

Chapter 534

(House Bill 198)

AN ACT concerning

**Transportation – WMATA Operating Assistance – Alteration
(Maryland Metro Funding Act of 2024)**

FOR the purpose of repealing for ~~a~~ certain fiscal ~~year~~ years a requirement that the Secretary of Transportation withhold a certain percentage of the State's share of annual operating grants for the Washington Suburban Transit District if the State's operating assistance provided in the approved Washington Metropolitan Area Transit Authority budget increases by more than a certain percentage over the total operating assistance provided in the prior fiscal year; requiring the Secretary to withhold a certain percentage of the State's share of annual operating grants for the District under certain circumstances; and generally relating to operating grants for the Washington Suburban Transit District.

BY repealing and reenacting, with amendments,
 Article – Transportation
 Section 10–205(b)
 Annotated Code of Maryland
 (2020 Replacement Volume and 2023 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 That the Laws of Maryland read as follows:

Article – Transportation

10–205.

(b) (1) Subject to the appropriation requirements and budgetary provisions of § 3–216(d) of this article and upon receipt of an approval of a grant application in such form and detail as the Secretary shall reasonably require, the Department shall provide for annual grants to the Washington Suburban Transit District for a share of the operating deficits of the regional transit system for which the District is responsible. “Operating deficit” means operating costs less:

(i) The greater of operating revenues or 50 percent of the operating costs; and

(ii) All federal operating assistance.

(2) The Department's share shall equal 100 percent of the operating deficit.

(3) (i) **[For] BEGINNING IN FISCAL YEAR ~~2026~~ 2028, FOR** any fiscal

year in which the total Maryland operating assistance provided in the approved Washington Metropolitan Area Transit Authority budget increases by more than 3% over the total operating assistance provided in the prior fiscal year's approved Washington Metropolitan Area Transit Authority budget, the Secretary shall withhold an amount equal to 35% of the funds available under paragraphs (1) and (2) of this subsection.

(ii) For purposes of calculating a budget increase under subparagraph (i) of this paragraph, the following items may not be included:

1. The cost of any service, equipment, or facility that is required by law;
2. A capital project approved by the board of directors of the Washington Metropolitan Area Transit Authority;
3. Any payments or obligations arising from or related to legal disputes or proceedings or arbitration proceedings between or among the Washington Metropolitan Area Transit Authority and any other person; and
4. Any service increases approved by the board of directors of the Washington Metropolitan Area Transit Authority.

(4) THE SECRETARY SHALL WITHHOLD AN AMOUNT EQUAL TO 35% OF THE FUNDS AVAILABLE UNDER PARAGRAPHS (1) AND (2) OF THIS SUBSECTION FOR ANY FISCAL YEAR IN WHICH:

(I) THE CHAIRMAN OF THE BOARD OF DIRECTORS OF THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY:

1. HAS SERVED AS CHAIRMAN FOR AT LEAST 2 PRIOR YEARS; OR

2. REPRESENTS THE SAME JURISDICTION AS THE MEMBER WHO SERVED AS CHAIRMAN FOR THE 2 IMMEDIATELY PRECEDING YEARS; OR

(II) THE PURPLE LINE, AS DEFINED IN § 2-103.8 OF THIS ARTICLE, IS IN SERVICE AND IS NOT INCLUDED ON THE MAPS POSTED AT WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY STATIONS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2024.

Approved by the Governor, May 9, 2024.