SB 401 Favorable_CMTA.pdf Uploaded by: Brian O'Malley Position: FAV



February 3, 2025

Testimony on SB 401– MARC Rail Authority Act of 2025 – Budget & Taxation Committee

Position: Favorable

The Central Maryland Transportation Alliance supports SB 401, which removes the MARC commuter rail system from the Maryland Transit Administration (MTA) and establishes a new MARC Rail Authority with responsibility for the supervision, construction, operation, maintenance, and repair of MARC railroad facilities projects. The MARC Rail Authority would remain under the Maryland Department of Transportation (MDOT) with similar standing as the Maryland Transit Administration, the Maryland Ports Administration, the State Highway Administration and the other MDOT business units. The bill also authorizes the MARC Rail Authority to issue revenue bonds.

We see SB 401 as a step in the right direction. Leaders in the Greater Baltimore region have been seeking to reform the way its local public transportation is governed and financed. The lack of local participation in planning and funding decisions has been a contributing factor to ongoing maintenance problems and the lack of significant expansion or improvement since 1997. Of the 50 largest transit agencies in the country, the MTA is the only one that is part of a state department of transportation without a board of directors and where decision making lies solely with a governor. We seek reforms that balance the state government oversight with representation from local officials who are closer to the direct stakeholders in the viability of the bus, train and paratransit system.

The General Assembly has taken a step toward reform through legislation in 2023 that established a Baltimore Regional Transit Commission (BRTC). However, the BRTC is largely an advisory body that lacks the full power of a regional transportation authority. That's why we are encouraged that the BRTC recently published a report titled <u>Alternative Transit Governance and Funding Structures for the Baltimore Region</u>.

SB 401 is a step toward better aligning the governance of Maryland's transit systems with the stakeholders of each. However, we do not see it as the final step. We encourage members of the Committee to review the BRTC's report and consider the alternatives it evaluates.

We encourage a FAVORABLE report for Senate Bill 401.

SB0401_MARC_Rail_Authority_Act_of_2025_MLC_FAV.pdf Uploaded by: Cecilia Plante



TESTIMONY FOR SB0401

Transportation – Maryland Area Rail Commuter Rail Authority – Establishment (MARC Rail Authority Act of 2025)

Bill Sponsor: Senator McCray **Committee:** Budget and Taxation

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

Position: FAVORABLE

I am submitting this testimony in favor of SB0401 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

Our members support public transportation. It is a much more environmentally friendly mode of transportation than driving, and it supports our low- and moderate- income residents who can't afford to drive a car to work or school. Maryland has spent decades investing in roads, instead of making much better choices to support public transit. Our transit system shows this lack of investment.

The Maryland Transportation Authority does not seem to be able to manage the MARC system in a way that allows it to really serve the community. Today, MARC connects Baltimore and D.C. to many of Maryland's suburban communities, but service is too slow, infrequent, and disconnected. Service is unavailable altogether during much of the day and particularly on weekends. Investing in Maryland's passenger rail service and infrastructure would create jobs and new markets, unlock opportunities for residents, increase access to affordable housing and create a more sustainable transportation system.

This bill removes the MARC system from under the Maryland Transportation Authority's purview and create a separate, much more focused, MARC Rail Authority. We've needed to do this for a long time.

Our members believe that having a separate transportation authority focused on making the MARC system more beneficial for the residents of the state is a win/win for everyone. We support this bill and recommend a **FAVORABLE** report in committee.

CSG MD SB401 MARC Authority testimony.pdf Uploaded by: Cheryl Cort



Testimony on SB 401 Maryland Area Rail Commuter Rail Authority - Establishment Senate Budget & Taxation Committee

Date: February 3, 2025 Position: SUPPORT

The Coalition for Smarter Growth supports **SB 401**. Our organization advocates for walkable, bikeable, inclusive, and transit-oriented communities as the most sustainable and equitable way for the Washington, DC region to grow and provide opportunities for all.

The Maryland Area Rail Commuter Rail Authority - Establishment will create a separate authority from the Maryland Transit Administration (MTA). SB 401 would also allow the MARC Authority to issue revenue bonds to finance capital projects. A separate MARC authority would help ensure a focus on modernization and improved operations for Maryland's commuter railroad, while freeing up MTA to focus on local transit network services.

Given crowded corridors like the BW Parkway and I-270, enhanced MARC service has the potential to cost-effectively provide more reliable, sustainable and affordable travel options. New direct rail service to major job centers like L'Enfant Plaza and National Landing in Virginia is also in early planning stages.

