

**J00B01 MDOT State Highway Administration
FY 2024 Operating Budget
Response to the Department of Legislative Services Budget Analysis**

Senate Budget and Taxation Committee
Public Safety, Transportation, and Environment Subcommittee
Chair Sarah Elfreth
February 24, 2023

House Appropriations Committee
Transportation and the Environment Subcommittee
Chair Marc Korman
February 27, 2023

**J00B01 MDOT – State Highway Administration
Fiscal Year 2024 Operating Budget
Response to Department of Legislative Services Analysis**

DLS Budget Analysis Issues

1. Alternative Fuel Corridors Receiving Funding under New Federal Electric Vehicle Charging Infrastructure Program (Page 36)

MDOT should comment on whether additional corridors are being considered for inclusion in the AFC network and what criteria will be used to determine how the NEVI formula funding will be distributed.

MDOT Response:

MDOT has worked closely with the members and stakeholders of the Zero Emission Electric Vehicle Infrastructure Council to ensure that Maryland is playing an active role in designating and building out Alternative Fuel Corridors (AFC) that traverse the State. These corridors play an important role in ensuring consistency and resiliency of alternative fueling infrastructure across the United States.

AFCs are not limited to electric vehicle (EV) charging infrastructure. In addition to EV corridors, Maryland has also identified I-70 as an AFC for compressed natural gas, liquified natural gas, and propane. We have also identified I-95 as a propane and hydrogen fuel corridor with the beltways, I-695 and I-495, as hydrogen fuel corridors as well.

There are currently 23 EV AFCs in Maryland. These corridors include 10 interstates, 5 U.S. Routes, and 8 Maryland routes that span urban and rural communities throughout Maryland. These corridors provide comprehensive and integral linkages for electrifying interstate and local travel.

MDOT continues to work in close coordination with Zero Emission Electric Vehicle Infrastructure Council, the Maryland Energy Administration, the Maryland Department of the Environment, as well as several other sister agencies, local governments, metropolitan planning organizations and the public, to evaluate the need for additional AFC designations. This will become increasingly important as the federal government begins to designate Medium- and Heavy-Duty Vehicle AFCs.

The National Electric Vehicle Infrastructure Program (NEVI) funding is directly linked to the AFC program. NEVI funding must be used to build out the 23 electric vehicle AFCs in Maryland before it may be used outside of the 1-mile AFC envelope and/or within our communities.

MDOT, in close coordination with Maryland Energy Administration, has been working diligently to develop a strategy for delivering Maryland's NEVI Program. Maryland's NEVI Plan was approved by the U.S. Joint Office of Energy and Transportation in September 2022 and includes information related to how the NEVI funding will be distributed, focusing first on interstate and corridor buildouts and certification, as required by the federal NEVI program, then moving into community charging with any remaining NEVI formula funding.

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DLS Budget Analysis Issues (continued)

Evaluation criteria for potential applicants of NEVI funding is under development and will be issued with the NEVI procurement(s). The evaluation criteria will include the recently released minimum standards for NEVI as well as suggested criteria gathered through our significant, public survey, stakeholder, public webinars, and request for information processes. The evaluation criteria may change as the focus of the funding shifts from corridors to communities, but will always include critical components of equity, accessibility, amenities, mobility, and the federal minimum technical standards.

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DLS Budget Analysis Issues (continued)

**2. Should Highway Traffic Incident Response Patrol Coverage Be Expanded?
(Page 39)**

MDOT should comment on the options it has to cover the costs of expanding CHART patrols and when it might consider an expansion.

MDOT Response:

Maryland was one of the first states in the nation to establish a robust Traffic Incident Management and Intelligent Transportation System program with a dedicated fund to advance these efforts. The expansion of the CHART Program would likely continue to be primarily federally funded. Federal funds in the Surface Transportation Block Grant category were updated as part of the Infrastructure Investment and Jobs Act but maintained eligibility of items contained within 23 U.S.C. 133(b), which includes “operational improvements and capital and operating costs for traffic monitoring, management, and control facilities and programs.”

