

February 16, 2022

Senator Guy Guzzone, Chair Budget and Taxation Committee 3 West, Miller Senate Office Building Annapolis, MD 21401

RE: Senate Bill 463 – <u>UNFAVORABLE</u> – Washington Metropolitan Transit Authority – Funding Formulas – Alteration (WMATA Dedicated Funding Amendment Act of 2022)

Dear Chair Guzzone and Members of the Committee:

The Maryland Transportation Builders and Materials Association ("MTBMA") has been and continues to serve as the voice for Maryland's construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland's multimodal transportation system.

Senate Bill 463 modifies the formulas for capital funding grants to the Washington Metropolitan Area Transit Authority ("WMATA") each year. The bill requires MDOT to increase the \$167 million capital grant by 3% annually by redirecting funds within the Transportation Trust Fund ("TTF"). Specifically, MDOT must redirect \$5 million in fiscal year 2025, \$10.2 million in fiscal year 2026, and \$15.5 million in fiscal year 2027 from other projects to provide for additional capital funding.

While this bill does not increase expenditures from the TTF, it reallocates those funds within the TTF to WMATA. We understand that Maryland needs all modes of transportation within the State in order for it to function, and we have never been opposed to transit systems. Unfortunately, without an increase in revenues for the other projects that the TTF funds, we cannot support this legislation. Our position centers around the concern that the funds needed to modify the formulas for WMATA would result in less money available to fund critical repairs to the roads and bridges that form the backbone of Maryland's transportation infrastructure. Transit systems only operate safely when our roads and bridges operate safely first.

We appreciate you taking the time to address this issue and we respectfully urge an unfavorable report on Senate Bill 463.

Thank you,

Mighael Sakata
President and CEO

Maryland Transportation Builders and Materials Association