Bridge No. 1206500 on US 1 over Winters Run.	7.5	18.0	16.6
Howard	I-70, MD 32 to I-695: Geometric modifications to improve safety and peak period traffic operations along I-70 from MD 32 to I-695.	1.8	9.2	8.4
Howard	MD 32, Patuxent Freeway: Construct capacity and safety improvements along MD 32 from north of Linden Church Road to I-70 (6.6 miles).	0.0	135.8	17.3
Montgomery	I-270, Eisenhower Highway: Implementation of innovative congestion management tools to reduce congestion on I-270, including the east and west I-270 spurs (31.5 miles). Improvements will include a series of roadway and technology-based improvements.	4.0	131.7	13.0
Montgomery	MD 185, Connecticut Avenue: Construct MD 185 Phase 3 intersection improvements at Jones Bridge Road. Bicycle and pedestrian facilities will be provided where appropriate. (Base Realignment and Closure (BRAC) Intersection Improvements).	1.3	18.4	5.1

J00B01 – MDOT – State Highway Administration

<u>County</u>	<u>Project</u>	<u>2025</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Montgomery	MD 97, Georgia Avenue: Safety and accessibility improvements to MD 97 in Montgomery Hills between MD 192 and MD 390. Improvements include a new raised median; 11-foot-wide outside lanes where needed for bus operations; left-turn lanes on MD 97 at Forest Lane, Flora Lane, and Seminary Place; and I-495 ramp modifications to address safety issues. Sidewalks on both sides of MD 97 with a signalized pedestrian crossing at Flora Lane and a two-way protected cycle track on the west side of MD 97 will also be included.	6.8	33.8	24.8
Prince George’s	MD 382, Croom Road: Replacement of Bridge No.1606100 on MD 382 over Charles Branch.	1.1	5.1	3.8
Prince George’s	MD 717, Water Street: Replacement of Bridge No. 1610900 on MD 717 over Water Street.	0.6	12.5	10.4
Prince George’s	MU 227, Riverdale Road: Replacement of Bridge No. 1609000 on Riverdale Road over Northeast Branch Anacostia River.	1.2	9.9	8.3
Prince George’s	US 1, Baltimore Avenue: Reconstruct US 1 from College Avenue to MD 193 (Segment 1). Project includes bicycle and pedestrian improvements (1.5 miles).	0.9	56.6	11.8
Prince George’s	MD 4, Pennsylvania Avenue: Construct a new interchange at MD 4 and Suitland Parkway. Bicycles and pedestrians will be accommodated where appropriate. (BRAC Related).	29.7	282.8	206.4
Prince George’s	MD 4, Pennsylvania Avenue: Replacement of Bridge Nos. 1609903 and 1609904 on MD 4 over MD 717 and Bridge Nos. 1610803 and 1610804 on MD 4 over Race Track Road. This is a Project Labor Agreement candidate project.	6.1	23.1	21.1
Prince George’s	I-95/I-495, Capital Beltway: Construct a full interchange along I-95/ I-495 at the Greenbelt Metro Station and extensions of acceleration and deceleration lanes along I-95/ I-495 from US 1 to MD 201 and other improvements necessary to support the relocation of the Federal Bureau of Investigations Headquarters.	31.5	264.0	250.5

J00B01 – MDOT – State Highway Administration

<u>County</u>	<u>Project</u>	<u>2025</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Prince George's	MD 210, Indian Head Highway: Project to improve safety and mobility along MD 210 and provide grade-separated interchanges from I-95/ I-495 to MD 228 (10.0 miles). Bicycles and pedestrians will be accommodated where appropriate.	1.3	15.9	11.5
Prince George's	MD 197, Collington Road: Upgrade and widen existing MD 197 from two to four lanes from Kenhill Drive to MD 450 Relocated (1.4 miles), including three multi-lane roundabouts. The shared-use path along northbound MD 197 will be realigned and enhanced.	1.0	8.2	2.8
Prince George's	I-95/I-495, Capital Beltway: Project to upgrade the existing I-95/ I-495 interchange at Medical Center Drive (formerly Arena Drive). A shared-use path will be provided along Medical Center Drive with fully protected crossings at all ramps.	4.0	15.0	13.0
Prince George's	I-95, Capital Beltway: Replacement of Bridge Nos. 1615905 and 1615906 on I-495 over MD 4. This is a Project Labor Agreement candidate project.	4.5	41.1	40.3
Queen Anne's	US 301, Blue Star Memorial Highway: Replacement of Bridge No. 1701401 on US 301 Northbound over the Chester River.	0.0	12.4	6.0
Somerset	MD 413 Trail: Construction of a paved bike/pedestrian trail with parking areas and plantings along the MD 413 corridor. The project will continue the improvements to complete the 12-mile corridor for the shared use path between Crisfield and Westover.	3.4	20.1	19.1
Talbot	Easton Shop: Renovation of the vacant laboratory building to become the new maintenance shop and overall site improvements to the Easton Shop facility.	9.0	20.0	16.5
Washington	I-68, National Freeway: Replacement of Bridge Nos. 2107603 and 2107604 on I-68 over Creek Road.	8.5	18.2	16.5