Even with federal funding available, SHA will need to choose wisely where to use federal funds within our Intelligent Transportation System program. SHA’s championing of a Transportation Systems Management and Operations mindset within the agency helps with this endeavor. During 2020, SHA issued a directive to our teams to incorporate Transportation Systems Management and Operations solutions, including Intelligent Transportation System technology, into all planning, engineering, construction, and operations/maintenance. This provides SHA with the ability to incorporate more Intelligent Transportation System solutions into major construction projects. This allows more dedicated Traffic Incident Management and Intelligent Transportation System funds to focus on expansion of the CHART program. The MD 404 dualization project is a good example of this practice, where for the first time, closed circuit television cameras were installed through a major construction project, without using dedicated Intelligent Transportation System funds.

SHA is always considering expansion of the CHART program. Covering every interstate in Maryland and the entire US 50 corridor has been a goal of the CHART Program since its inception. The barrier for achieving this goal has been less so funding, thanks to the program’s federal eligibility, and more so the availability of State personnel resources. Pulling the number of positions needed for CHART expansion from SHA’s current vacancies would pose a risk in fulfilling other services in our maintenance community and other areas. Should resources be available, we would begin work immediately to implement the expansion but note that delays may be experienced with the delivery of patrol vehicles from manufacturers based upon recent history post-COVID. SHA would place a complement of CHART vehicles at existing SHA facilities until such time as new patrol vehicles were received.

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DLS Budget Analysis Issues (continued)

3. Op Lanes Maryland Managed Toll Lanes Status (Page 39)

MDOT should update the committees about any known policy decisions on how or whether this project will proceed and the alternatives should it not proceed as currently envisioned.

MDOT Response:

This project will be viewed under the same lenses of social equity, environmental protection, and local participation as all transportation projects. MDOT will continue to work with all our partners, including local stakeholders, toward a solution for congestion in the Washington suburbs along portions of I-495 and I-270, as well as addressing the maintenance and safety of the American Legion Bridge, in a way that meets the needs of Marylanders.

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Operating Budget Recommended Actions

- 1. Concur with Governor’s allowance. (Page 40)**

MDOT Response:

The Department concurs with the DLS recommendation.

PAYGO Budget Recommended Actions

- 1. Concur with Governor’s allowance. (Page 40)**

MDOT Response:

The Department concurs with the DLS recommendation.

Budget Briefing Presentation

Fiscal Year 2024

Wes Moore, *Governor*
Aruna Miller, *Lt. Governor*
Paul J Wiedefeld, *Acting Secretary*
Tim Smith, *Administrator*



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MDOT SHA Year-In Review Fiscal Year 2022

