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Appropriations Committee

Subcommittees

Capital Budget

Chair, Transportation and the
Environment

Oversight Committee on Personnel



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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Maryland Metro/Transit Funding Act-Alterations (HB 86)
Testimony of Delegate Korman—Favorable

Thank you Madam Chair, Mr. Vice Chair and members of the Budget & Taxation Committee. I come before you today to discuss HB 86, legislation that will implement changes to a bill that was passed by our Committee during the 2018 legislative session: the Maryland Metro/Transit Funding Act. As a reminder, the bipartisan legislation provided the first dedicated funding source for the Washington Metropolitan Area Transit Authority's (WMATA) capital program totaling \$167 million per year from Maryland and matched by Virginia and DC. This legislation is currently identical to HB 1412 from 2019, which received a favorable report from this committee and passed the House of Delegates.

- The first change clarifies that the Governor must make any appropriation to WMATA from the Transportation Trust Fund. Frankly, when we acted last year we believed that was what was required. However, the Administration has used general funds to pay for a portion of the state's share of WMATA costs. Adopting this provision will restore the bill to its original purpose. If the Governor wants to use general funds, the Administration can funnel those funds into the Transportation Trust Fund using the dedicated purpose account and then appropriate the funds to WMATA. We adopted an amendment on the floor—now in the bill before you—to further clarify this at the Administration's request.
- The second change would eliminate one of the requirements placed in the bill by the Senate that replicated a provision in Virginia's legislation. The requirement was that WMATA not seek a greater than 3% increase in a state operating subsidy in a given year's budget. This provision is proving unworkable for two reasons. First, from our discussions with the Senate, our view was that the decision of an arbitration panel would be exempt from the cap under the exception for "legal disputes or proceedings." Unfortunately, Virginia's view was different. Second, events like the federal shutdown—which are totally outside of WMATA's control—can have a significant impact on Metro's ability to comply with the cap. Because Maryland has WMATA Board Members who can assert a jurisdictional veto—including the state Transportation Secretary starting in July because of legislation we passed last year—the state will still be able to control WMATA's budget as needed. This legislation will not increase the funds that go to WMATA.
- The third change is a technical change to one of the bus ridership reporting requirements that was requested by WMATA.
- The fourth change updates a section of the legislation related to the Maryland Transit Administration (MTA) and a Central Maryland Regional Transportation Plan the MTA is working on. It clarifies some of the issues to be studied and reported on. Given the timing of this legislation, I will actually recommend

that we amend this provision out of the bill. Delegate Lierman, who provided the language, supports such a change.

In addition, there is another amendment that I will ask the Committee to adopt at WMATA's request to better define the audit submission requirements.

These changes will clarify some of the issues in the Maryland Metro/Transit Funding Act. But the modifications do not increase funding beyond what we agreed to in 2018. I urge a favorable report.