

MARC KORMAN
Legislative District 16
Montgomery County

Chair
Environment and Transportation
Committee

Rules and Executive
Nominations Committee



The Maryland House of Delegates
6 Bladen Street, Room 251
Annapolis, Maryland 21401
410-841-3649
800-492-7122 Ext. 3649
Marc.Korman@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Marc Rail Authority Act of 2025 (HB 517)

Testimony of Marc Korman - Favorable

Thank you, Madame Vice Chair, colleagues on the Environment and Transportation Committee, and visitors from the Appropriations Committee. I come before you today to discuss the MARC Rail Authority Act of 2025 (HB 517). This legislation would reorganize the Maryland Transit Administration (MTA) by separating the MAC rail system into a separate and quasi-independent authority.

As you are aware, the Maryland Department of Transportation is currently organized into several Transportation Business Units including MTA. MTA has numerous functions including overseeing the MARC commuter rail system, statewide transit planning, providing local transit funding through the LOTS program and providing local transit service in Baltimore city (bus, subway, and light rail). No other statewide transit agency has this service provider role and as a result of our unique structure, MARC rail is often the stepchild of MTA. For example, multiple times over the past few years the state has been near agreement with CSX for more access to the Brunswick Line that runs through Montgomery and Frederick Counties only to see the state back away due to budgetary issues.

The MARC Rail Authority would give the MARC system more independence and more of an ability to set its own fate. The DOT Secretary would serve as chair of the authority. Two other members would be appointed by the Speaker of the House and Senate President and the executive director of the authority would serve as an ex officio, non-voting member.

The bill would establish the MARC Rail Authority Fund as a special fund. All rentals, rates, fares, fees, and other charges and revenues from MARC railroad projects will contribute to this fund. MARC could receive federal grant funding for its project, alleviating some financial burden for the state. The MRA may issue and refinance bonds to cover the cost of passenger rail or transit programs without contributing to the existing state debt. MRA would be responsible for any interest, principle, and related costs incurred by the issuing of bonds. The fund is also entitled to state funding previously allocated towards MARC through the MTA budget.

The MRA would give MARC the power to delegate, supervise, and finance their project, repairs, and maintenance without oversight from the DOT. In addition to their increased funding capacities, the MRA would have the right of eminent domain to carry out their duties to uphold

MARC railroads and projects. MRA may also enter into any contract necessary to fulfill their responsibilities and duties. The bill also allows MRA the authority to adopt any other rules and regulations needed to effectively function as a transit authority. MRA's powers are contingent on their responsibilities and may expand to execute their functions.

The MARC Rail Authority Act of 2025 will improve MARC's reliability and growth while advancing transportation networks that serve millions of Marylanders monthly. I urge a favorable report.