By focusing on MARC facility and service improvements a dedicated Authority would also help unleash the railroad's transit-oriented development potential. MARC Penn Line sites could generate \$800 million in new state and local revenue.

A nearby example of the benefits of a separate authority structure is the Virginia Railway Express (VRE) serving Northern Virginia. With focused, dedicated boards of regional officials, the VRE commuter railroad has been able to implement a full program of station, maintenance facility, and track improvements, with more on the way.

We ask for a **favorable report for SB 401** by the committee. Thank you.

GGWash Comments on SB 401, MARC Authority.pdf Uploaded by: Dan Reed



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

February 5, 2025

Dear Chair Guzzone and Members of the Budget and Taxation Committee:

My name is Dan Reed and I serve as the Maryland Policy Director for <u>Greater Greater Washington</u>, a nonprofit that works to advance sustainability and equity in housing, land use, and transportation throughout Greater Washington and beyond. **GGWash strongly supports Senate Bill 401, the MARC Rail Authority Act of 2025.**

This bill would create a MARC Rail Authority, separate from the Maryland Transit Administration, with its own executive director and board appointed by the House Speaker and Senate President. Their responsibility would be to manage the existing commuter rail system and its expansion, with funding coming from existing appropriations to MARC service.

As it's currently set up, the MTA plays double duty: it's a statewide transit agency that's responsible for running local and commuter service. One consequence is that efforts to expand MARC service—like running more trains, and carrying out the infrastructure improvements needed to run more trains—are frequently set aside in favor of other priorities.

We're missing the opportunity to give people faster, more reliable trips. I used to live in Rockville and commuted to Silver Spring on the MARC Brunswick Line. This trip is scheduled to take between 12 and 16 minutes, which would be hard if not impossible to beat in a car at any time of day. Yet that service only runs in one direction at rush hour. A dedicated MARC Authority would provide the momentum needed to expand service so more people can use it.

The MARC Rail Authority Act is a small step to ensuring that Maryland's transit system works better for everyone. We ask the Budget and Taxation Committee for a favorable report.

Sincerely,

Dan Reed

Maryland Policy Director

The Washington, DC region is great >>> and it can be greater.

SB-401 written.pdfUploaded by: David Pendleton Position: FAV

DAVID PENDELTON SR. Chairperson/Director

TOM CAHILL Vice Chairperson/Assistant Director

BRITTANY GARRIS Secretary



ANNAPOLIS OFFICE 99 Cathedral Street Suite 201 Annapolis, MD 21401-2597

PH: (240) 271-9420 smartmdsla@yahoo.com

February 3, 2025,

SB401 - MARC Rail Authority Act

REPRESENTATIVES

CUMBERLAND Local 600 RANDY MARTZ

BRUNSWICK Local 631 TOM CAHILL

EDMONSTON Local 1470 BRITTANY GARRIS

BALTIMORE Local 610 JOHN WALKER

Local 1949 JACOB STROMAN Chairman Guzzone, Vice Chairman Rosapepe, Members of the Senate Budget and Taxation Committee

Hello, my name is David Pendleton, I am the Director of the Maryland Safety and Legislative Board for the Transportation Division of SMART. We are **the train union**. Our members in the State of Maryland are employees of CSX Transportation, Norfolk Southern, Canton Railroad, Amtrak and MARC. We are conductors, engineers, yardmasters, switchmen and utility workers.

I am here today urging a favorable report for **SB401**, the MARC Rail Authority Act.

SB-401 would create the MARC Rail Authority, allowing MARC to become its own independent agency operating on behalf of MDOT. Allowing MARC, the authority to operate independently of the MTA will allow it to be more efficient, growth oriented and attentive to the needs of the riding public.

Our neighbor rail commuter agency, the VRE, has had similar authority for decades, while also having similar operations to MARC. According to the <u>CEO's report</u>, in 2024, VRE's operating expenses were 1.8 million dollars under budget. This was due to its leadership being able to make decisions without unnecessary bureaucracy.

Despite ridership being only 30% of pre-pandemic levels, these efficiencies were achieved without having to lay off employees or making cuts to its service. In fact, VRE has managed to expand. Starting construction on many capital improvements at several of its stations and facilities. To date totaling \$125,000,000.00 worth of capital improvements. Many more are in the development and final planning stages totaling hundreds of millions of dollars more. Creating thousands of good paying union construction jobs. MARC operates 3 times as many trains as the VRE, runs 7 days-aweek and transports double the amount of passengers. Imagine what MARC can do if it were free to operate in the same manner.

