

Committee: Appropriations**Testimony on: HB 105- Department of Transportation - Grant Anticipation Revenue Vehicle Bonds - Light Rail Replacement Vehicles****Position: Support****Hearing Date: January 28, 2025**

The Maryland Chapter of the Sierra Club supports HB 105. This bill would allow the Maryland Department of Transportation (MDOT) to use bonds backed by federal aid, known as Grant Anticipation Revenue Vehicle (GARVEE) bonds for the replacement of light rail car vehicles. These bonds provide an additional mechanism that can allow MDOT to finance transportation projects at competitive rates and can accelerate the timeline needed to complete a project by generating upfront funding.¹

This financing option is particularly important because the Maryland Transit Administration (MTA) is in the process of rehabilitating and modernizing the existing light rail system that operates in Baltimore. The overhaul will contain new light rail vehicles, electrification service upgrades, and new track equipment that is needed to prevent service disruptions and improve the reliability of the system. This system is currently in dire need of repair. In December 2023, MTA had to shut down the light rail system for over two weeks due to mechanical issues involving the rail cars.

In 2024, MTA was awarded \$213.69 million under the Rail Vehicle Replacement Program for the Light Rail Vehicle Fleet Replacement Project. It is important that Maryland provide the necessary state match so that it is not at risk of losing the federal funding. If MTA does not have the ability to use GARVEE bonds for this project, then MDOT may need to delay the start of the project.

Maryland Sierra Club believes that the state needs a well functioning public transit system to cut harmful vehicle pollution and provide Marylanders with affordable access to jobs, education, food, and healthcare. Over 40% of Maryland's NOx emissions are attributable to pollution from vehicles driving on Maryland's roads.² MDOT has set a goal to reduce vehicle traffic (measured as vehicle miles traveled per capita) by 20% by 2050 to help meet the State's climate pollution reduction goals. In order to maintain and expand Maryland's public transit system, we need adequate funding and financing options.

For these reasons we urge a favorable report on HB 105.

Lindsey Mendelson
Senior Transportation Campaign
Representative
lindsey.mendelson@mdsierra.org

Josh Tulkin
Chapter Director
Josh.Tulkin@MDSierra.org

¹ [Grant Anticipation Revenue Vehicles \(GARVEEs\) Fact Sheet, U.S. Department of Transportation](#)

² [EPA 2020 NEI Supporting Data and Summaries](#) NOx emissions by state and sector were downloaded and compared to determine the relative contribution of NOx emissions from on-road light-duty and heavy-duty vehicles.