WRITTEN TESTIMONY OF HITACHI RAIL

"IN SUPPORT OF INCREASED FUNDING FOR THE WASHINGTON METROPOLITAN TRANSIT AUTHORITY (METRO)"

SB0281 - Metro Funding Modification Act of 2026 - Budget & Taxation Committee – 2/3/26

Chair Guzzone, Vice Chair Rosapepe, and Members of the Committee:

Hitachi Rail has been a proud partner to METRO for many years, supporting the agency's modernization goals through the development of cutting-edge railcar technology, advanced train control systems, and capital investments in U.S.-based manufacturing.

Most recently, in 2021, METRO awarded Hitachi Rail a landmark contract valued at up to $2.2 billion to design and manufacture the next-generation of METRO 8000-series railcars – representing one of the largest rolling stock investments in the agency's history. As a result of this contract, Hitachi will work in partnership with METRO to replace aging rail cars – with new and improved vehicles that include enhanced Communication-Based Train Control (CBTC) technology; energy-efficient regenerative braking; open gangways; upgraded air conditioning systems; rigorous cybersecurity protections; enhanced digital passenger information screens; improved seating layouts; and ADA-compliant interiors.

Through this partnership, both Hitachi and METRO will serve millions of Marylanders, enhancing both passenger journey and onboard experience over a 40-year lifespan. In doing so, this will support METRO and the state of Maryland in achieving their goals to increase safety, reliability, and system efficacy with enhanced transit connectivity across the region. And perhaps most importantly, this work will be executed and completed locally in Maryland - within Hitachi Rail's new $100 million state-of-the art digital train manufacturing facility located in Hagerstown, Maryland.

Officially opened in September 2025, the Hagerstown factory represents a significant investment by the Hitachi Group in North America – in addition to being a transformative investment funnel by Hitachi into Maryland's economy. With the ability to produce up to 20 rail cars per month, Hitachi's Hagerstown facility is deploying innovative technologies to ensure factory operations are both people-centric and digitally optimized. Long-term the factory will sustain 1,300 jobs within the region, with up to 460 working directly for Hitachi Rail on site in roles that will harness AI and smart manufacturing principles, thusly offering a pathway to next-generation manufacturing careers. The total added value of the new digital site is set to be over $550M (including labor income generation and significant involvement of SBE/DBE suppliers), bringing major economic benefits to DC, Maryland and Virginia regions.

Maryland's investment in METRO is more than a transportation imperative—it is a job creation strategy. With METRO facing rising operating costs, post-pandemic ridership recovery challenges, and the expiration of federal relief funds, consistent state support is essential to sustain capital improvements and avoid service cuts. Further, long-term transit funding stability is central to the state's broader mobility vision, aligning with Maryland's FY2026–2031 Consolidated Transportation Plan and regional initiatives such as the

DMVMoves Task Force, which is actively developing recommendations for sustainable transit funding mechanisms.

In addition to our partnership with METRO, in the short term our Hagerstown factory also has assembled and launched brand-new railcars for the Maryland Transit Administration's (MTA) Baltimore SubwayLink in January 2026. In doing so, these new rail vehicles equipped with Hitachi's enhanced CBTC technology – will connect Baltimore County with the metropolitan city center of Baltimore. Further demonstrating Hitachi Rail's commitment to delivering transit innovation across the state of Maryland. Our investment in Hagerstown and our partnership with METRO reflect shared goals for: safer travel, modern infrastructure, reliable service, job creation, and a sustainable, innovative transportation future.

Increasing Maryland's funding commitment for METRO will:*

- Support continuous improvement and modernization with a manageable capital backlog, while delivering safe, frequent, and reliable service all day and all week.

- Modernize and reinvest in infrastructure that improves safety, reliability, and capacity while also reducing costs to provide additional service.

- Invest in modern signaling system and a track intrusion prevention system as a foundation to automation of Metrorail operations systemwide.

- Sustain repair and replacement of assets such as elevators, escalators, track, bus garages, and vehicles.

- Plan and develop regional bus priority network in partnership with jurisdictions.

- Leverage federal funding opportunities that enable transformative investments.

- Continue its ongoing focus on cost efficiency and growing ridership and revenue; for example, Metro has achieved $500M in savings between FY2023 – FY2025.

- Provide transparency and regular reporting to Transportation Planning Board and the region on system performance, capital planning, and the use of new DMV*Moves* funding.

Source: Washington Metropolitan Transit Authority (WMATA)

Hitachi Rail is deeply committed to Maryland. We respectfully urge the Maryland General Assembly to support enhanced and stable long-term funding for METRO. Ensuring Maryland residents, workers, and communities continue to benefit from a world-class transit system. We appreciate the opportunity to provide this testimony before the committee. Our team welcomes and follow-up and looks forward to serving a continued partnership with the state to deliver a safe, reliable, and efficient transit network Marylanders deserve.