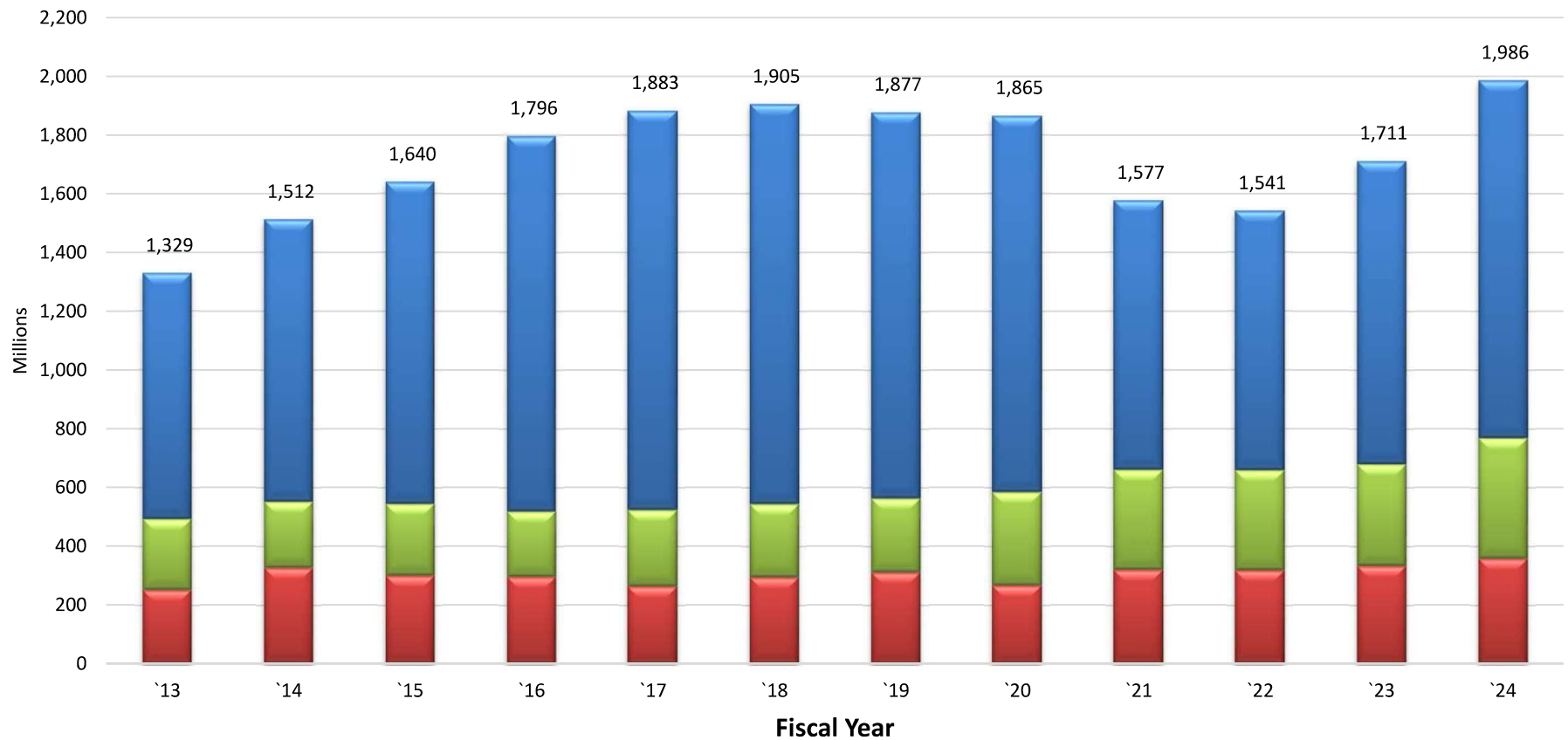
State Highway Administration Budget Overview

(Millions)

	2022 Actual	2023 Working	2024 Allowance
TOTAL BY PROGRAM			
SHA			
Capital	\$ 877.7	\$ 1,025.8	\$ 1,211.5
Major IT Development	4.5	5.1	6.0
Maintenance	303.6	318.4	340.1
Safety	15.3	15.9	18.8
Subtotal - SHA	1,201.1	1,365.2	1,576.4
County & Municipality			
County & Municipality - Capital	60.1	71.9	78.5
County & Municipality - Operating	280.2	274.3	331.4
Subtotal - Cty & Municipality	340.3	346.2	409.9
TOTAL	\$ 1,541.4	\$ 1,711.4	\$ 1,986.3
TOTAL BY FUND SOURCE			
State	\$ 828.0	\$ 907.1	\$ 958.4
Federal	666.3	777.2	1,027.9
Federal - CRRSAA	47.1	27.1	-
Federal - ARPA	-	-	-
TOTAL	\$ 1,541.4	\$ 1,711.4	\$ 1,986.3

