

HOUSE BILL 437

R1, M3
HB 84/25 – APP & ENT

6lr1424
CF SB 59

By: **Delegates Edelson, Solomon, and Watson**

Introduced and read first time: January 22, 2026

Assigned to: Appropriations and Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Transportation – Major Highway Capacity Expansion Projects and Impact
3 Assessments
4 (Transportation and Climate Alignment Act of 2026)**

5 FOR the purpose of requiring the Department of Transportation, as part of the planning
6 and implementation of certain major highway expansion projects, to perform an
7 impact assessment of the project and develop and implement a corresponding
8 multimodal transportation program; requiring the Department, beginning with a
9 certain Consolidated Transportation Program, to evaluate certain major capital
10 projects for their impact on greenhouse gas emissions and vehicle miles traveled;
11 requiring, under certain circumstances, the Department to fund offsetting activities
12 to reduce certain project or program impacts on greenhouse gas emissions; requiring
13 the Secretary of Transportation to establish certain processes and post certain
14 information on the Department's website; requiring the Department and the State
15 Highway Administration to issue a certain report before proceeding to the final
16 project planning phase for certain projects; and generally relating to the planning
17 and development of certain transportation projects.

18 BY adding to
19 Article – Transportation
20 Section 2–901 through 2–905 to be under the new subtitle “Subtitle 9. Major
21 Highway Capacity Expansion Projects”
22 Annotated Code of Maryland
23 (2020 Replacement Volume and 2025 Supplement)

24 BY repealing and reenacting, with amendments,
25 Article – Transportation
26 Section 8–102
27 Annotated Code of Maryland
28 (2020 Replacement Volume and 2025 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
2 That the Laws of Maryland read as follows:

3 **Article – Transportation**

4 **SUBTITLE 9. MAJOR HIGHWAY CAPACITY EXPANSION PROJECTS.**

5 **2-901.**

6 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
7 INDICATED.

8 (B) “CARBON DIOXIDE EQUIVALENT” MEANS THE MEASUREMENT OF A
9 GIVEN WEIGHT OF A GREENHOUSE GAS THAT HAS THE SAME GLOBAL WARMING
10 POTENTIAL, MEASURED OVER A SPECIFIED PERIOD OF TIME, AS 1 METRIC TON OF
11 CARBON DIOXIDE.

12 (C) “GREENHOUSE GAS” INCLUDES CARBON DIOXIDE, METHANE, NITROUS
13 OXIDE, HYDROFLUOROCARBONS, PERFLUOROCARBONS, AND SULFUR
14 HEXAFLUORIDE.

15 (D) “GREENHOUSE GAS EMISSIONS” MEANS EMISSIONS OF GREENHOUSE
16 GASES IN THE STATE, MEASURED IN METRIC TONS OF CARBON DIOXIDE
17 EQUIVALENTS.

18 (E) “IMPACT ASSESSMENT” MEANS AN ASSESSMENT OF A PROJECT’S OR
19 PROGRAM’S OPERATIONAL IMPACT ON GREENHOUSE GAS EMISSIONS AND VEHICLE
20 MILES TRAVELED.

21 (F) “INDUCED DEMAND” MEANS AN INCREASE IN THE DEMAND FOR MOTOR
22 VEHICLE TRAVEL THAT IS DEMONSTRATED BY AN INCREASE IN VEHICLE MILES
23 TRAVELED DUE TO AN INCREASE IN ROADWAY SUPPLY, SUCH AS NEW OR EXPANDED
24 ROADS, ADDITIONAL CAPACITY, OR ADDITIONAL LANE MILES.

25 (G) “MAJOR CAPITAL PROJECT” HAS THE MEANING STATED IN § 2-103.1 OF
26 THIS TITLE.

27 (H) “MAJOR HIGHWAY CAPACITY EXPANSION PROJECT” MEANS A MAJOR
28 CAPITAL PROJECT THAT:

29 (1) THROUGH ALL PHASES INCREASES HIGHWAY CAPACITY
30 THROUGH NEW HIGHWAY LANES, GRADE SEPARATIONS INCLUDING INTERCHANGES,
31 OR EXTENDED HIGHWAY LANES; AND

32 (2) HAS A TOTAL COST THAT EXCEEDS \$100,000,000.

