



Committee: Budget and Taxation

Testimony on: SB843 - "I-495 and I-270 Public-Private Partnership – Partnership Agreement

Requirements (Maryland State Dept. of Transportation Promises Act of 2021)"

**Position:** Support

Hearing Date: February 24, 2021

The Maryland Chapter of the Sierra Club is strongly opposed to the controversial and ill-conceived proposal by the Governor for a public-private partnership (P3) to build and operate up to 4 toll lanes on I-495 and I-270 under a 50-year contract with the state. However, because there is a strong possibility that the project may go forward, we support SB843 to ensure that verbal promises made regarding the project by Department of Transportation (DOT) Secretary Greg Slater will be contained in P3 agreements submitted by DOT to the Board of Public Works (BPW) for approval. The verbal promises would, if honored, make the project more palatable to the residents and governments in the counties where the toll lanes would be added.

The bill specifies that the BPW may not approve a P3 agreement for the I-495 and I-270 project unless the agreement contains a number of provisions that reflect verbal promises made, including:

- a requirement that at least 10% of the toll revenue remaining after construction costs from toll lanes on I-495 and I-270 go to a special fund for transit projects as specified in a memorandum of understanding between DOT and the counties where the toll facilities are located;
- a guarantee that any local, state, or regional transit system may use the toll lanes built in the project for buses and other mass transit vehicles without charge;
- a requirement that the American Legion Bridge have a separate pedestrian and bicycle lane or lanes:
- a prohibition on the use of state funds to acquire land for the project before final approval of the project by the BPW;
- a requirement that the bidder selected by DOT initiate a community benefit agreement that demonstrates positive net economic, environmental, and health benefits to the state;
- a requirement that all state funds and loans for the project be repaid by vendors or tolls;
- a prohibition on DOT submitting a contract to the BPW for review until a final environmental impact statement that complies with the National Environmental Policy Act is available; and
- a requirement that any toll adjustments be subject to public hearings where the toll facility is located.

Since the Governor announced in September 2017 his proposal for a P3 to build and operate toll lanes on I-495 and I-270, a number of promises regarding the project have been made that were later retracted or shown to be incorrect. They include that the project would not take any homes or businesses, and that all reasonable alternatives to building the toll lanes would be fairly evaluated. In light of the past unreliability of Administration promises, passage of this bill would ensure that important DOT representations would be met and reflected in P3 agreement(s).

In summary, this bill contains a number of important requirements and guarantees that deserve your support in case this highway expansion project proceeds. We urge a favorable report on this legislation.

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Founded in 1892, the Sierra Club is America's oldest and largest grassroots environmental organization. The Maryland Chapter has over 75,000 members and supporters, and the Sierra Club nationwide has over 800,000 members and nearly four million supporters.