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<u>County</u>	<u>Project</u>	<u>2025</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Washington	I-70, Eisenhower Memorial Highway: Deck replacement and rehabilitation of Bridge Nos. 2107303 and 2114100 on I-70 over I-81 and Bridge Nos. 2111303 and 2111304 on I-70 over Norfolk Southern Railroad. Replacement of Bridge Nos. 2111203 and 2111204 on I-70 over US 11.	8.8	53.8	51.4
Washington	I-70, Eisenhower Memorial Highway: Replacement of Bridge Nos. 2113503 and 2113504 on I-70 over Crystal Falls Drive.	6.3	23.7	13.4
Washington	I-81, Maryland Veterans Memorial Highway: Project to upgrade and widen I-81 to a six-lane divided highway from MD 63/MD 68 to the CSX railroad bridges north of Halfway Boulevard (4.0 miles). Two noise barrier systems will be provided as part of the project.	1.7	11.6	6.0
Wicomico	US 13 Business, Salisbury Boulevard: Replacement of Bridge No. 2200400 over East Branch Wicomico River.	3.0	12.6	7.9
Worcester	MD 90, Ocean City Expressway: Project to improve MD 90 operations from US 50 to MD 528, including Bridge No. 2302000 over the St. Martin River and Bridge No. 2302100 over Assawoman Bay. Additional travel lanes, interchange and at-grade intersections to be evaluated, along with pedestrian and bicycle needs throughout the corridor.	2.5	15.8	14.6
Saint Mary's	MD 5, Point Lookout Road: Replace bridge No. 1800700 on MD 5 over Hilton Run.	1.4	6.1	4.5
Saint Mary's	MD 5, Point Lookout Road: Upgrade and widen MD 5 from south of Camp Brown Road to the Lake Conoy Causeway (2.2 miles). This project will accommodate bicycles and pedestrians as appropriate.	0.3	31.8	7.1
Statewide	Carbon Reduction Program (CRP): CRP will reduce transportation emissions through the development of State carbon reduction strategies and by funding projects designed to reduce transportation emissions.	15.1	94.4	94.4

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<u>County</u>	<u>Project</u>	<u>2025</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Statewide	The Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Program: The PROTECT Program will help make surface transportation systems more resilient to natural hazards, including climate change, sea level rise, flooding, extreme weather events, and other natural disasters.	17.2	107.3	107.3
Statewide	Traffic Relief Plan (Phase 2) Smart Traffic Signals: The system uses real-time traffic conditions and computer software that adjusts the timing of traffic signals, synchronizes the entire corridor, and effectively deploys artificial intelligence to keep traffic moving.	13.1	50.4	38.4
Statewide	Coordinated Highway Action Response Team (CHART): CHART is the State Highway Administration's (SHA) Traffic Incident Management Emergency Response program designed to respond to lane-blocking roadway incidents and disabled motorists. It also includes installation of Intelligent Transportation System along Interstates, US, and major MD routes. Intelligent Transportation Systems include cameras, traffic detectors, weather sensors, dynamic message signs, web sites, and telecommunication networks.	14.7	166.2	99.1
Statewide	Sidewalk Program: This program provides matching funds for the construction of sidewalks adjacent to SHA highways.	10.2	88.3	70.0
Statewide	I-270, Eisenhower Memorial Highway and I-495 Capital Beltway – Phase 1 North: This study will consider a range of equitable and environmentally sensitive transportation solutions including transit and transportation demand management options for near-, mid-, and long-term implementation that address the transportation needs of the corridor.	10.0	50.5	50.5