A better service, more attentive to its customers' needs, while creating and maintaining thousands of good union jobs, a win-win formula for success!

Thank you for your time and consideration of our positions. SMART urges a favorable report!

Sincerely,

David (Sr

David P. Pendleton Sr., Chairperson/Director Maryland Safety & Legislative Board, LO-023

Transportation Division



Testimony in support of SB0401 - Transportation -Uploaded by: Richard KAP Kaplowitz

SB0401 RichardKaplowitz FAV

02/05/2025

Richard Keith Kaplowitz Frederick, MD 21703

TESTIMONY ON SB#/0401- POSITION: FAVORABLE

Transportation - Maryland Area Rail Commuter Rail Authority - Establishment (MARC Rail Authority Act of 2025)

TO: Chair Guzzone, Vice Chair Rosapepe, and members of the Budget & Taxation Committee FROM: Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of SB#/0401, Transportation - Maryland Area Rail Commuter Rail Authority - Establishment (MARC Rail Authority Act of 2025)

This bill recognizes the importance of the Maryland Area Rail Commuter system to the transportation network of the state and attempts to create a centralized authority to manage that system within the state.

The Maryland Department of Transportation Maryland Transit Administration has a plan, MARC Growth and Transformation Plan 1 that this bill will help become a reality by generation of a group to work within the DOT to make the goals and plans in this document happen.

This bill will establish the Maryland Area Rail Commuter (MARC) Rail Authority and the powers and duties of the MARC Rail Authority, acting on behalf of the Department of Transportation, with respect to the supervision, construction, operation, maintenance, and repair of MARC railroad facilities projects. It will accomplish this goal through authorizing the MARC Rail Authority to issue certain revenue bonds to finance the cost of MARC railroad facilities. It will manage the funding required for the implementation of any plans through establishing the MARC Rail Authority Fund. It will also detail funding sources by requiring certain funds and revenues to be deposited in the Fund.

The Maryland Department of Environment's Climate Pathway Report ² acknowledges the critical function reducing Vehicle Miles Traveled (VMT) provides in achieving the state's climate targets and the positive environmental impact of incentivizing consumers to drive less and purchase smaller vehicles. The Pathway Report also references important strategies to meet these goals, including improving and expanding public transit (emphasis added). The MARC system is a critical and important part of the overall Climate plans in Maryland, this bill will facilitate that component of the plan structure.

I respectfully urge this committee to return a favorable report on SB#/0401.

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¹ https://www.mta.maryland.gov/marc-growth-plan

SB 401 Transportation - Maryland Area Rail Commute Uploaded by: tamika winkler

CORY V. McCray Legislative District 45 Baltimore City

DEPUTY MAJORITY WHIP

Budget and Taxation Committee

Subcommittees

Chair, Health and Human Services

Vice Chair, Capital Budget

Executive Nominations Committee

Legislative Policy Committee

Joint Committee on Gaming Oversight



THE SENATE OF MARYLAND ANNAPOLIS, MARYLAND 21401

James Senate Office Building 11 Bladen Street, Room 221 Annapolis, Maryland 21401 410-841-3165 · 301-858-3165 800-492-7122 Ext. 3165 Cory.McCray@senate.state.md.us

Vote Yes on Senate Bill 401

Title: Transportation – Maryland Area Rail Commuter Rail Authority – Establishment (Marc Rail Authority Act of 2025)

Budget & Taxation

Hearing: February 5, 2025

Dear Chair, Vice Chair, and Members of the Committee,

I am writing to request your favorable vote on **SB 401**, which seeks to create a new office dedicated to overseeing the operation, maintenance, repair, and funding of the MARC railroad: the MARC Rail Authority. The MARC Rail Authority will operate on behalf of the Department of Transportation with a high degree of autonomy including, but not limited to, the ability to issue and utilize bonds to finance MARC railroad facilities projects, the establishment of the MARC Rail Authority Fund, and the procurement of funds from any federal grant.

The establishment of the MARC Rail Authority would provide our overburdened transit systems with an office dedicated to ensuring a safe and efficient railroad service to our constituents. The office, while possessing the authorization to make its own regulatory and fiscal decisions, possesses a number of checks and balances to hold the office accountable. Firstly, its members would adhere to strict term limits and would be appointed by the House, the Senate, and the Governor in consultation with the Commissioner of Labor and Industry. While the Department of Transportation would necessarily be involved in the funding of the office, the MARC Rail Authority's debt and interest are not the direct responsibility of the department. Thusly, the new office would be able to function through its own efforts and not solely through its relationship with the Department of Transportation.

