



WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

Public Testimony in Support of SB 384

Metro Funding Modification Act of 2025

Before the House Appropriations Committee

February 11, 2025

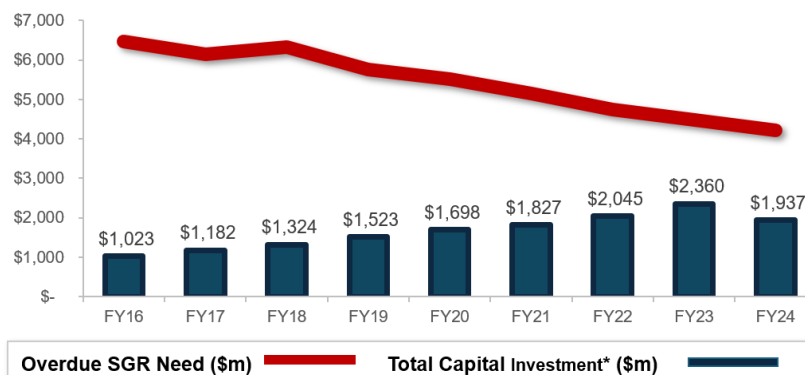
Mr. Chairman, members of the committee, thank you for allowing me to testify today. For the record, my name is Charlie Scott, and I am the Senior Government Relations Officer for the Washington Metropolitan Area Transit Authority (WMATA). I am here to urge your strong support for House Bill 467.

On behalf of the 13,000 employees and our Board of Directors I want to thank Delegate Korman for his steadfast support of transportation across our state, and particularly his leadership on transit in the National Capital Region.

The Maryland Metro/Transit Funding Act passed by the General Assembly in 2018, which this bill amends, has been critical to returning our Metro system to a state of good repair. With our annual capital program now exceeding \$2 billion, in the past six years we have made significant progress to address a backlog of capital needs that had built up over decades. The result for our customers and the region is a safer, more reliable system, with improved on time performance and customer satisfaction. In fact, in 2024, we reported Metrobus customer satisfaction at 83% and Metrorail customer satisfaction at 92%, both all-time highs.

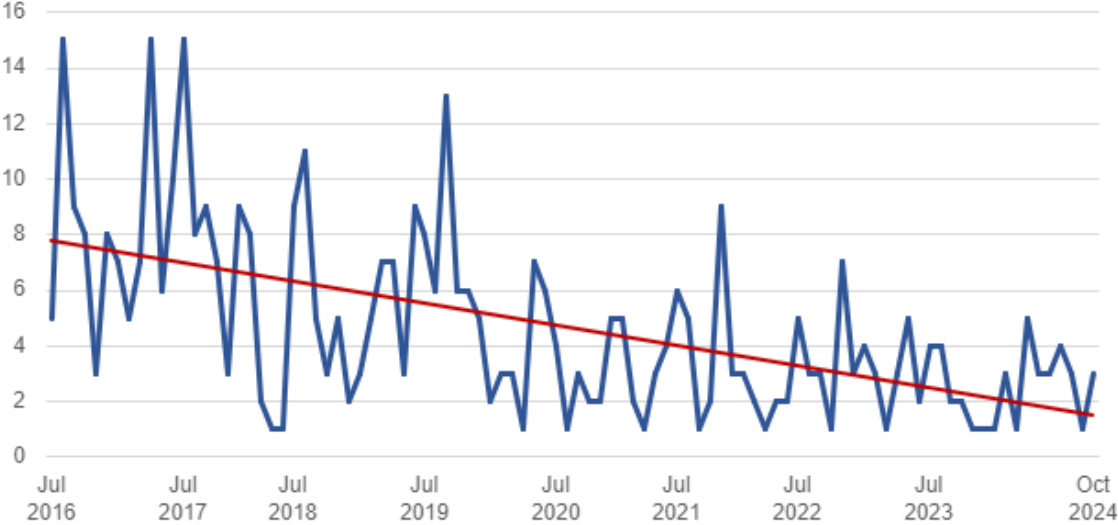
The 2018 legislation was responsive to a plan and vision developed in 2017 and led by WMATA’s then General Manager, and now MDOT Secretary Paul Wiedefeld. As envisioned, the plan created a dedicated revenue stream that enabled Metro to issue bonds. The growth in our capital program allowed Metro to not only stop deteriorating, but also to start addressing a \$7 billion backlog of needs.

