

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 230 (Chair, Appropriations Committee)(By Request -
Departmental - Transportation)
Appropriations and Environment and
Transportation

Transportation - Consolidated Transportation Program - Prioritization
(Transportation Investment Priorities Act of 2026)

This departmental bill makes various changes to the Maryland Department of Transportation's (MDOT) prioritization and evaluation processes for transportation project planning and funding. Among other things, the bill modifies (1) the project-based scoring system used to evaluate transportation projects; (2) the information required to be included in the *Consolidated Transportation Program* (CTP); and (3) the processes used to request that projects be included in the CTP. **The bill takes effect July 1, 2026.**

Fiscal Summary

State Effect: The bill's requirements can be handled by MDOT using existing budgeted resources, as discussed below. Otherwise, the bill may result in a different combination of transportation projects and programs receiving funding in any given year, as discussed below. Revenues are not affected.

Local Effect: Local government operations and finances may be affected, as discussed below.

Small Business Effect: MDOT has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment.

Analysis

Bill Summary/Current Law: Pursuant to current law, long-term transportation planning in the State is a collaborative process designed to consider input from the public, local jurisdictions, Metropolitan Planning Organizations (MPOs), and elected officials. Among the numerous reports, meetings, and discussions that take place, two important documents are developed to guide transportation planning in the State: the [CTP](#) and the Maryland Transportation Plan ([MTP](#)).

The CTP, which is issued annually to the General Assembly, local elected officials, and interested citizens, provides a description of projects proposed by MDOT for development and evaluation or construction over the next 6-year period. Additionally, MDOT must use a project-based scoring system to evaluate projects for inclusion in the CTP. The MTP is a 20-year forecast of State transportation needs based on MDOT's anticipated financial resources during that 20-year period. It must be revised every 5 years through an inclusive public participation process. Furthermore, it must be expressed in terms of goals and measures specified in State law and must include a summary of the types of projects and programs that are proposed to accomplish the goals and measures, using a multimodal approach when feasible.

The following sections discuss the various requirements and processes that guide and direct long-term transportation planning and prioritization in the State and the changes to those requirements and processes made by the bill.

Relevant Definitions

Current law includes various definitions related to transportation planning and the types of transportation projects that are considered for funding. The bill modifies these definitions by:

- establishing a definition for “initial project development phase,” which means the phase of a capital project in which the project is advanced from early planning and feasibility analysis to a level of preliminary engineering, and “final project development phase,” which means the phase of a capital project in which the project is advanced from preliminary engineering through final design activities;
- specifying that “project development phase” includes both the initial and final project development phase;
- changing various references from “major transportation projects” to “major *surface* transportation projects;” and modifying the definition of “major transportation project” in various ways (generally, under the bill, these are projects whose total cost for all phases exceeds \$5.0 million and meet other specified requirements);

- establishing a definition for “locally managed capital project,” which means a capital project performed by a political subdivision that meets other specified requirements;
- specifying that the term “proposing entity” includes a transit agency; and
- defining “transit agency” as MTA or an agency that operates a locally operated transit system.

Project-Based Scoring System

MDOT was required by Chapter 36 of 2016, as modified by Chapter 30 of 2017, to develop a project-based scoring system using the State transportation goals, and specified measures for each goal, in accordance with federal transportation requirements. Under current law, major transportation projects being considered for inclusion in the draft and final CTP must be evaluated using this scoring system. Pursuant to current law, MDOT must also (1) develop weighting metrics for each goal and measure; (2) make the scores of all projects evaluated for inclusion in the CTP and assigned a score under the system available to the public, as specified; and (3) rank major transportation projects using the system it develops. The bill modifies the project-based scoring system and the State transportation goals by:

