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March 31, 2026

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

***RE: Letter of Information – House Bill 386 – Metro Funding Modification Act of 2026***

Dear Chair Guzzone and Committee members:

The Maryland Department of Transportation (MDOT) takes no position on House Bill 386 and offers the following information for the Committee’s consideration.

HB 386 would provide additional funding of \$150 million annually to the Washington Metropolitan Area Transit Authority (WMATA) to operate and maintain its system and requires the withholding of funding if any rail or bus operators are terminated after a certain date due to a reduction in force caused by automation of the rail system. This Act is contingent on enactment of comparable legislation by the Commonwealth of Virginia and the District of Columbia.

WMATA is funded by fare revenues, the State of Maryland, the Commonwealth of Virginia, the District of Columbia, and the federal government. In FY 2027, Maryland’s share of WMATA funding totals \$1.1 billion, including \$897 million from the Transportation Trust Fund and \$167 million from State general obligation bonds. This includes the additional funding of \$167 million established through Chapter 352 of 2018. The State pays Maryland’s full share of WMATA funding. Prior to 1998, costs were shared between the State (75%) and Montgomery and Prince George’s counties (25%).

While capital investment in WMATA is a critical priority for Maryland, the additional funding above existing baseline investment levels must be considered and balanced with all other transportation capital needs in Maryland. MDOT’s FY 2026 to 2031 Consolidated Transportation Program (CTP) fully invests all available funding over the next six years in providing MDOT’s transportation services and facilities to all Marylanders.

The current CTP makes significant investments in projects like Baltimore’s Light Rail Modernization Program, US 15, I-81, Dundalk Berths 11 through 13, MD 97 in Montgomery Hills, MD 5 in St. Mary’s County, and I-97 in Anne Arundel County. Redirecting \$150 million of funds annually from MDOT to WMATA will require the delay or deferral of already funded projects and will impact MDOT’s ability to identify funding to advance future transportation initiatives and infrastructure improvements. This problem is exacerbated when considering Maryland must use

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State funds – rather than federal funds – to meet the WMATA funding requirement, which could cause the State to have insufficient State funds to fully match all available federal funding.

This bill seeks to implement the funding recommendation from DMVMoves, a joint initiative of the Washington Council of Governments (MWCOG)/Transportation Planning Board (TPB) and WMATA. As background, DMVMoves engaged stakeholders from the region from 2024 through 2025 to address WMATA’s long-term funding needs. A primary recommendation from the task force provides \$460 million in new annual capital funding for WMATA beginning in FY 2028. Maryland’s share of this amount is approximately \$152 million.

The Maryland Department of Transportation respectfully requests the Committee consider this information when deliberating House Bill 386.

Respectfully submitted,

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