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<u>County</u>	<u>Project</u>	<u>2025</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Statewide	Total Maximum Daily Load (TMDL): Plan, design, and construct storm water controls and alternative water quality improvement strategies in Maryland counties in order to meet the U.S. Environmental Protection Agency Chesapeake Bay TMDL requirements. These strategies support the goal of protecting and restoring the Chesapeake Bay watershed. The implementation will follow the State of Maryland’s commitment in its Watershed Implementation Plan.	19.9	670.0	156.7
Statewide	I-270, Eisenhower Memorial Highway and I-495 Capital Beltway – Phase 1 South: This project will replace the American Legion Bridge and other bridges in the corridor to today’s standards; provide three miles of accessible sidewalks, three miles of accessible shared-use paths, and two miles of bike lanes; provide new ramp connections to support interstate transit; provide nine miles of new and extended sound barriers and reconstruct five miles of existing sound barriers; rehabilitate existing general-purpose lanes, ramps, and side roads; upgrade seven interchanges; and provide high-occupancy toll lanes to support carpooling and transit. This is a Project Labor Agreement candidate project.	43.5	200.0	107.8
Statewide	The National Electric Vehicle Infrastructure (NEVI) Program: NEVI Program will create a network of convenient, reliable, affordable, and equitable electric vehicle chargers along Maryland’s designated alternative fuel corridors, which are major highways, and within communities along public roads or publicly accessible locations. Contributions from third parties will be utilized to match federal funds.	18.4	62.8	59.6

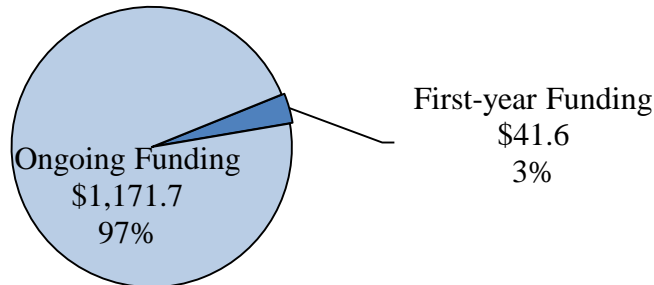
<u>County</u>	<u>Project</u>	<u>2025</u>	<u>Total Cost</u>	<u>Six-year Spending</u>
Statewide	Complete Streets Program: Building on SHA Context Driven initiative that has established a contextually nuanced approach to designing and deploying engineering countermeasures and on SHA’s Pedestrian Safety Action Plan that identified priority locations in which to focus vulnerable user safety investments, this program delivers active transportation improvements to support Maryland’s safety (Vision Zero), equity, and mode-shift goals.	8.0	97.5	97.0

Source: Maryland Department of Transportation, 2024 *Consolidated Transportation Program*; Department of Legislative Services

First-year Construction and Design Funding

Chapters 27 and 563 of 2022 require the CTP, beginning with the January 2023 CTP, to include tables listing projects receiving first-year funding for design or construction either in the budget year or the current year (if the funding was not shown in the budget year in the prior year CTP). As shown in **Exhibit 17**, \$42 million (3%) of SHA’s fiscal 2025 capital funding, which totals \$1.2 billion, is first-year funding. The SHA capital projects receiving first-year funding in fiscal 2024 and 2025 are listed in **Exhibit 18**.

Exhibit 17
First-year and Ongoing Programmed Spending – All Funds
Fiscal 2025
(\$ in Millions)



Source: Maryland Department of Transportation, 2024 *Consolidated Transportation Program*; Department of Legislative Services

Exhibit 18
Projects Receiving First-year Construction and Design Funding
Fiscal 2024-2025
(\$ in Thousands)

	<u>2024</u>	<u>2025</u>	<u>Total</u> <u>2024-2025</u>
Construction			
Capital Beltway-Interchange Reconstruct – Baltimore Washington Parkway to US 1 (Greenbelt Metro Access)	\$0	\$25,000	\$25,000
Design			
I-270, Eisenhower Memorial Highway, and I-495 Capital Beltway – Phase 1 North	3,000	10,000	13,000
Capital Beltway-Interchange Reconstruct – Baltimore Washington Parkway to US 1 (Greenbelt Metro Access)	2,000	4,000	6,000
MD 214, Central Avenue – MD 214 from MD 468 to Camp Letts Road	1,092	0	1,092
MD 90, Ocean City Expressway MD 90 – US 50 Interchange to MD 528	800	2,500	3,300
Traffic Relief Plan (Phase 2) Smart Traffic Signals	20	114	134
Washington Region - Stream and Wetland Mitigation	1,065	0	1,065
Total	\$7,977	\$41,614	\$49,591
State (Special)			\$2,310
Federal			25,189
Other			22,092
Total			\$49,591