1 (I) "OVERBURDENED COMMUNITY" HAS THE MEANING STATED IN § 1-701
2 OF THE ENVIRONMENT ARTICLE.

3 (J) "SYSTEM PRESERVATION ACTIVITY" MEANS AN ACTIVITY FOCUSED ON
4 MAINTAINING AND REHABILITATING EXISTING TRANSPORTATION
5 INFRASTRUCTURE TO ENSURE THE INFRASTRUCTURE REMAINS SAFE, RELIABLE,
6 AND FUNCTIONAL.

7 (K) "UNDERSERVED COMMUNITY" HAS THE MEANING STATED IN §
8 1-701 OF THE ENVIRONMENT ARTICLE.

9 (L) "VEHICLE MILES TRAVELED PER CAPITA" MEANS THE TOTAL NUMBER
10 OF ON-ROAD MILES TRAVELED BY VEHICLES IN A GEOGRAPHIC REGION OVER A
11 1-YEAR PERIOD DIVIDED BY THE POPULATION IN THAT REGION.

12 2-902.

13 THIS SUBTITLE DOES NOT APPLY TO A MAJOR HIGHWAY CAPACITY EXPANSION
14 PROJECT THAT, ON OR BEFORE JUNE 30, 2026:

15 (1) WAS A PART OF THE STATEWIDE TRANSPORTATION
16 IMPROVEMENT PROGRAM THAT RECEIVED FUNDING FOR CONSTRUCTION;

17 (2) WAS FUNDED FOR CONSTRUCTION IN THE CONSOLIDATED
18 TRANSPORTATION PROGRAM; OR

19 (3) COMPLETED THE ENVIRONMENTAL REVIEW PROCESS UNDER THE
20 NATIONAL ENVIRONMENTAL POLICY ACT.

21 2-903.

22 (A) AS PART OF THE PLANNING AND IMPLEMENTATION OF A MAJOR
23 HIGHWAY CAPACITY EXPANSION PROJECT, THE DEPARTMENT SHALL PERFORM AN
24 IMPACT ASSESSMENT OF THE PROJECT AND DEVELOP AND IMPLEMENT A
25 CORRESPONDING MULTIMODAL TRANSPORTATION PROGRAM.

26 (B) (1) DURING PROJECT DEVELOPMENT, THE MULTIMODAL
27 TRANSPORTATION PROGRAM REQUIRED UNDER SUBSECTION (A) OF THIS SECTION
28 SHALL IDENTIFY INVESTMENTS IN TRANSIT, TRANSIT-ORIENTED DEVELOPMENT,
29 TRANSPORTATION DEMAND MANAGEMENT, PEDESTRIAN AND BICYCLE FACILITIES,
30 LAND USE CHANGES, AND OTHER ACTIVITIES SPECIFIED IN § 2-904(C) OF THIS
31 SUBTITLE TO OFFSET THE INCREASE IN GREENHOUSE GAS EMISSIONS ASSOCIATED
32 WITH THE PROJECT.

9 (IV) THE REGION IN WHICH THE MAJOR HIGHWAY CAPACITY
10 EXPANSION PROJECT IS LOCATED; AND

11 (v) THE STATE AT LARGE.

12 (C) (1) THE MULTIMODAL TRANSPORTATION PROGRAM SHALL OFFSET
13 THE GREENHOUSE GAS EMISSIONS ASSOCIATED WITH THE MAJOR HIGHWAY
14 CAPACITY EXPANSION PROJECT.

18 (D) THE DEPARTMENT SHALL CONSIDER BOTH THE MAJOR HIGHWAY
19 CAPACITY EXPANSION PROJECT AND THE MULTIMODAL TRANSPORTATION
20 PROGRAM AS PART OF ITS EVALUATION OF THE PROJECT UNDER § 2-103.7 OF THIS
21 TITLE.

22 (E) THE DEPARTMENT SHALL:

6 (I) GREENHOUSE GAS EMISSIONS; AND

7 (II) VEHICLE MILES TRAVELED PER CAPITA.