* Total may not add due to rounding

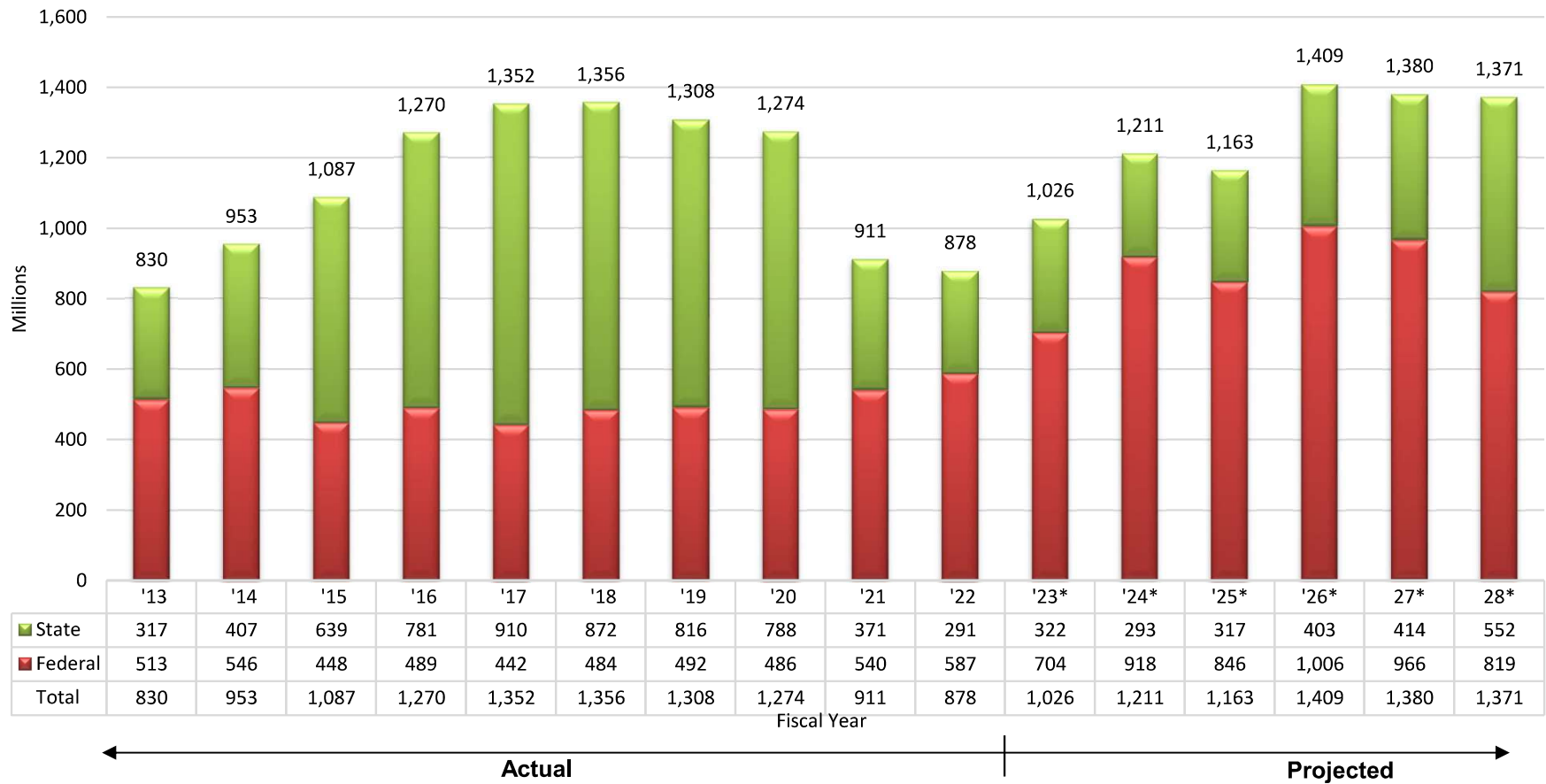
State Highway Administration Total Budget



