



SB 359
State Finance – Prohibited Appropriations – Magnetic Levitation Transportation System
Senate Budget & Taxation & Education, Health, and Environmental Affairs Committees
Position: Unfavorable

Maryland AGC, the Maryland Chapter of the Associated General Contractors of America, provides professional education, business development, and advocacy for commercial construction companies and vendors, regardless of labor policy. AGC of America is the nation’s largest and oldest trade association for the construction industry. AGC of America represents more than 26,000 firms, including over 6,500 of America’s leading general contractors, and over 9,000 specialty-contracting firms through a nationwide network of chapters. Maryland AGC members include many contractors who construct transportation systems. Maryland AGC opposes SB 359 and respectfully requests the bill be given an unfavorable report.

This bill prohibits the State (or any unit or instrumentality of the State) from using any appropriation for a magnetic levitation (Maglev) transportation system located or to be located in the State. The bill does not apply to expenditures for the salaries of personnel assigned to review permits or other forms of approval for a Maglev transportation system.

SB 359 effectively prohibits the construction of a Maglev system anywhere in Maryland. The bill does so regardless of the benefits from its construction, including potentially thousands of construction jobs, and the tax revenues Maryland would realize from income and sales taxes. It does so regardless of the benefits of reduced vehicle traffic and associated accidents and exhaust emissions, and reduced or, practically speaking, eliminated rail accidents. It does so regardless of the benefits to both the Baltimore and Washington DC Metropolitan areas of speedy commuting. It does so without any consideration of alternative financing mechanisms, such as a public-private partnership. Indeed, SB 359 does so without any regard for or consideration of the merits of Maglev or the potential for solutions to issues that opponents may have regarding Maglev. Potential positive impacts identified in the DEIS include opportunities for construction companies and their employees of between \$8.8 billion and \$10.6 billion (2018 dollars).¹

The Federal Railroad Administration (FRA) and the Maryland Department of Transportation (MDOT) have completed a Draft Environmental Impact Statement and are in the process of preparing a Final Environmental Impact Statement (EIS) to evaluate the potential impacts of constructing and operating a Maglev system between Washington, DC and Baltimore, Maryland, and one intermediate station at the Baltimore-Washington International Thurgood Marshall Airport (BWI Marshall Airport). There are 13 alternatives presented in the Draft Environmental Impact Statement (DEIS). There are a No-Build alternative and 12 Build Alternatives. At present, FRA is pausing the EIS process to review project elements and determine the next steps. SB 359 would ban Maglev regardless of the conclusions of the Final EIS, including potentially positive impacts in reducing global warming.

Decisions about appropriate transportation modalities should be made based on the expert advice of transportation planners and Federal, State, and county transportation professionals. Public policy considerations are always appropriate, but should be based on a complete understanding and evaluation of all of the relevant factors, pro and con, not *a priori* conclusions. Essentially SB 359 takes the position “my mind is made up; don’t confuse me with the facts.” Accordingly, Maryland AGC opposes SB 359 and respectfully requests the bill be given an unfavorable report.

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¹ Executive Summary, Baltimore-Washington Superconducting Maglev Project Draft Environmental Impact Statement and Section 4(F) Evaluation, FRA and MDOT, 1/13/2021, p. ES-15