Coalition for Smarter Growth | League of Women Voters of Maryland | Action Committee for Transit | Maryland League of Conservation Voters | ATU689 | Sierra Club - Maryland Chapter | Washington Area Bicyclist Association | Citizens Against Beltway Expansion | Don'tWiden270.org | Mobilize Frederick

## SUPPORT for Maryland Metro Funding Act of 2024 HB 198 (Del M. Korman and J. Lewis) and SB 126 (Sen M. Augustine and B. Feldman)

The following undersigned groups strongly support the Maryland Metro Funding Act of 2024 (HB 198) and (SB 126). The bill is critical to allow Maryland to provide the funding necessary to close WMATA's FY25 and FY26 operating budget gap. Failure to close the gap would mean catastrophic cuts to Metro service, including cutting 67 of 135 bus routes, closing 10 stations, shutting down Metro service at 10pm, and reducing rail frequency to every 15 minutes or longer from the 6 minutes or less today. This would mean a "transit death spiral" for our Metro system.

Metro has much good news to report. The 2018 capital funding deal by Maryland, Virginia, and DC for \$500 million per year, combined with federal funds secured by our Congressional delegation, has resulted in major rehabilitation of the system and major improvements in maintenance, safety, and reliability. Bus ridership has recovered to near pre-pandemic levels, but rail ridership is down due to telecommuting.

Frequency is freedom! So, WMATA is adjusting to the decline in peak hour commuting by providing frequent all-day service and weekend service. Eighty-one percent of Metrorail trips are now every 6 minutes or better. Rail rider satisfaction is now at 84% and bus rider at 71%.

Frequent service combined with improved reliability is the industry standard for attracting riders, and will make Metro a preferred mode for convenient and safer access to jobs, services, and entertainment. This level of service is critical to supporting transit-oriented economic development in Montgomery and Prince George's Counties, and to meeting the state's climate goals. And as a recent Virginia study shows, state investment in Metro leverages economic growth and tax revenue (income taxes and sales taxes among others) for the states.

Unfortunately, the operating subsidy cap of 3% increases per year, pushed by Virginia as part of the 2018 capital funding deal, has not worked for various reasons. These include high COVID-related inflation costs, and pandemic-era credits back to the jurisdictions by WMATA which lowered the baseline from which increases are calculated.

The Governor has admirably made Maryland the first of the three jurisdictions to propose its share of the funding to cover WMATA's gap, but this funding would violate the statutory operating cap. For that reason, this bill would allow the state to increase the baseline for funding to FY26, with the 3% annual increase calculated from that new baseline. This will enable Maryland to help close the WMATA operating gap pending negotiations for a long-term, dedicated and indexed funding solution for WMATA.

Therefore, we urge you to vote yes on the <u>Maryland Metro Funding Act of 2024 (HB 198)</u> and <u>(SB 126)</u>. Thank you.

Sincerely.

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