Source: Maryland Department of Transportation, 2024 *Consolidated Transportation Program*; Department of Legislative Services

Significant Changes from the Previous *Consolidated Transportation Program*

Exhibit 19 shows the significant changes to major projects from the 2023 CTP.

Exhibit 19
Major Project Significant Changes from the
2023 *Consolidated Transportation Program*
(\$ in Millions)

	<u>Total Cost</u>
New Construction Program Projects	
Carbon Reduction Program – Reducing transportation-related emissions	\$94.4
PROTECT Program	107.3
NEVI Program	62.8
MD 144, Naves Cross Road – Bridge replacement over Evitts Creek	9.3
Easton Maintenance Shop – Facility renovation	20.0
Projects Moved from Development and Evaluation to Construction Program	
I-95/I-495, Capital Beltway – New interchange at the Greenbelt Metro Station	264.0
New Development and Evaluation Projects	
I-270, Eisenhower Memorial Highway, and I-495 Capital Beltway – Phase 1 North	50.5
Projects Moved from Construction Program to Development and Evaluation Program	
<i>I-795, Northwest Expressway – New interchange at Dolfield Boulevard</i>	29.6
<i>US 15, Frederick Freeway, and US 40, Frederick Freeway – Widening from I-70 to MD 26</i>	21.9
<i>US 219, Chestnut Ridge Road – Relocation of US 219 from Old Salisbury Rd to Pennsylvania State line</i>	22.6
<i>MD 97, Georgia Avenue – Safety and accessibility improvements from MD 192 to MD 390</i>	33.8
<i>MD 5, Point Lookout Road – Geometric improvements from MD 471 to MD 246</i>	12.1
<i>I-81, Maryland Veterans Memorial Highway</i>	11.6
<i>I-495/I-95 Capital Beltway – Interchange upgrades at Medical Center Dr (formerly Arena Drive)</i>	15.0
<i>MD 32, Sykesville Road – Geometric improvements from 2nd Street to Main Street</i>	1.6
<i>I-70, Geometric and intelligent transportation systems improvements from MD 32 to I-695</i>	9.2

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	<u>Total Cost</u>
<i>I-97 – Geometric and intelligent transportation systems improvements from US 50 to MD 32</i>	3.7
<i>MD 6, Charles Street – Safety and accessibility improvements between US 301 and Willow Lane</i>	4.4
<i>US 220, McMullen Highway – Geometric improvements along US 220, MD 53, and MD 636 in Cresaptown</i>	4.4

NEVI: National Electric Vehicle Infrastructure

PROTECT: Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation

Note: Italics denote projects for which construction funding has been reduced due to the *Consolidated Transportation Program* funding deficit but that development and evaluation work continues. The projects will be evaluated for construction funding as they advance through the design and engineering phases and additional revenue becomes available.

Source: Maryland Department of Transportation, 2024 *Consolidated Transportation Program*; Department of Legislative Services

Issues

1. MDOT Partnering with The Eastern Transportation Coalition to Pilot a Mileage-based User Fee

MDOT is partnering with The Eastern Transportation Coalition (TETC) to conduct a pilot study that will simulate use of a mileage-based user fee (MBUF) to help determine whether an MBUF could be a good alternative to the motor fuel tax as a means of ensuring sufficient resources to build and maintain a high-quality transportation system well into the future while preserving the “user pays” method of funding transportation. The study will simulate the use of an MBUF and fuel tax credits, so no actual money will be exchanged. Only light-duty passenger vehicles qualify for participation in the study.

The pilot began February 1, 2024, and will end in May 2024. Participants will create an account with GeoToll, a technology provider founded to make electronic tolling and MBUF services easier for drivers and more efficient for operators. Participants can choose one of the following mileage reporting methods as long as it is compatible with the vehicle being enrolled:

- smart mobile app with Global Positioning System (GPS);
- in-vehicle telematics with GPS;
- on-board diagnostic plug-in device with GPS; or
- odometer capture app without GPS.

