

**Testimony on HB 386
Metro Funding Modification Act of 2026
Senate Budget & Taxation Committee**

Date: March 27, 2026

Position: FAVORABLE

The Coalition for Smarter Growth supports **HB 386 Metro Funding Modification Act of 2026**. 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. We work extensively in suburban Maryland, focused on Montgomery and Prince George's counties.

The **Metro Funding Modification Act** will ensure that critical tri-state capital funding for WMATA is adjusted for inflation and scaled to meet state-of-good repair needs starting in FY29. The funding will also enable timely modernization of outdated rail system infrastructure.

The WMATA rail, bus and paratransit systems are foundations of the economy and affordable living in the Maryland suburbs of Washington, DC. Maryland Metro stations and bus stop areas generate \$2.6 billion in property tax revenue, house 1.1 million people, and include 481,000 jobs and 42,000 businesses. Thousands of Maryland commuters and their families save in the range of \$13,000 per year because they can take frequent and reliable Metro service to work and school instead of driving. Metro has also made our region more economically competitive by attracting and retaining cutting-edge companies and next generation employees. Vacancy rates for offices near Metro are significantly lower than in office parks, reflecting the desirability of Metro station locations.

The 2018 capital funding deal by Maryland, DC and Virginia has been hugely effective. WMATA service today is faster, more frequent, and more reliable because of the investment. Customer satisfaction is at an all time high and ridership has largely bounced back. However, the 2018 funding was not indexed to inflation, and Metro's debt financing capacity will be exhausted by FY2029, creating a permanent funding shortfall.

Without timely action by the State of Maryland, DC and Virginia, inadequate capital funding for Metro will result in declining service reliability, worsening customer experience, and increased safety risk. These risks threaten worker commutes, transit-oriented business centers in Montgomery and Prince George's, and household affordability that underpin the economy and make Maryland a desirable place.

Maryland can support its economic future and affordable living by passing **HB 386**.

We ask for a **favorable report for HB 386** by the committee. Thank you.