



# Montgomery County

## Office of Intergovernmental Relations

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**HB 467**

**DATE: February 11, 2025**

**SPONSOR: Delegate Korman, et al.**

**ASSIGNED TO: Appropriations**

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**POSITION: Support (Department of Transportation)**

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### **Metro Funding Modification Act of 2025**

House Bill 467 modifies the formulas used to calculate the two annual grants the State provides to the Washington Suburban Transit Commission to pay the capital costs of the Washington Metropolitan Area Transit Authority (WMATA). The bill repeals the requirement that the standard grant be increased by 3% each fiscal year. Also, it replaces the additional grant from a flat \$167 million annually (1/3<sup>rd</sup> of the \$500 million additional grant negotiated across the system in 2018) to a proportional share of that \$500 million additional grant calculated based on the Metrorail operating subsidy allocation formula. The recalculated additional grant is then adjusted for inflation. Thereafter, that amount is increased by 3% annually. This legislation becomes operational only if the other two WMATA compact members also enact the same legislation (Virginia and the District of Columbia).

The Metro Funding Modification Act is vital to ensuring that WMATA's rail system is operating smoothly by providing necessary state of good repair upgrades. The County relies on Metrorail to support a large volume of the traveling public. Ensuring that the transit systems operating in the County are running smoothly supports the County and State's goals for multimodal transportation choices, mitigation of climate impacts, and supporting land use changes focused on densifying around transit nodes. Without investment in capital improvements and state of good repair, the public loses confidence in transit as a viable mode of travel. Rider satisfaction is at some of the highest levels observed in WMATA's history and this can be tied to the investments made that are resulting in a system that is reliable and safe. If the system is not adequately funded, and confidence starts to falter, this stands to hurt all of Maryland, as WMATA's Metrorail stations are a key piece of economic development for the region and the State.

For these reasons, the Montgomery County Department of Transportation respectfully requests that the Appropriations Committee advance this legislation.