

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 526
Finance

(Senator Beidle, *et al.*)

**Transportation - Private Sector Transportation Projects Ombudsman -
Established**

This bill requires the Secretary of Transportation to designate an individual to serve as the Private Sector Transportation Projects Ombudsman. The ombudsman must respond to all concerns, complaints, and other inquiries regarding private sector transportation projects that are being developed or tested within the State. The ombudsman is an employee of the Maryland Department of Transportation (MDOT), and MDOT must provide the ombudsman with sufficient resources to respond to all inquiries in an accurate and timely manner. MDOT must include the name and contact information for the ombudsman on its website and in the *Consolidated Transportation Program*.

Fiscal Summary

State Effect: MDOT can likely handle the bill's requirements using existing budgeted resources, as discussed below.

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

Small Business Effect: Minimal.

Analysis

Current Law/Background:

Private Sector Transportation Projects

There are at least two major private sector transportation projects being explored in the State that the ombudsman is responsible for answering questions about under the bill: the Baltimore-Washington Superconducting Magnetic Levitation (SCMAGLEV) Project and the Washington DC to Baltimore Loop (Loop) Project. Other projects involving the private sector, such as the expansion of the Howard Street Tunnel in Baltimore and the public-private-partnership to establish toll lanes on I-270 and I-495, have State funding and involvement and, therefore, are not likely to be considered private sector transportation projects under the bill.

For information about the status SCMAGLEV, please see the **Appendix – Magnetic Levitation Transit Systems in Maryland**.

In April 2019, the U.S. Department of Transportation released a [draft environmental assessment pursuant to the National Environmental Policy Act](#) for the Loop Project, which is being funded and constructed by the Boring Company. As proposed, the project would consist of twin, underground tunnels approximately 35 miles long between Washington DC and Baltimore, Maryland. The loop system would transport passengers in high-speed, autonomous, battery-powered electric vehicles.

2018 Joint Chairmen's Report – Private Sector Ombudsman

Committee narrative in the 2018 *Joint Chairmen's Report* recommended that MDOT establish an ombudsman to respond to concerns from State and local government officials regarding private-sector transportation projects being developed or tested within the State. MDOT advises that it has met the intent of this recommendation without establishing an ombudsman's office. Specifically, MDOT has established a process through the Secretary's Office to ensure that correspondence and questions received are forwarded to and answered by the various policy experts within MDOT.

State Expenditures: As discussed above, the bill's requirements only apply to two current projects, and MDOT currently has a process established to receive questions and correspondence from citizens and officials. As such, MDOT can likely meet the bill's requirements by designating a single individual as the ombudsman to receive questions and correspondence related to private-sector transportation projects. That individual can then disseminate the inquiries to the appropriate policy experts using MDOT's existing process.

If the bill is interpreted to require MDOT to hire an ombudsman, or if additional private-sector transportation projects are proposed and developed in future years, MDOT would need additional staff. In such a case, Transportation Trust Fund expenditures would increase by more than \$100,000 annually.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 733 (Delegate Valentino-Smith, *et al.*) - Environment and Transportation.

Information Source(s): Maryland Department of Transportation; U.S. Department of Transportation; dcbaltimoreloop.com; Department of Legislative Services

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an/lgc

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Appendix –Magnetic Levitation Transit Systems in Maryland

Magnetic Levitation Trains – Generally

Unlike traditional steel wheel trains that travel along rails, magnetic levitation (Maglev) trains use superconducting magnets to levitate train cars. Magnets attached to the train interact with magnets along rails within a concrete guideway to propel the train. The [U.S. Department of Energy](#) (DOE) reports that a Maglev train can travel at speeds of up to 375 miles per hour with very little turbulence compared to steel wheel trains. DOE also notes that Maglev trains are safer than traditional trains; for example, traditional train derailments that result from cornering too quickly are nearly impossible. Several countries have implemented Maglev train systems, including Germany, Japan, and South Korea, and many others have explored the prospects of doing so.

History of Maglev in Maryland

The federal Transportation Equity Act for the 21st Century (TEA-21), which was signed into law in 1998, authorized federal funding to implement a Maglev system in the United States. Funding through TEA-21 lapsed in 2003, and although the Act did not result in the implementation of a Maglev system, several states explored the costs and benefits of doing so. Maryland was particularly interested because a Maglev system could significantly reduce the travel time between Baltimore City and the District of Columbia.

The Maryland Department of Transportation (MDOT) began to devote funding to the development and evaluation of a Maglev system in fiscal 2001. At that time, the Federal Railroad Administration (FRA) and MDOT commenced the Environmental Impact Study (EIS) for the project, which is required by the National Environmental Policy Act.

The final EIS was never published, however, because State legislation enacted in 2003 and 2004 prohibited the funding of a Maglev project following the final report of the Task Force to Evaluate the Development and Construction of a Magnetic Levitation Transportation System. In its final report, which was issued in 2003, the task force noted that, among other challenges, a significant amount of funding would be required to implement a Maglev system in Maryland. As a result, during the 2003 session, the General Assembly prohibited spending any State funds to study, develop, or construct a Maglev system and required the enactment of legislation prior to any agreement to construct or operate such a system. During the 2004 session, these provisions were modified to prohibit any State or federal funding for any phase of a Maglev project after

July 1, 2005. The Budget Reconciliation and Financing Act of 2011, however, repealed these prohibitions.

Current Status of Maglev in Maryland

The Baltimore-Washington Superconducting Magnetic Levitation (SCMAGLEV) Project, which has been proposed by a private company, is a proposed Maglev train system between Baltimore City and the District of Columbia, with an intermediate stop at the Baltimore Washington International Thurgood Marshall Airport. In 2016, MDOT was awarded \$27.8 million by FRA to conduct the required EIS; however, the analysis has been [paused by FRA](#). Additional information about the project can be found on the [Baltimore-Washington SCMAGLEV Project website](#).