GeoToll will collect all information to calculate miles driven within Maryland as well as out-of-state. Each month, TETC and MDOT will receive aggregated and anonymized vehicle and account reports from GeoToll. All data will be encrypted, stored securely, and destroyed 30 days after conclusion of the pilot. Participants will be asked to fill out an initial and final survey. Results of the pilot will be summarized and posted to the TETC website.

MDOT should discuss with the committees what it hopes to achieve through the pilot and what the next steps will be.

2. Managed Lanes Project Phasing and Funding

Prior to the termination of the public-private partnership (P3) agreement between MDOT/MDTA and Accelerate Maryland Partners, the Managed Lanes Phase 1 South project envisioned the addition of two toll lanes in each direction and the reconstruction of the general purpose lanes along the corridor extending from just south of the American Legion Bridge (ALB) north along I-495 (to include the reconstruction of ALB) to the I-270 spurs and up I-270 to the

I-270/I-370 interchange along portions of I-270, an existing high occupancy vehicle lane would be converted in each direction to become one of the two toll lanes in each direction. Since the termination of the P3, the project has been modified to reflect a more multimodal focus to improve transit and bicycle and pedestrian access along the corridor, with the extent of improvements in the initial phase limited to the reconstruction of ALB and improvements north on I-495 to the I-270 West Spur and the I-270 West Spur itself. The corridor extending from the I-270 spurs north will be addressed in subsequent phases.

The dissolution of the P3 removed the private-sector financing that was to be used to construct the project, and MDOT must now incorporate this project into the CTP as funding allows. MDOT submitted an application for a \$2.4 billion grant through the federal Multimodal Project Discretionary Grant (MPDG) program and for a \$2.2 billion grant through the federal Bridge Investment Program (BIP). A 20% nonfederal match is required under both programs so that the maximum that MDOT could receive for the project would be \$3.2 billion, leaving \$807 million to be provided by the State. MDOT was recently informed that its MPDG application was unsuccessful, but it is still awaiting a determination on its BIP application. MDOT can reapply for an MPDG grant during the next cycle. Until construction funding is identified, this project will remain in the D&E program.

MDOT should discuss the implications for the project should it be unsuccessful in obtaining federal discretionary grants.

3. Ending Enhanced Share of Highway User Revenues for Local Governments Would Increase MDOT Capital Program

The amount of funding available for the MDOT capital program in the current forecast is insufficient to allow major projects, such as construction of the Red Line or the Southern Maryland Rapid Transit or reconstruction of ALB, to move forward as expeditiously as many would like. Balancing the 2024 CTP also required the deferral of hundreds of millions in road projects that had been included in the 2023 CTP. Given these realities, a reevaluation of the ability of the TTF to continue providing local transportation aid at the enhanced levels begun in fiscal 2020 should be considered. **Exhibit 20** shows how the local HUR rates have been increased by legislation passed in 2018 and 2022.

Exhibit 20
Highway User Revenue Local Share
Fiscal 2019-2028

Chapters 330 and 331 of 2018

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Baltimore City	7.7%	8.3%	8.3%	8.3%	8.3%	8.3%	7.7%
Counties	1.5%	3.2%	3.2%	3.2%	3.2%	3.2%	1.5%
Municipalities	0.4%	2.0%	2.0%	2.0%	2.0%	2.0%	0.4%
Total Local	9.6%	13.5%	13.5%	13.5%	13.5%	13.5%	9.6%

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	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Baltimore City	9.5%	11.0%	12.2%	12.2%	9.5%
Counties	3.7%	4.3%	4.8%	4.8%	3.7%
Municipalities	2.4%	2.7%	3.0%	3.0%	2.4%
Total Local	15.6%	18.0%	20.0%	20.0%	15.6%

Source: Department of Legislative Services

Resetting the local HUR rate to 9.6% for fiscal 2025 onward would provide the MDOT capital program with an additional \$930.9 million between fiscal 2025 and 2029 as shown in **Exhibit 21**.

