

Department of Legislative Services
 Maryland General Assembly
 2017 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1050 (Delegate A. Miller, *et al.*)
 Environment and Transportation

**Transportation - I-270/US 15 Multi-Modal Corridor Study and West Side
 Mobility Study - Review and Update**

This bill requires the State Highway Administration (SHA) and the Maryland Transit Administration (MTA) to complete a review and update of the I-270/US 15 Multi-Modal Corridor Study by January 1, 2020. The bill also requires SHA to review and update the sections of the West Side Mobility Study that involve projects in Maryland by January 1, 2020. By January 1 of each year until completion of each update, SHA and MTA must submit a status report to specified committees of the General Assembly.

The bill takes effect July 1, 2017.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures increase by approximately \$12.5 million from FY 2018 through 2020 for SHA and MTA to update the studies required by the bill. This estimate assumes that TTF expenditures increase by approximately \$5.0 million in FY 2018, \$5.0 million in FY 2019, and \$2.5 million in FY 2020; however, the Maryland Department of Transportation (MDOT) advises that, due to the National Environmental Policy Act (NEPA) aspects of each study, some of the costs may be incurred in FY 2021. Revenues are not affected.

| (\$ in millions) | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 |
|------------------|---------|---------|---------|---------|---------|
| Revenues | \$0 | \$0 | \$0 | \$0 | \$0 |
| SF Expenditure | 5.0 | 5.0 | 2.5 | 0 | 0 |
| Net Effect | (\$5.0) | (\$5.0) | (\$2.5) | \$0.0 | \$0.0 |

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

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

Small Business Effect: Minimal.

Analysis

Bill Summary: The review and update of the I-270/US 15 Multi-Modal Corridor Study must include a review and update of the applicable (1) draft environmental impact statement; (2) alternatives analysis/environmental assessment; and (3) Corridor Cities Transitway (CCT) supplemental environmental assessment. The review and update of the West Side Mobility Study must include the drafting and finalization of any required statement or assessment, such as (1) draft environmental impact statement; (2) alternatives analysis/environmental assessment; and (3) supplemental environment assessment.

Each review and update must be completed to ensure compliance with federal and State project development process requirements for the approval and funding of major public transportation improvements.

Current Law/Background:

I-270/US 15 Multi-Modal Corridor Study

As a joint effort by SHA and MTA, the I-270/US 15 Multi-Modal Corridor Study examined Frederick and Montgomery counties' most congested areas, a 30-mile stretch running from the intersection of US 15 and Biggs Ford Road along I-270 to the Shady Grove Metro Station. This study explored options to ease congestion by making highway improvements in conjunction with proposed transit options, such as bus rapid transit (BRT) or light rail transit, along a dedicated corridor known as CCT. The study's Alternatives Analysis and Environmental Assessment was released in 2009. The analysis provided an evaluation of the costs and benefits of a range of transportation alternatives designed to address specific needs in the study corridor.

Corridor Cities Transitway

Phase I of the CCT project is a proposed high-quality BRT line operating along a nine-mile corridor between Shady Grove Metrorail Station and Metropolitan Grove in Montgomery County. The BRT line is planned to be a premium bus service operating on an exclusive transitway (separate from vehicular traffic), featuring 12 transit stations. In the *Consolidated Transportation Program for Fiscal 2017 to 2022*, the project has been deferred to fiscal 2023 due to agency-wide budget restrictions; \$37.0 million has been spent for planning through fiscal 2016. Phase II of the project is a planned six-mile extension, but is not currently funded for planning, design, or construction.

West Side Mobility Study

The West Side Mobility Study is a joint study conducted by SHA and the Virginia Department of Transportation (VDOT) to evaluate potential improvements along the Capital Beltway, I-270 Spurs, and I-270 mainline between the VDOT High Occupancy Toll Lanes Project and I-370/Intercounty Connector. The study evaluated improvements that could increase capacity, improve traffic operations, and provide a managed lanes network to connect the adjacent facilities that are currently under construction. The final report from the study was released in 2009.

Included in the final report were seven long-term alternatives to provide additional capacity throughout the study corridor. Each suggested alternative had significant costs (ranging from \$1.0 billion to \$2.7 billion) and extensive property impacts due to the need for mainline widening and interchange improvements. The study also included a number of short-term and mid-term improvements that focused on traffic operations, impacts, and cost.

Environmental Impact Study Process

For major transportation projects, NEPA requires a range of alternatives to be considered and the environmental impacts of each alternative to be analyzed. This type of study is required prior to the commitment of federal funds by the Federal Highway Administration 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.

State Expenditures: SHA and MTA each incur costs to update the I-270/US 15 Multi-Modal Corridor Study and SHA incurs costs to update the West Side Mobility Study; in total, TTF expenditures increase by approximately \$12.5 million to update the studies. This estimate assumes that TTF expenditures increase by \$5.0 million in fiscal 2018, \$5.0 million in fiscal 2019, and \$2.5 million in fiscal 2020. Even though the bill requires the studies to be updated by January 1, 2020 (which is halfway through fiscal 2020), MDOT advises that the NEPA aspects of the study may not be complete until fiscal 2021, requiring some of the costs to be incurred in that year, due to the time-consuming nature of the process. The costs for each study are summarized below.

I-270/US 16 Multi-Modal Corridor Study

SHA advises that updating the I-270 Multi-Modal Corridor Study requires all environmental technical analyses be updated to reflect changes in traffic, regulations, and

public involvement. Additionally, in order to obtain NEPA approval from the federal government, funding for the study must be in place. Therefore, SHA TTF expenditures increase by \$5.0 million to fund and complete the study. Additionally, SHA advises that the NEPA study required by the bill may need to be updated every three years after its completion due to the size of the area for which the study applies. To the extent updates are necessary, which could be as often as every three years, TTF expenditures increase by \$500,000 per update. However, any such impact is speculative and beyond the scope of this analysis.

MTA advises that its portion of the I-270/US 15 Multi-Modal Corridor Study focuses primarily on the CCT. MTA's preliminary estimate to update the study totals \$3.5 million from fiscal 2018 through 2019. Besides the completion of a new NEPA study, at an approximate cost of \$3.0 million, the Phase I aspects of the study require minimal updating because the project is sufficiently advanced in the planning and engineering stages. MTA advises that, absent the bill, completion of the project would eventually require a new NEPA study anyway, but it is unclear when that study would otherwise occur; thus, this analysis includes those costs. This estimate also includes \$500,000 to update the study related to Phase II of the project, which is still early in the planning stages.

West Side Mobility Study

SHA advises that the West Side Mobility Study was performed as a feasibility study, and therefore, did not include a NEPA study. As a result, a NEPA study must be funded in order to fully evaluate and gain approval for a large-scale capacity improvement to move forward through the project development process. Therefore, TTF expenditures increase by approximately \$4.0 million from fiscal 2018 through 2019 to review and update the mobility study. Similar to the I-270/US 15 Multi-Modal Corridor Study, each reevaluation needed in future years would cost approximately \$500,000, although any such costs are not reflected in this analysis.

Additional Information

Prior Introductions: None.

Cross File: SB 1065 (Senator Manno, *et al.*) - Finance.

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

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md/mcr

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