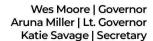
SB 401 presents an opportunity to improve our transit capabilities in Maryland. As of 2024 Q3 reporting, over 13,000 people ride on MARC trains daily. Yet this number has fallen dramatically since before the

pandemic from a staggering 40,000 passengers per day. Additionally, the MARC train has, since January of 2024, reported over 19% of their trains show up late. By implementing improvements to MARC's efficiency and outreach, we may be able to address key issues within transportation sector – such as road congestion, maintenance, and car accidents – by enticing people to return to railroad transit options. I urge you to vote favorably for **Senate Bill 401.** Our transit systems are emblematic of larger transportation issues that the state of Maryland has struggled to address for decades. This bill represents a step in the right direction, creating a new, autonomous office dedicated to improving a service critical to our constituents across Maryland.

Continued Blessings,

Cory V. McCray 45th District

Senate Bill 401 - DolT Written Testimony.docx.pdf Uploaded by: Sara Elalamy





TO: Senate Budget and Taxation Committee **FROM:** Department of Information Technology

RE: Senate Bill 401 - Transportation - Maryland Area Rail Commuter Rail Authority -

Establishment (MARC Rail Authority Act of 2025)

DATE: February 5, 2025

POSITION: Support with Amendments

The Honorable Guy Guzzone
Senate Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, Maryland 21401

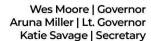
Dear Chairman Guzzone.

The Department of Information Technology (DoIT) supports 401 - Transportation - Maryland Area Rail Commuter Rail Authority - Establishment (MARC Rail Authority Act of 2025) with amendments. While we recognize the intent of this legislation to establish the Maryland Area Rail Commuter (MARC) Rail Authority and promote efficient rail service, we oppose the inclusion of the Department of Information Technology (DoIT) as the entity responsible for information technology (IT) support under this bill.

DoIT recommends amending the bill to designate the Maryland Department of Transportation (MDOT) as the entity responsible for providing IT support for live streaming the MARC Rail Authority meetings.

MDOT has an IT staff more than capable to handle this task and is already well-integrated into the operational needs of MARC services. Since the Secretary of MDOT will serve as Chair of the MARC Rail Authority, it is logical for MDOT to oversee the IT support needed for this new entity. This alignment will streamline operations, reduce interdepartmental dependencies, and leverage MDOT's existing knowledge of MARC's infrastructure.

Assigning DoIT to provide IT support would introduce unnecessary complexity. It would require DoIT to charge MDOT for services, adding administrative burdens and costs that could be avoided by utilizing MDOT's existing IT resources. Keeping IT responsibilities within MDOT ensures a more efficient and cost-effective approach.





We respectfully request that Section 7-1311(B) be amended to state:

"The Maryland Department of Transportation shall provide the technical staff, support, and equipment necessary to livestream the open meetings of the MARC Rail Authority and fulfill other IT-related functions required by this Act."

This amendment ensures the efficient implementation of the MARC Rail Authority's objectives while maintaining DoIT's focus on its core statewide responsibilities. We believe this adjustment will provide a more practical and cost-effective approach for supporting the MARC Rail Authority's IT needs.

Thank you for considering this testimony. We urge the committee to amend the bill as suggested to reflect these concerns.

Best.

Melissa Leaman
Acting Secretary
Department of Information Technology

BRTC Testimony -- Senate BandT - SB 401 - February Uploaded by: Jon Laria

Position: INFO



Letter of Information to the Senate Budget & Taxation Committee

Hearing Date – February 5, 2025

Senate Bill 401: Maryland Area Rail Commuter Rail Authority – Establishment (MARC Rail Authority Act of 2025)

Chair Guzzone and members of the Committee, I am Jon Laria, Chair of the Baltimore Regional Transit Commission (BRTC), submitting this Letter of Information as to SB 401 on behalf of the BRTC.

The BRTC was created by the Maryland General Assembly to provide oversight and advocacy for the Baltimore regional transit system, operated by the Maryland Transit Administration (MTA), and to ensure that diverse stakeholder perspectives are represented in agency decisions. The BRTC includes representatives from local government, transportation, industry, business, transit riders, transit advocates, labor, and the Moore-Miller Administration.

I am writing today to draw your attention to a study recently conducted for the BRTC titled "Alternative Transit Governance and Funding Structures for the Baltimore Region". The BRTC commissioned this study because of increasing statewide interest in the viability of regional transit authorities, including by the 2022 Baltimore Metropolitan Council's Transit Governance and Funding Workgroup and the State's Transportation Revenue and Infrastructure Needs (TRAIN) Commission. The study is intended to provide a resource to decision-makers, including the Governor and General Assembly, as the State continues to evaluate alternative structures for transit governance and funding.

