

SENATE BILL 281

R2, B1

6lr1360
CF 6lr1359

By: **Senators Augustine and Feldman**

Introduced and read first time: January 20, 2026

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Metro Funding Modification Act of 2026**

3 FOR the purpose of requiring the Governor to withhold a certain percentage of the annual
4 appropriation for grants to the Washington Suburban Transit District under certain
5 circumstances; altering the calculation of the amount that the Governor is required
6 to include in the annual State budget each year to provide grants to the Washington
7 Suburban Transit District to pay the capital costs of the Washington Metropolitan
8 Area Transit Authority; requiring the Governor to include an appropriation in the
9 annual State budget bill for the purpose of paying the State's proportionate share of
10 the Metrorail Operating Subsidy Allocation Formula; requiring the Department to
11 withhold certain grants for any fiscal year in which the Authority invests in a rail
12 signaling system without reaching certain collective bargaining agreements; making
13 this Act contingent on enactment of certain legislation by the Commonwealth of
14 Virginia and the District of Columbia; and generally relating to funding for the
15 Washington Metropolitan Area Transit Authority.

16 BY repealing and reenacting, with amendments,
17 Article – Transportation
18 Section 10–205(f) and (g)
19 Annotated Code of Maryland
20 (2020 Replacement Volume and 2025 Supplement)

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

23 **Article – Transportation**

24 10–205.

25 (f) (1) Except as provided in paragraph (2) of this subsection, the Governor
26 shall include an appropriation in the annual budget of at least the amount specified in

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 paragraph (4) of this subsection for the sole purpose of providing grants to the Washington
2 Suburban Transit District to pay the capital costs of the Washington Metropolitan Area
3 Transit Authority.

4 (2) (i) The Governor is not required to make the appropriation under
5 paragraph (1) of this subsection in a fiscal year unless the Department certifies to the
6 Governor in writing before the beginning of the immediately preceding fiscal year that the
7 Washington Metropolitan Area Transit Authority has submitted to the Department:

8 1. Performance and condition assessments and reports
9 regarding:

10 A. The safety and reliability of rapid heavy rail and bus
11 systems;

12 B. The financial performance of the Washington
13 Metropolitan Area Transit Authority as it relates to rail and bus operations, including fare
14 box recovery, service per rider, and cost per service hour;

15 C. The monthly ridership of rail and bus systems broken
16 down by Metrorail station, Metrorail line, bus route, and bus line;

17 D. Strategies to reduce costs and improve the Washington
18 Metropolitan Area Transit Authority's operational efficiency; and

19 E. The comparison of annual capital investments and
20 approved budgets; and

21 2. The Washington Metropolitan Area Transit Authority's:

22 A. Annual budget;

23 B. Annual independent financial audit;

24 C. Annual National Transit Database profile; and

25 D. Single audit reports issued in accordance with the
26 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for
27 Federal Awards under 2 C.F.R. Part 200.

28 (ii) If the Commonwealth of Virginia or the District of Columbia
29 reduce the amount of dedicated capital funding for the Washington Metropolitan Area
30 Transit Authority, the Governor may reduce the appropriation under paragraph (1) of this
31 subsection by a proportional amount.

32 (iii) 1. The Governor shall withhold 35% of the appropriation
33 under paragraph (1) of this subsection if:

5 (g) (1) **(I)** The Governor shall include in the State budget an appropriation
6 for the purposes specified under [paragraph (2) of this subsection of \$167,000,000]
7 **PARAGRAPHS (2) AND (4) OF THIS SUBSECTION** from the revenues available for the
8 State capital program in the Transportation Trust Fund.

30 SECTION 2. AND BE IT FURTHER ENACTED. That:

31 (a) Section 1 of this Act is contingent on:

3 (ii) an annual 3% increase to the mandatory appropriation; and

4 (2) the District of Columbia enacting legislation that provides dedicated
5 capital funding for the Washington Metropolitan Area Transit Authority that includes:

(i) a mandatory appropriation for the District of Columbia's proportionate share of the Metrorail Operating Subsidy Allocation Formula; and

8 (ii) an annual 3% increase to the base amount of capital funding.

13 (c) Section 1 of this Act shall take effect on the date that the Department of
14 Legislative Services receives notice under subsection (b) of this section.

15 SECTION 3. AND BE IT FURTHER ENACTED, That, subject to Section 2 of this
16 Act, this Act shall take effect June 1, 2026.