Overdue State of Good Repair Need (\$m) & Total Capital Investment



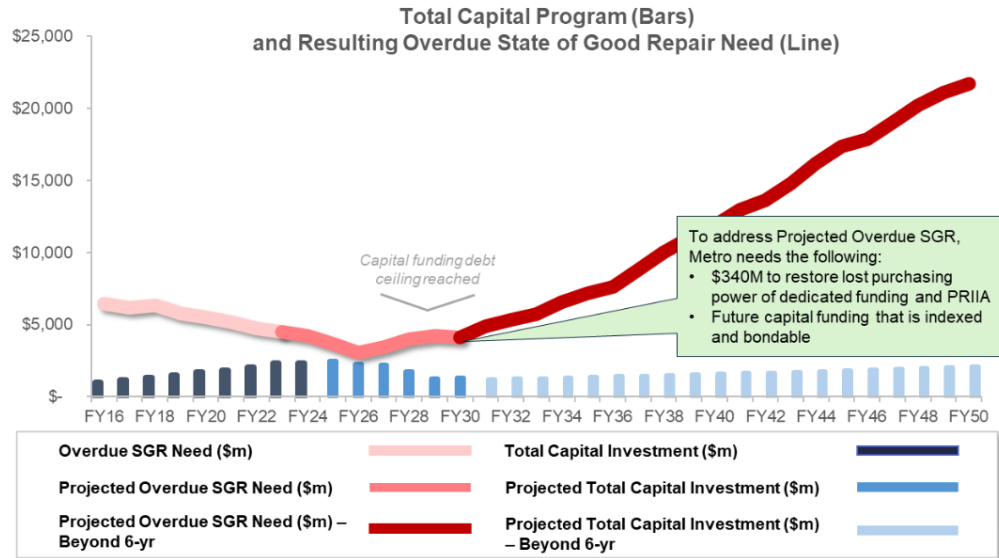
At the time, Metrorail service was severely impacted by service disruptions directly related to conditions of the system. While representing just one example, smoke and fire incidents were one of the most noticeable impacts to the public.

Smoke and Fire Incidents



As shown, Metro was experiencing as many as 15 smoke and fire incidents each month, with an average of almost 8 per month. Today that average is below two per month, and the severity and impact to service of these incidents is greatly reduced.

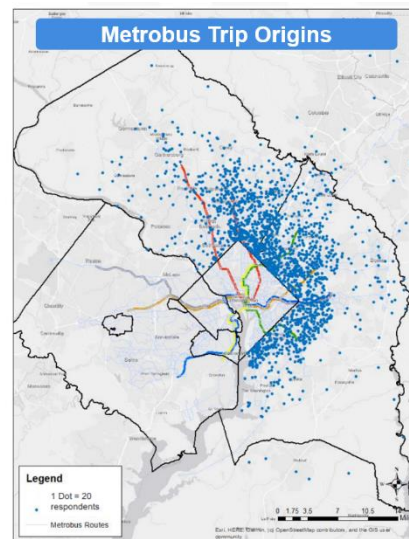
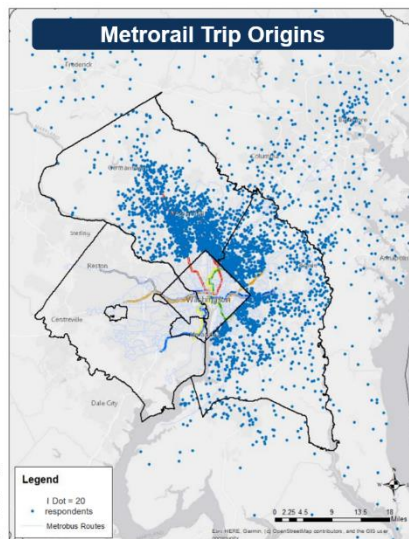
With a static funding level of \$500 million, and a growing portion of the funding now allocated to debt service, the plan also envisioned that the resulting bond capacity would be limited within approximately 14 years. Much has changed in our world since 2018. Early on, our capacity to execute the capital program exceeding initial forecasts. More recently, impacts of inflation and decisions to transfer some capital funds to the operating budget to address post-COVID operating shortfalls, have put further pressure on our long-term capital program. The initial projections of an FY32 funding cliff have now been accelerated with our debt capacity being reached around FY30.