- repealing several of the existing requirements and processes related to the project-based scoring system;
- requiring MDOT to develop, in consultation with the applicable MPOs, a project-based scoring system that (1) is consistent with statute, as modified by the bill; (2) is developed in accordance with federal transportation requirements; and (3) evaluates major surface transportation projects using objective and quantifiable measures for the goals established pursuant to the bill that consider the benefits of a project relative to its costs to the State;
- requiring MDOT to provide an opportunity for the Maryland Transportation Commission (MTC) to review and comment on the goals, measures, and metrics developed;
- requiring MDOT to publish the guidelines developed to implement the project-based scoring system and, at least every two years, coordinate with MTC to review and update the guidelines, as necessary;
- requiring MDOT to identify the amount of funds available for each two-year funding cycle after specified needs have been considered;
- requiring MDOT, at least every two years, and subject to available funding, to solicit requests from MDOT, local jurisdictions, and appropriate MPOs for major surface transportation projects to be evaluated;
- requiring each requester to certify that all members of the legislative delegation to the Maryland General Assembly that represents the county in which the project is located have been notified of the request;

- replacing the existing list of State transportation goals with a requirement for MDOT to evaluate major surface transportation projects based on how they address the following policy goals: (1) safety; (2) accessibility and mobility; (3) climate change and the environment; (4) social equity; (5) economic development; and (6) sustainable land use and transportation demand management;
- repealing the list of measures used by MDOT to evaluate how a project meets each State transportation goal;
- requiring the score of each project to be based solely on the project's capacity to satisfy the State transportation goals (as modified by the bill) relative to the project's cost to the State;
- specifying that MDOT must, by the time of the release of the draft CTP in each even-numbered fiscal year, publish in the CTP and on its website the scores of all projects evaluated, the ranking of all projects evaluated, and the list of projects recommended to receive funding;
- requiring the Secretary of Transportation to consider comments on each project's evaluation in developing a final recommendation for project funding after the release of the draft CTP;
- authorizing the Secretary to make any changes to the recommended project list before the release of the final CTP in each even-numbered fiscal year, as specified, but only after the Secretary has presented any modifications to MTC for review;
- requiring MDOT, on the completion of a round of project evaluations, to undertake a review of the project-based scoring system and related guidelines to determine whether modifications are necessary, and if so, to present the recommended modifications to MTC for review; and
- specifying that a major surface transportation project may be included in the CTP for construction only if it has been evaluated using the project-based scoring system as modified by the bill; however, this requirement does not apply to a project if, by June 30, 2025, the project has (1) progressed through 30% completion of the design phase or (2) been subject to an agreement with a local jurisdiction for final project development or construction.

Information Required to Be Included in the Consolidated Transportation Program

Current law requires the CTP to be revised annually and include specified information about the various transportation projects included in the document. The bill makes the following changes to the information that must be included in the CTP:

- the CTP must include information about all projects in the project development phase, instead of only projects in the construction phase;

- instead of including the manner in which each major transportation project was evaluated and ranked, only the results of the evaluation of major surface transportation projects selected for funding must be included; and
- instead of the requirement to include a list of *anticipated* minor capital projects for the current year and the budget request year and an estimate of the program level for each of the four successive planning years, *all identified* minor capital projects must be included, as specified.

Requests for Inclusion in the Consolidated Transportation Program

Under current law, for a major capital project to be considered for inclusion in the construction program of the CTP, a request must be submitted to the Secretary by the proposing entity along with a purpose and need summary statement justifying the project and including specified information about the project. MDOT must then evaluate requests based on the State transportation goals and, if applicable, using the measures described above as determined by the information submitted by the proposing entity and the availability of funding. As part of the evaluation, MDOT must acknowledge the difference between urban and rural transportation needs.

The bill repeals this process and instead specifies that MDOT must consider requests for projects for funding in the Development and Evaluation Program, state of good repair programs, and the Project-Based Scoring Program. As part of its consideration of projects requested, MDOT must (1) establish and publish clear guidelines for a proposing entity to make a request for each program, as specified; (2) establish a web-based system for submission of projects to be considered for inclusion in the CTP; and (3) provide responses every other year to each request received for the prioritization program, as specified.

Reporting and Comment Requirements

Under current law, by November 15 of each year, MDOT must visit each county to give local governments and local legislative delegations information about and an opportunity to comment on the proposed CTP and the proposed MTP. Instead, the bill requires MDOT to visit each county by November 30 of each year and specifies these entities must be given information about and opportunity to comment on the following:

- the proposed CTP;
- in plan development years, transportation performance and the MTP;
- in even-numbered fiscal years, the results of the project-based scoring system; and
- in odd-numbered fiscal years, (1) methodology and program comments related to the project-based scoring system and (2) local priorities for transportation state of good repair, asset management, and initial project development.