Actual	Projected
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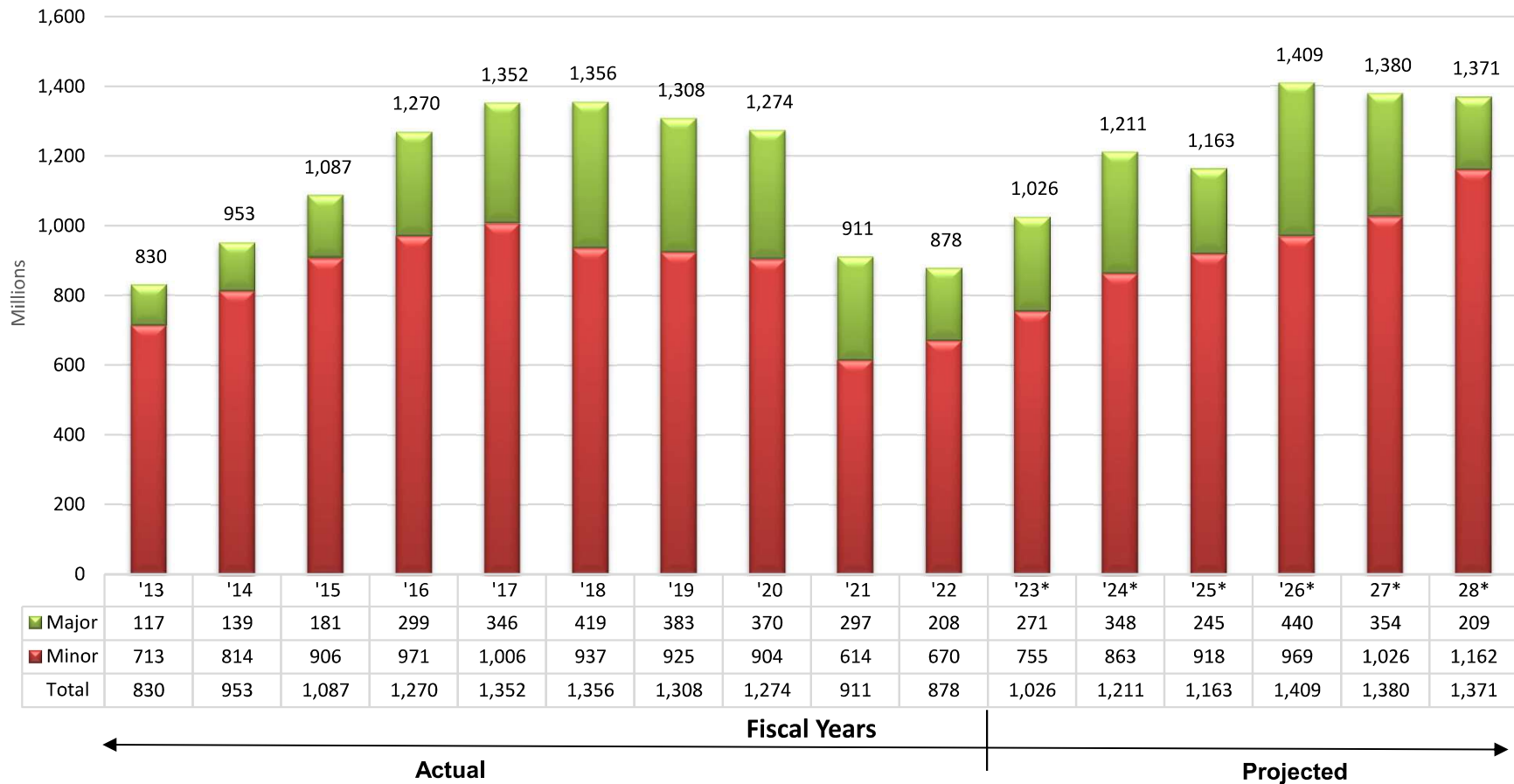
■ Maintenance/Operation ■ County & Municipality ■ Capital

