

Department of Legislative Services
 Maryland General Assembly
 2008 Session

FISCAL AND POLICY NOTE

House Bill 78 (Delegate Holmes)
 Environmental Matters

State Report on Transportation - Mass Transit - Required Element

This bill requires the Maryland Department of Transportation (MDOT) to include in the Consolidated Transportation Program (CTP) a summary of the projected mass transit needs of the State and a list of all mass transit capital projects for the current year, the budget request year, and the four successive planning years. It also requires that the 20-year forecast of State transportation needs in the Maryland Transportation Plan (MTP) be for each modal administration and mandates that the summary of projects and programs proposed to accomplish the goals of the plan be for each modal administration.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures could increase by \$360,000 in FY 2009 (for the 2009 MTP) and \$194,800 in FY 2013 (for the 2014 MTP) to prepare a summary of projected mass transit needs of the State and prepare a 20-year forecast of State transportation needs by modal administration. FY 2013 costs reflect inflation and include only a portion of the increased costs associated with the 2014 MTP. Revenues would not be affected.

(in dollars)	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	360,000	0	0	0	194,800
Net Effect	(\$360,000)	\$0	\$0	\$0	(\$194,800)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The *State Report on Transportation* is prepared by MDOT. It consists of two components, the CTP and the MTP.

The CTP is the six-year budget for the construction, development, and evaluation of transportation capital projects. It is revised annually to reflect updated information and changing priorities. It contains a list of current and anticipated major and minor capital projects for the fiscal year it is issued and for the next five fiscal years, including:

- an expanded description of major capital projects;
- a detailed breakdown of the costs of a project, project expenditures to date, expected expenditures for the current fiscal year, projected annual expenditures for the next five years, and total project costs; and
- MDOT's estimates of the revenues required to fund the projects in the CTP and what the source of the funding is anticipated to be (*i.e.*, federal funds, special funds, etc.).

The MTP is the long-term plan for Maryland transportation. The MTP must be prepared every five years. It includes a 20-year forecast of State transportation needs, based on the financial resources anticipated to be available to MDOT during that time. It must be expressed in terms of goals and objectives and must include a summary of the types of projects and programs proposed to accomplish those goals. The summary must use a multimodal approach when feasible.

State Expenditures: MDOT advises that the CTP already includes a list of all capital mass transit projects and needs for the six years included in the CTP; however, the CTP does not contain a list of projected needs.

MDOT also advises that updating the last MTP cost \$360,000 including consulting fees. This did not include a modal administration by modal administration approach. MDOT estimates that mandating a modal administration analysis of transportation needs could double the cost of updating the MTP. MDOT advises that the next MTP will be issued in 2009 and that updating the MTP begins approximately two years before its publication date. Consequently, a 20-year forecast of State transportation needs for each transportation mode would be difficult to accommodate given the bill's October 1, 2008 effective date. However, to meet the bill's requirements, TTF expenditures could increase by \$360,000 in fiscal 2009 with respect to the 2009 MTP. TTF expenditures for the 2014 MTP could increase by \$194,838 in fiscal 2013 and \$198,735 in fiscal 2014, which reflect inflation.

Legislative Services advises that MDOT could use the modal analysis to identify projected mass transit needs for the CTP. Although the MTP is a long-term document, identifying transportation needs by modal administration could assist MDOT in determining and prioritizing what projects should be in the CTP and in ensuring effective short-term implementation of MTP's long-term goals. Accordingly, MDOT could achieve greater efficiency in its planning and implementation of its capital and operating program. However, the fiscal impact of this improved operational efficiency cannot be reliably estimated at this time.

Additional Comments: Legislative Services advises that it can take 12 years or more to take a transportation project through the design, permitting, and analysis stage before construction can begin. Depending on the length of construction, 20 years may not be sufficient to complete projects identified in the MTP.

Additional Information

Prior Introductions: A nearly identical bill was introduced in the 2007 session as HB 674 and received an unfavorable report by the House Environmental Matters Committee.

Cross File: None.

Information Source(s): Maryland Department of Transportation, National Surface Transportation Policy and Revenue Study Commission, Department of Legislative Services

Fiscal Note History: First Reader - January 24, 2008
mll/lgc

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