12 (B) (1) BEGINNING WITH THE CONSOLIDATED TRANSPORTATION
13 PROGRAM FOR FISCAL YEAR 2028 THROUGH FISCAL YEAR 2033 AND IN EACH
14 ANNUAL RELEASE THEREAFTER, THE DEPARTMENT SHALL ACHIEVE, TO THE
15 MAXIMUM EXTENT PRACTICABLE AND SUBJECT TO STATE APPROPRIATIONS, A
16 PROGRAM WHOSE IMPACT ON GREENHOUSE GAS EMISSIONS AND PROGRESS
17 TOWARD ACHIEVING GREENHOUSE GAS REDUCTION TARGETS ARE, OVER THE
18 CONSOLIDATED TRANSPORTATION PROGRAM PERIOD, CONSISTENT WITH THE
19 PROJECTED GREENHOUSE GAS EMISSION REDUCTIONS MODELED FOR ROADS IN
20 MARYLAND'S CLIMATE POLLUTION REDUCTION PLAN: MODELING APPENDIX.

26 (C) THE OFFSETTING ACTIVITIES REQUIRED UNDER SUBSECTIONS (A) AND
27 (B) OF THIS SECTION ARE ACTIVITIES THAT:

30 (2) PRIORITY OVERBURDENED AND UNDERSERVED COMMUNITIES:

33 (4) INCLUDE:

1 (I) PARKING REDUCTION INITIATIVES;

2 (II) ACTIVE TRANSPORTATION;

3 (III) TRANSIT-ORIENTED DEVELOPMENT AND

4 TRANSPORTATION DEMAND MANAGEMENT STRATEGIES;

5 (IV) LOW-TRAVEL-DEMAND COMMERCIAL AND RESIDENTIAL

6 DEVELOPMENT AND OTHER LAND USE CHANGES;

7 (V) ROADWAY PRICING;

8 (VI) TELECOMMUTING;

9 (VII) PUBLIC TRANSIT SERVICE IMPROVEMENTS AND

10 EXPANSION;

11 (VIII) MICRO-MOBILITY, INCLUDING THROUGH THE USE OF

12 ADAPTIVE AND INCLUSIVE LOW SPEED VEHICLES FOR PEOPLE WITH DISABILITIES;

13 (IX) ACCESSIBLE TRANSPORTATION AND PEDESTRIAN

14 IMPROVEMENTS FOR PEOPLE WITH DISABILITIES;

15 (X) SOLAR ENERGY GENERATION ON PROPERTY CONTROLLED

16 BY THE DEPARTMENT; AND

17 (XI) OTHER ACTIVITIES IDENTIFIED BY THE DEPARTMENT TO

18 REDUCE VEHICLE MILES TRAVELED.

19 (D) TO ACHIEVE THE REQUIREMENTS UNDER THIS SECTION, THE

20 DEPARTMENT SHALL SET:

21 (1) ANNUAL STATEWIDE DECLINING GREENHOUSE GAS EMISSION

22 REDUCTION TARGETS THAT INCORPORATE ASSUMPTIONS ABOUT THE USE OF

23 ELECTRIC VEHICLES IN THE STATE; AND

24 (2) ANNUAL REGIONAL DECLINING GREENHOUSE GAS EMISSION

25 REDUCTION TARGETS THAT:

26 (I) ARE SET AT AN AMOUNT THAT WHEN MET AND TAKEN

27 COLLECTIVELY FOR ALL REGIONS WOULD ACHIEVE THE REQUIREMENTS SPECIFIED

28 IN § 2-903(C)(2) OF THIS SUBTITLE AND THE STATEWIDE TARGETS SET UNDER ITEM

29 (1) OF THIS ITEM; AND

1 (II) INCORPORATE ASSUMPTIONS ABOUT THE USE OF ELECTRIC
2 VEHICLES IN THE STATE.

