

Department of Legislative Services  
Maryland General Assembly  
2020 Session

FISCAL AND POLICY NOTE  
First Reader

House Bill 258 (Prince George's County Delegation)  
Environment and Transportation

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Prince George's County - State Highways - Toll Facilities  
PG 402-20

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This bill prohibits a State agency, including the Maryland Transportation Authority (MDTA), from acquiring or constructing any toll road, toll highway, or toll bridge in Prince George's County unless the county authorizes the acquisition or construction by local law. **The bill takes effect June 1, 2020.**

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Fiscal Summary

**State Effect:** To the extent the bill results in a delay or cancellation of transportation projects that otherwise would occur, State operations and finances may be significantly affected.

**Local Effect:** Prince George's County can approve any toll facility in the manner required by the bill using existing resources. Revenues are not directly affected.

**Small Business Effect:** Minimal or no direct effect. However, to the extent the bill results in a delay or cancellation of transportation projects that otherwise would occur, small business contractors may be meaningfully affected.

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## Analysis

### Current Law/Background:

#### *Toll Highways in the State*

Since 1971, MDTA has been responsible for constructing, managing, operating, and improving the State's toll facilities (for example, the Chesapeake Bay Bridge and Intercounty Connector) and for financing new revenue-producing transportation projects. MDTA has the authority to set tolls on transportation facilities projects under its supervision. There are currently two transportation projects in the planning stage that involve tolls (the third span across the Chesapeake Bay Bridge and the Governor's Traffic Relief Plan) and one project in the construction stage that involves tolls (the extension of I-95 express lanes).

A State agency, including MDTA, must get the approval of the majority of affected governments to construct a toll road, toll highway, or toll bridge in Caroline, Cecil, Dorchester, Kent, Queen Anne's, Somerset, Talbot, Wicomico, and Worcester counties. The bill establishes a similar requirement *solely* for Prince George's County.

#### *Traffic Relief Plan*

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 (P3). In June 2019, the Board of Public Works (BPW) 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. On January 8, 2020, BPW approved the plan with amendments – the preliminary solicitation schedule for Phase 1 anticipates execution of the P3 agreement in May 2021.

*The Consolidated Transportation Program (CTP)* for fiscal 2020 through 2025 includes \$95.8 million to continue planning for the new lanes on I-270 and I-495. The Maryland Department of Transportation (MDOT) advises that one of the goals of the I-270 and I-495 project is that there will be no net cost to the State. To that end, MDOT advises that, in time, it will be repaid for these and other project development costs by the P3 partners. The CTP also includes \$25,000 for planning of the MD 295 project.

**State Fiscal Effect:** The bill's prohibition against the acquisition or construction of any toll facility in Prince George's County without county authorization may directly affect the Governor's Traffic Relief Plan for I-270 and I-495 and could affect future toll facility projects proposed in the county in future years. Any potential impact on the State cannot

be reliably estimated at this time because it depends on numerous unknown factors, including (1) how and where toll roads are ultimately established in the county under current law (which has not yet been determined under the Traffic Relief Plan) and (2) whether Prince George's County authorizes any such toll facility.

For example, if, under the bill, Prince George's County authorizes a toll facility that is proposed by the State, the bill has no direct effect on State finances; however, to the extent that the additional authorization needed causes a delay in project development, total project costs could increase. Conversely, if the county does not explicitly authorize a toll facility to be established in the county, the State's plan, as currently proposed, may need to be modified or abandoned, which could have significant fiscal effects.

**Small Business Effect:** Although the bill's requirements have minimal or no direct effect on small businesses, to the extent any proposed transportation projects are delayed or cancelled as a result of the bill, any small business contractors involved in the construction of such projects may be meaningfully affected.

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### **Additional Information**

**Prior Introductions:** HB 456 of 2019 received a hearing in the House Environment and Transportation Committee, but no further action was taken.

**Designated Cross File:** None.

**Information Source(s):** Maryland Department of Transportation; Prince George's County; Department of Legislative Services

**Fiscal Note History:** First Reader - February 12, 2020  
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