Exhibit 21
Impact of Resetting Local Highway User Revenue Rate
Fiscal 2025-2029
(\$ in Millions)

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2025-2029</u>
Baltimore City						
Current Law	\$242.0	\$273.6	\$278.9	\$215.9	\$219.5	\$1,230.1
Proposed	169.4	172.7	176.1	175.0	177.9	871.1
Change	-\$72.6	-\$100.9	-\$102.9	-\$40.9	-\$41.6	-\$358.9
Counties						
Current Law	\$94.6	\$107.7	\$109.7	\$84.1	\$85.5	\$481.6
Proposed	33.0	33.6	34.3	34.1	34.7	169.7
Change	-\$61.6	-\$74.0	-\$75.5	-\$50.0	-\$50.8	-\$311.9
Municipalities						
Current Law	\$59.4	\$67.3	\$68.6	\$54.6	\$55.5	\$305.3
Proposed	8.8	9.0	9.1	9.1	9.2	45.3
Change	-\$50.6	-\$58.3	-\$59.4	-\$45.5	-\$46.2	-\$260.0
Total Local						
Current Law	\$396.0	\$448.6	\$457.3	\$354.6	\$360.5	\$2,017.0
Proposed	211.2	215.3	219.5	218.2	221.8	1,086.1
Change	-\$184.8	-\$233.3	-\$237.8	-\$136.4	-\$138.7	-\$930.9

Source: Maryland Department of Transportation; Department of Legislative Services

Operating Budget Recommended Actions

1. Concur with Governor’s allowance.

PAYGO Budget Recommended Actions

1. Add the following language to the special fund appropriation:

, provided that \$184,799,832 of this appropriation is reduced contingent on passage of SB 362 or HB 352 reducing the local share of Highway User Revenues. Further provided that the reduction is allocated as follows:

<u>Baltimore City</u>	<u>-\$72,599,934</u>
<u>Counties</u>	<u>-\$61,599,944</u>
<u>Municipalities</u>	<u>-\$50,999,954.</u>

Explanation: There are many high priority State transportation capital projects that cannot move forward due to the lack of funding. Reducing the local share of Highway User Revenues to the 9.6% in effect before rates were enhanced beginning in fiscal 2020 will provide an additional \$930 million for State projects between fiscal 2025 and 2029.

Budget Reconciliation and Financing Act Recommended Actions

1. Reduce the local share of Highway User Revenues beginning in fiscal 2025 to 9.6%.

Appendix 1
2023 Joint Chairmen’s Report Responses from Agency

The 2023 *Joint Chairmen’s Report* (JCR) requested that SHA prepare three reports and requires the city of Seat Pleasant to procure an independent audit and submit the audit report to secure release of funds. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- ***Williamsport, Maryland US 11 Bridge – Planning and Environmental Linkages (PEL) Study:*** Committee narrative adopted during the 2023 session requested SHA to submit a report on the PEL process, indicating when the study is expected to be complete and summarizing any preliminary findings. SHA submitted a report indicating that it had completed initial study activities and that the final study report is expected to be completed by early 2024. Report findings are anticipated to include potential concepts that could be investigated further, recommend the next steps in the project development process, and prioritize strategies to develop and implement improvements, such as interim improvements and/or phasing. SHA indicates that recommendations will be shared with the town of Williamsport, Washington County, the National Park Service, and other local jurisdiction partners.
- ***Mowing and Litter Cleanups Along State Roads and Highways:*** Committee narrative adopted during the 2023 session requested SHA to submit a report on the methods used to increase roadway litter pickup and mowing activities, the costs associated with the increased efforts and how those costs were covered, and the impact of these efforts. SHA reported that it used a combination of additional contracted service and a reallocation of State labor to these activities from other maintenance activities. SHA reported that the increased effort cost \$6.2 million and was paid for using unspent funds from the winter maintenance budget that were available due to few significant winter events having occurred. These efforts resulted in a decrease in litter cleanup requests received through SHA’s Customer Care Management System and expressions of appreciation from local governments in areas where litter had been most egregious.
- ***I-695 Road Construction Worker Fatalities:*** Committee narrative adopted during the 2023 session requested SHA to submit a report on the findings of the investigation into the roadway work zone crash that occurred in March 2023 that resulted in the fatalities of six construction workers. The report is to be submitted within 45 days following the completion of the investigation. As of February 2024, the investigation had not been completed, so no report has been submitted. However, the Governor’s Work Zone Safety Work Group that was convened in response to the crash issued a report in November 2023. This report is discussed in the Issues section of the J00 – MDOT Fiscal 2025 Budget Overview.