State Highway Administration Capital Program State and Federal



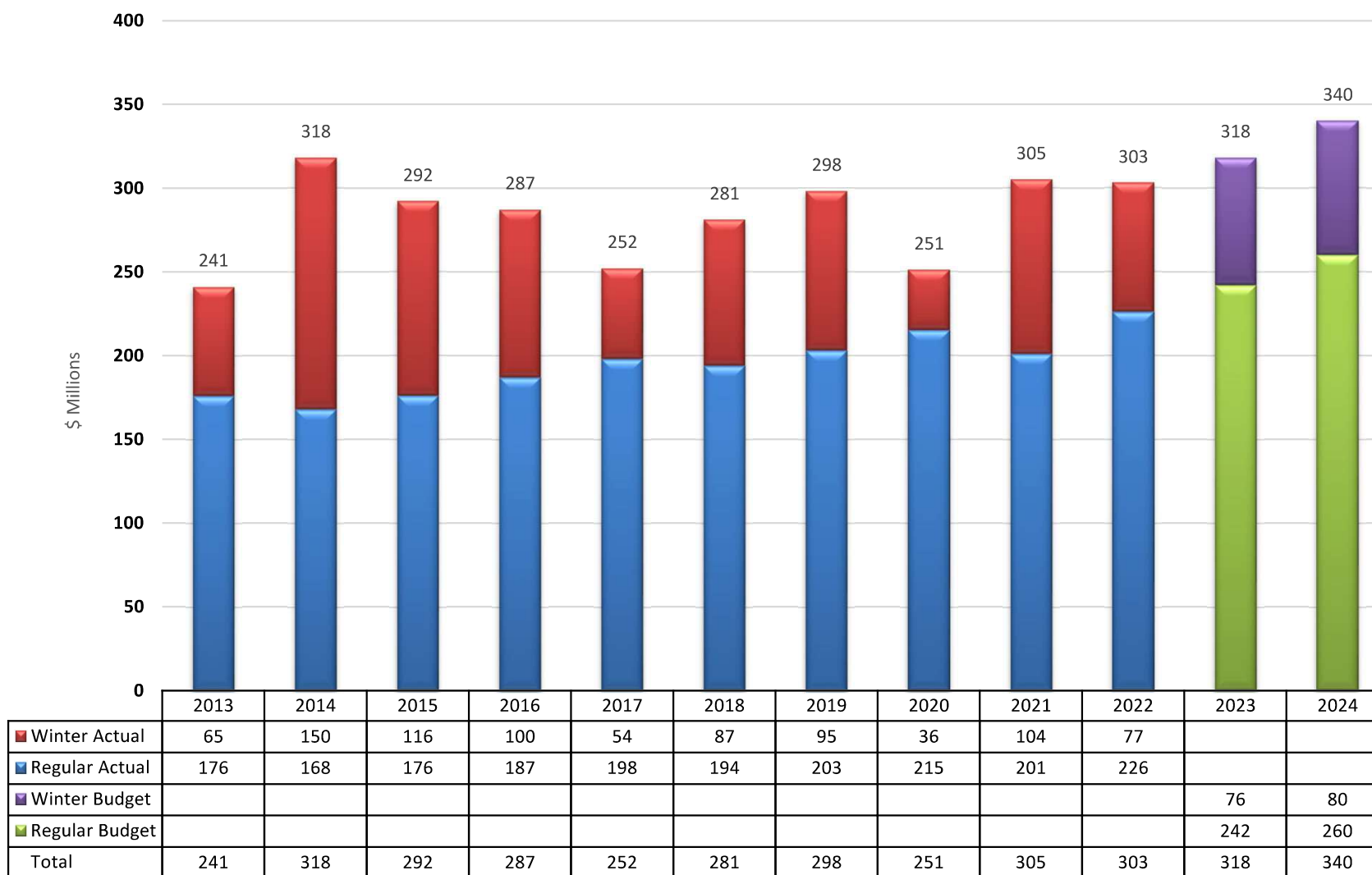
*The Capital Program is based on the FY2023-2028 Final CTP submission less Program 3 (County and Municipality Program), Program 5 (County and Municipality-Highway User Revenue), and Program 8 (IT Major Projects).

State Highway Administration Capital Program Projects by Type



*The Capital Program is based on the FY2023-2028 Final CTP submission less Program 3 (County and Municipality Program). Program 5 (County and Municipality-Highway User Revenue), and Program 8 (IT Major Projects). Minor consists of Safety, Congestion Relief, Community Enhancement, Highway and Bridge Preservation and Other. Reimbursables are reflected in the minor category.

State Highway Administration Maintenance Program Regular and Winter



State Highway Administration Budgeted Positions