Indexing this dedicated funding to inflation and then by 3% moving forward will address a significant portion of our future capital needs. DMV *Moves*, a task force of regional leaders studying all transit needs in the Capital region, has also identified the need to index Metro’s federal dedicated funding.

This measure alone, though, assuming similar enactments in the District of Columbia and Commonwealth of Virginia, would provide an additional \$2.6 billion in revenue over a 10-year period. With the ability to bond against this revenue, the total impact to the Metro’s capital program would be an additional \$4.4 billion.

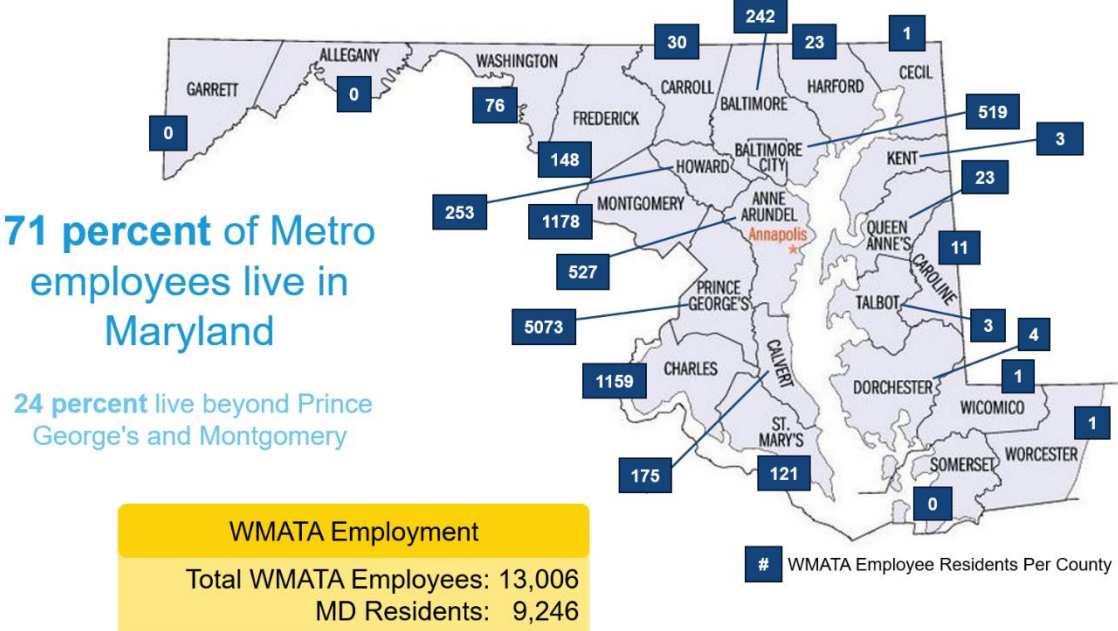
These investments, of course, are critical to mobility in the National Capital region. Investments in WMATA benefit much more than just Prince George’s and Montgomery Counties.



Maps based on 2020 analysis, to be repeated in 2025.

Our Maryland customer base for Metrobus, and especially for Metrorail, extends well beyond on WMATA Compact zone.

Additionally, WMATA is a major employer in Maryland, with over 9,000 of our 13,000 employees living in the state. Here again, our reach extends well beyond Montgomery and Prince George's, with almost 3,000 employees residing in other parts of our state.



Metro's capital program has also spurred manufacturing jobs here in Maryland. Our last railcar order led Knorr Brake to build a new manufacturing facility, adding 200 jobs to its presence in Westminster. And our newest railcar order resulted in Hitachi Rail constructing a new manufacturing and assembly facility in Hagerstown, supporting 1,300 regional jobs including 460 at the new facility.

To sustain the progress we have made rebuilding Metro and to continue our role fostering the economy and the mobility of Marylanders, I urge this committee to provide a favorable report.