(3) CONSIDER THE DIRECT CLIMATE BENEFITS OF INVESTMENTS IN:

13 (I) TRANSIT OPERATIONS, INCLUDING LOCALLY OPERATED
14 TRANSIT SYSTEMS:

18 (III) PEDESTRIAN AND BICYCLE INFRASTRUCTURE;

19 (IV) ELECTRIFICATION OF STATE VEHICLES;

(v) VEHICLE CHARGING INFRASTRUCTURE; AND

21 (VI) SOLAR ENERGY GENERATION ON PROPERTY CONTROLLED
22 BY THE DEPARTMENT; AND

(4) COMPARE THE PROJECTED GREENHOUSE GAS EMISSIONS TO THE
TARGET EMISSIONS ESTABLISHED IN SUBSECTION (D) OF THIS SECTION TO
DETERMINE WHETHER THE CONSOLIDATED TRANSPORTATION PROGRAM
ACHIEVES THE EMISSIONS TARGETS.

27 (F) IN EVALUATING WHETHER THE CONSOLIDATED TRANSPORTATION
28 PROGRAM MEETS GREENHOUSE GAS EMISSION GOALS, THE DEPARTMENT MAY NOT
29 CONSIDER STATE OF GOOD REPAIR ACTIVITIES AND ACTIVITIES THAT ARE SOLELY
30 SYSTEM PRESERVATION ACTIVITIES.

1 **(A) THE SECRETARY SHALL:**

2 **(1) ESTABLISH A PROCESS TO PERFORM CAPACITY EXPANSION**

3 **IMPACT ASSESSMENTS;**

4 **(2) ESTABLISH A PROCESS FOR CONSIDERING PROGRESS MADE**

5 **TOWARD MEETING THE TARGETS SPECIFIED IN § 2-904(D) OF THIS SUBTITLE;**

6 **(3) ESTABLISH A PROCESS FOR DEVELOPING A MULTIMODAL**

7 **TRANSPORTATION PROGRAM UNDER § 2-903 OF THIS SUBTITLE, INCLUDING A**

8 **METHOD FOR CONSIDERING THE DIRECT AND INDUCED DEMAND IMPACTS OF A**

9 **MAJOR HIGHWAY CAPACITY EXPANSION PROJECT; AND**

10 **(4) PUBLISH ON THE DEPARTMENT'S WEBSITE:**

11 **(I) THE PROCESSES ESTABLISHED UNDER ITEMS (2) AND (3) OF**

12 **THIS SUBSECTION; AND**

13 **(II) ANY MULTIMODAL TRANSPORTATION PROGRAM**

14 **DEVELOPED UNDER § 2-903 OF THIS SUBTITLE.**

15 **(B) IN FISCAL YEAR 2028, THE DEPARTMENT SHALL ALLOCATE FUNDING**

16 **FOR THE IMPLEMENTATION AND DEVELOPMENT OF STATEWIDE AND REGIONAL**

17 **TRAVEL DEMAND MODELING RELATED TO THE REQUIREMENTS OF THIS SECTION,**

18 **INCLUDING INDUCED DEMAND AND LAND USE EFFECTS FROM TRANSPORTATION**

19 **INVESTMENTS.**

20 8-102.

21 (a) It is the policy of this title to promote an efficient and economical

22 transportation system.

23 (b) The Department [of Transportation] and the [State Highway] Administration

24 may not proceed to the final project planning phase unless it has been determined that the

25 objective of the proposed project cannot be reasonably achieved through:

26 (1) Improvements in highway maintenance and safety;

27 (2) Projects that modify existing highways but provide for minimal

28 relocation or new highway construction; and

29 (3) Improvements in, or adoption of, transit alternatives, including mass

30 transit alternatives.

1 **(C) THE DEPARTMENT AND THE ADMINISTRATION SHALL ISSUE A REPORT**
2 **PRIOR TO PROCEEDING TO THE FINAL PROJECT PLANNING PHASE THAT**
3 **DOCUMENTS:**

4 **(1) THE EVALUATION OF THE ALTERNATIVES IDENTIFIED IN**
5 **SUBSECTION (B) OF THIS SECTION; OR**

6 **(2) A DETERMINATION THROUGH OTHER REQUIRED PLANNING**
7 **DOCUMENTS.**

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
9 1, 2026.