

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1022
Appropriations

(Delegate Crosby)

State Highway Administration - Route 5 Reconstruction Project at Great Mills

This bill requires the Governor to appropriate the necessary funds in fiscal 2024 and 2025 for the construction of the Route 5 Reconstruction Project; the appropriations must be made in accordance with the *Consolidated Transportation Program* (CTP) for fiscal 2023 through 2028. The project must be constructed and commence operation by June 30, 2025. By December 1 of each year until completion of the project, the State Highway Administration (SHA) must submit a report on the status of the project to specified committees of the General Assembly; the bill establishes requirements for the report. **The bill takes effect July 1, 2022.**

Fiscal Summary

State Effect: Because the Maryland Department of Transportation’s (MDOT) capital program is fully subscribed, overall Transportation Trust Fund expenditures are not affected. However, the bill requires MDOT to redirect millions of dollars from other projects in FY 2024 and 2025, as discussed below. **This bill establishes a mandated appropriation in FY 2024 and 2025.**

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

Small Business Effect: Minimal.

Analysis

Bill Summary: “Route 5 Reconstruction Project” means the reconstruction of Maryland Route 5 between Maryland Route 246 and Maryland Route 471 in Great Mills,

St. Mary's County, as described in the CTP for fiscal 2023 through 2028, including roadway, bridge, and related infrastructure improvements.

It is the intent of the General Assembly that SHA promptly undertake all steps necessary to complete the planning, engineering, right-of-way acquisition, and construction of the Route 5 Reconstruction Project in accordance with the CTP for fiscal 2023 through 2028.

The report required by the bill must include (1) an update on all progress; (2) any revised estimate of the total cost and a statement of the reasons for any cost savings or cost increases; (3) a description of any changes; (4) planned expenditures by year, categorized as specified; (5) funding sources by year, categorized by fund type, as specified; and (6) any other information concerning the project that SHA considers pertinent.

Current Law: SHA is responsible for more than 5,200 miles or approximately 16,800 lane miles of road, 2,500 bridges, 3,500 small stream crossing structures, and 80 miles of sound/noise barriers in the State. It also has responsibility for planning, designing, constructing, and maintaining these roads and bridges to safety and performance standards while considering sociological, ecological, and economic concerns.

The current CTP is for fiscal 2022 through 2027; the CTP for fiscal 2023 through 2028 is not anticipated to be finalized until January 2023.

State Expenditures: The CTP for fiscal 2022 through 2027 [includes funding to develop, study, and evaluate](#) transportation issues on Route 5; however, it does not include construction and implementation funding for the Route 5 Reconstruction Project at Great Mills. MDOT estimates the total cost of the project at \$23.0 million, which includes \$13.4 million in construction costs. It is unclear at this time whether MDOT would otherwise program any construction and implementation funding for the project in the CTP for fiscal 2023 through 2028 in the absence of the bill.

To fully fund the Route 5 Reconstruction Project at Great Mills and aspire to complete the project by June 30, 2025, MDOT must redirect millions in funding from other projects in the CTP in fiscal 2024 and 2025. According to MDOT, the project is currently in the development and evaluation program, and project design is only about 60% complete. Accordingly, MDOT advises that it is likely not possible to complete the project in the timeframe established by the bill.

Even if some amount of funding would otherwise be provided for the project in the CTP for fiscal 2023 through 2028, MDOT advises, and the Department of Legislative Services concurs, that the total cost of the project is likely to be significantly greater than MDOT's estimate (discussed above) due to the expedited timeframe required by the bill. Even so, as

noted above, the bill's June 2025 deadline for completion of the project is unlikely to be met.

MDOT advises that in 2019, 2020, and 2021, it [applied for federal funding](#) for the project, but no federal funding has been awarded. To the extent MDOT is able to obtain federal funding for the project in future fiscal years, costs to the State for the project may be partially or fully offset.

SHA can submit the required reports using existing budgeted resources.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Maryland Department of Transportation; Department of Budget and Management; St. Mary's County; Department of Legislative Services

Fiscal Note History: First Reader - March 3, 2022
fnu2/lgc

Analysis by: Richard L. Duncan

Direct Inquiries to:
(410) 946-5510
(301) 970-5510