Appendix 2
Budget Amendments for Fiscal 2024
Maryland Department of Transportation
State Highway Administration

Capital

<u>Status</u>	<u>Amendment</u>	<u>Fund</u>	<u>Justification</u>
Projected	\$10,637,560	Special	Adjusts the appropriation for the current year to conform to the 2024 CTP
	-119,290,475	Federal	
	-\$108,652,915	Total	

Appendix 3
Object/Fund Difference Report
MDOT – State Highway Administration

<u>Object/Fund</u>	<u>FY 23</u> <u>Actual</u>	<u>FY 24</u> <u>Working</u> <u>Appropriation</u>	<u>FY 25</u> <u>Allowance</u>	<u>FY 24 - FY 25</u> <u>Amount Change</u>	<u>Percent</u> <u>Change</u>
Positions					
01 Regular	1,424.50	1,424.50	1,424.50	0.00	0%
02 Contractual	8.40	16.00	16.00	0.00	0%
Total Positions	1,432.90	1,440.50	1,440.50	0.00	0%
Objects					
01 Salaries and Wages	\$ 134,509,251	\$ 145,248,530	\$ 155,298,827	\$ 10,050,297	6.9%
02 Technical and Special Fees	8,876,186	11,067,393	10,319,009	-748,384	-6.8%
03 Communication	2,649,059	2,713,700	3,467,788	754,088	27.8%
04 Travel	449,033	675,990	487,259	-188,731	-27.9%
06 Fuel and Utilities	13,065,557	11,068,826	12,860,111	1,791,285	16.2%
07 Motor Vehicles	21,286,783	18,565,378	20,908,972	2,343,594	12.6%
08 Contractual Services	116,718,381	135,890,076	122,008,132	-13,881,944	-10.2%
09 Supplies and Materials	18,267,831	27,146,022	18,482,542	-8,663,480	-31.9%
10 Equipment – Replacement	73,267	182,517	820,599	638,082	349.6%
11 Equipment – Additional	649,001	471,990	467,676	-4,314	-0.9%
12 Grants, Subsidies, and Contributions	4,288,221	4,591,643	4,637,148	45,505	1.0%
13 Fixed Charges	756,058	864,951	1,274,184	409,233	47.3%
Total Objects	\$ 321,588,628	\$ 358,487,016	\$ 351,032,247	-\$ 7,454,769	-2.1%
Funds					
03 Special Fund	\$ 295,353,650	\$ 325,499,799	\$ 317,452,288	-\$ 8,047,511	-2.5%
05 Federal Fund	26,234,978	32,987,217	33,579,959	592,742	1.8%
Total Funds	\$ 321,588,628	\$ 358,487,016	\$ 351,032,247	-\$ 7,454,769	-2.1%

Note: The fiscal 2025 allowance does not include cost-of-living adjustments nor funds added in Supplemental Budget No. 1.

**Appendix 4
Fiscal Summary
MDOT – State Highway Administration**

<u>Program/Unit</u>	<u>FY 23 Actual</u>	<u>FY 24 Wrk Approp</u>	<u>FY 25 Allowance</u>	<u>Change</u>	<u>FY 24 - FY 25 % Change</u>
01 State System Construction and Equipment	\$ 937,844,850	\$ 1,106,405,000	\$ 1,107,328,000	\$ 923,000	0.1%
02 State System Maintenance	301,596,553	339,741,671	333,416,011	-6,325,660	-1.9%
03 County and Municipality Capital Funds	53,838,136	78,500,000	78,300,000	-200,000	-0.3%
04 Highway Safety Operating Program	19,992,075	18,745,345	17,616,236	-1,129,109	-6.0%
05 County and Municipality Funds	280,259,873	334,269,705	395,999,640	61,729,935	18.5%
08 Major IT Development Projects	5,009,565	5,061,000	6,202,000	1,141,000	22.5%
Total Expenditures	\$ 1,598,541,052	\$ 1,882,722,721	\$ 1,938,861,887	\$ 56,139,166	3.0%
Special Fund	\$ 887,529,842	\$ 968,166,504	\$ 985,091,928	\$ 16,925,424	1.7%
Federal Fund	711,011,210	914,556,217	953,769,959	39,213,742	4.3%
Total Appropriations	\$ 1,598,541,052	\$ 1,882,722,721	\$ 1,938,861,887	\$ 56,139,166	3.0%

Note: The fiscal 2025 allowance does not include cost-of-living adjustments nor funds added in Supplemental Budget No. 1.