The BRTC-commissioned study is focused on the Baltimore regional transit system, whose current structure is highly unusual nationally, with MTA's status as a modal administration entirely within the Maryland Department of Transportation (MDOT). The MTA has no budget or operating independence, and also no governing board. Although the BRTC has been statutorily charged since 2023 with providing advocacy for MTA and limited oversight of the agency, it has no independent powers or direct authority over MTA's budget.

The BRTC-commissioned study identifies three alternative models for a new Baltimore regional transit authority and assesses the basic advantages and potential disadvantages of each. The study is necessarily a first step and not the final word on the merits of a new structure. Much more detailed analysis is necessary. Therefore, the BRTC respectfully cautions against preempting such detailed analysis with individual and incremental steps towards reshaping MTA, as SB 401 would do by immediately removing MARC from MTA and creating a separate MARC Rail Authority solely to operate MARC, including the authority to operate and finance (including issue bonds for) MARC alone.

Nonetheless, the BRTC certainly welcomes the broader and more comprehensive discussion of alternative structures that the bill is sure to provoke and provide, and hopes the BRTC-commissioned study can contribute to that important discussion.

1500 Whetstone Way • Suite 300 • Baltimore, MD 21230-4767 • (410) 732-0500 • www.baltometro.org













SB0401- MTA - LOI - Marc Rail Authority.pdf Uploaded by: Patricia Westervelt

Position: INFO



Wes Moore Governor Aruna Miller Lieutenant Governor Paul J. Wiedefeld Secretary

February 5, 2025

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

RE: Letter of Information – Senate Bill 401 – Transportation - Maryland Area Rail Commuter Rail Authority - Establishment (MARC Rail Authority Act of 2025)

Dear Chair Guzzone and Committee Members,

The Maryland Department of Transportation (MDOT) takes no position on Senate Bill 401 but offers the following information for the Committee's consideration.

SB 401 establishes the Maryland Area Rail Commuter (MARC) Rail Authority and the powers and duties of the MARC Rail Authority, which acts on behalf of the Department of Transportation, with respect to the supervision, construction, operation, maintenance, and repair of MARC railroad facilities projects. Further, the bill authorizes the MARC Rail Authority to issue revenue bonds to finance the cost of MARC railroad facilities and establishes the MARC Rail Authority Fund.

The creation of the MARC Rail Authority would transfer certain supervisory and operational duties from MDOT to the new authority, potentially leading to a redistribution of roles and responsibilities within MDOT. As proposed, new positions may be needed to fill the needs of the new Authority. The new positions would require a commitment of additional operational funding from the Transportation Trust Fund (TTF).

Currently, there are existing agreements between MTA and its operational partners for MARC. To accomplish a transfer of the duties and the benefits of these contracts, several existing agreements will need to be modified, and the contracts will need to be novated. If access agreements with host railroads must be renegotiated, the host railroads may raise costs significantly, impose new requirements on MARC, and potentially reduce MARC's access to their rail lines. This would impact MARC's ability to provide current levels of service and increase the cost of providing the same level of transit service.

The current structure of MTA allows for comprehensive and connective scheduling between transit systems. Establishing the MARC Rail Authority without adequate planning may result in coordination challenges that could affect scheduling, route integration, and passenger connectivity and, ultimately, impact the rider experience. With MARC services managed

The Honorable Guy Guzzone Page Two

independently, MTA would have to reimagine its role in regional transit planning and serving the diverse needs of Maryland's transit riders.

SB 401 redirects MARC revenues to the MARC Rail Authority; however, these funds, along with other transit fare revenues, are already committed to repayment of debt for construction of the Purple Line. If funds from the Transportation Trust Fund are used to repay Purple Line debt or the MARC Rail Authority debt, this debt will become State debt in accordance with the State's debt affordability criteria. Funds required to repay the MARC Rail Authority debt also will decrease funding available to repay MDOT's debt, which will reduce the debt that MDOT can issue to support its capital program at a time of already declining revenue.

The department is committed to continuing the conversation with the bill's sponsor regarding how to best serve the diverse needs of transit riders in the State, including those using the regional rail system. The Maryland Department of Transportation respectfully requests that the Committee consider this information during its deliberation of Senate Bill 401.

Respectfully submitted,

Jalen Sanders Director of Governmental Affairs Maryland Transit Administration 410-810-4461 Matt Mickler
Director of Government Affairs
Maryland Department of Transportation
410-865-1090