Under current law, MDOT must submit copies of the proposed CTP and the supporting financial forecast to the General Assembly by September 1 of each year; instead, the bill requires this submission to take place by October 1 of each year.

Maryland Transportation Commission

Established in 1971, under current law, MTC is comprised of 17 members: 10 members appointed by the Governor with the advice of the Secretary of Transportation and the 7 regional members of the State Roads Commission (SRC) who serve as *ex officio* members. MTC meets monthly; a summary of its meetings and activities can be found on [MDOT's website](#).

Under current law, MTC must study the entire transportation system of the State and regularly discuss with the Secretary any matter relating to the State's transportation system. Each of the seven regional members of SRC must (1) conduct a continuing survey of the secondary highways in that member's region and (2) report on the highway needs and problems of that region to MTC. MTC may request of the Secretary any information relating to MDOT that is needed for MTC's studies, surveys, and deliberations. Further, MTC must advise and make recommendations to the Secretary and the heads of the units in MDOT on all matters that concern transportation policy formation and program execution.

The bill modifies provisions relating to the membership of MTC (and the terms of members) and expands the powers and duties of the commission to include (1) reviewing, advising, and making recommendations to the Secretary on MDOT's quarterly operating and capital budget updates; (2) reviewing, advising, and making recommendations regarding the guidelines to implement the project-based scoring system, as modified by the bill; and (3) reviewing, advising, and making recommendations regarding the MTP. The bill also requires MTC to meet at least quarterly (instead of at least monthly).

Background: MDOT advises that the bill is in response to recommendations by the Transportation Revenue and Infrastructure Needs Commission related to the adoption of a new transportation project prioritization system. The commission was established by Chapter 455 of 2023 to review, evaluate, and make recommendations concerning specified transportation issues, including, among other things, existing practices for prioritizing project funding and options to better prioritize needs, including local and legislative priorities. In its [interim report](#), the commission made three recommendations for improving the processes used by MDOT to prioritize transportation projects. MDOT advises that the bill's changes to the prioritization system establish a more transparent and flexible process that can be effectively administered.

State Expenditures: In calendar 2024, MDOT was awarded a \$2.0 million grant through the Federal Highway Administration's Prioritization Process Pilot Program. The purpose

of the federal pilot program is to provide grant funding to states and MPOs to develop and implement a publicly accessible, transparent prioritization process for the ranking and selection of projects for inclusion in short-range and long-range transportation plans. Using this funding, which flows through the Transportation Trust Fund, MDOT completed a pilot round of project prioritization during the 2025 interim using the processes established by bill. MDOT anticipates that any additional costs it may incur to implement the bill (such as for contractor costs) over the five-year period covered by this fiscal and policy note can be handled using these existing federal funds.

The new prioritization process and project-based scoring system effectuated by the bill may result in a different combination of transportation projects and programs receiving funding. Some projects and programs that may have received funding under current law may receive less or no funding under the bill's changes, while others may receive more funding. However, any such impact cannot be estimated without actual experience under the bill.

Local Fiscal Effect: State-funded transportation projects and programs affect local governments both directly, often through direct grant programs, and indirectly, as the State undertakes projects that may improve the transportation system of a local jurisdiction (*e.g.*, a road project improving traffic flow in the neighboring areas). As noted above, once the new prioritization process and project-based scoring system is fully implemented, some transportation projects and programs may receive less funding, while others may receive more funding.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See SB 198 and HB 20 of 2025.

Designated Cross File: SB 62 (Chair, Budget and Taxation Committee)(By Request - Departmental - Transportation) - Budget and Taxation.

Information Source(s): Maryland Department of Transportation; Anne Arundel, Cecil, Frederick, Montgomery, and Somerset counties; Maryland Association of Counties; City of Frederick; Federal Highway Administration; Department of Legislative Services

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sj/lgc

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Transportation - Consolidated Transportation Program - Prioritization (Transportation Investment Priorities Act of 2026)

BILL NUMBER: SB 62

PREPARED BY: Drew Morrison

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS