

Chair Edward J. Kasemeyer  
Miller Senate Office Building, 3 West Wing  
11 Bladen Street  
Annapolis, Maryland 21401

**Position: Support SB277 Maryland Metro Funding Act for \$167 million**

Chairman Kasemeyer and members of the Senate Budget and Taxation Committee: Thank you for the opportunity to testify and for your leadership on funding transit investments across the state. I speak today in support of SB277 which provides dedicated revenue from the Transportation Trust Fund to make critical repairs to Maryland's Metro system, but we urge you to support funding at the full \$167 million Maryland share under the compact formula. Metro is a crucial piece of a statewide transit network that is in dire need of additional funding to address capital replacement needs for a 30 to 40 year old system.

Under the leadership of General Manager Paul Wiedefeld, who led BWI airport so successfully, WMATA has made great strides in reducing costs, making major structural repairs, and instituting a preventative maintenance program. On-time performance and equipment reliability have been improving. But continued progress depends on the \$500 million in dedicated, long-term, bondable funds on top of existing funding for Metro. Without the additional funding, Metro will see continued disruptions and be forced to cut service and raise fares – losing more riders and entering a “transit death spiral.” Maryland and the region cannot allow Metro to fail:

- More than 400,000 daily Metro trips are taken by Maryland residents, with daily ridership outside-Montgomery and Prince George's Counties totaling 32,600. Without Metro, the region would have to add over 1000 lane miles of highway just to keep even with current congested travel conditions.
- The economic activity around Metro stations not only generates significant property tax revenue but also significant state income and sales tax revenue. The DC CFO estimated that failure to back to a state of good repair could reduce regional tax revenues by \$1 billion to \$2 billion per year.
- 86% of new office construction in the DC region is within ¼ mile of Metro and 54% of regional jobs are within .5 mile of a Metro Station. Property within ½ mile of Metro provides Maryland with \$355 million in property tax revenue each year.
- Businesses are demanding access to transit, the CEO of Marriott made this clear when he announced the company's decision to relocate to Downtown Bethesda, citing the location as key to retaining the next generation workforce.

Maryland's future leans heavily on the transit-oriented development that is dependent upon a functioning Metro system. Prince George's County plans for redevelopment at Suitland, Largo, College Park, New Carrollton, and their other Metro stations which are now attracting new

investment are not possible without a well-functioning Metro Station. Montgomery's success with TOD in White Flint, Wheaton, Grosvenor, Bethesda, and Silver Spring is not possible without Metro.

Further, access to transportation has emerged as a key indicator of escaping poverty and long commutes have been directly correlated to lower rates of social mobility in a given jurisdiction. A key feature of erasing economic divides in Maryland is access to frequent transit service, whether in New Carrollton, Wheaton, Baltimore, Annapolis, or Hagerstown.

We know that Metro is not the only capital reinvestment need in Maryland. The shutdown of the Baltimore Metro system by MTA for emergency repairs is a stark reminder of how far behind we are in maintaining and upgrading existing infrastructure. Therefore we urge the legislature and Governor Hogan to take a "fix it first" approach with the transportation capital budget. Before embarking on Maglevs, Hyper-Loops, and poorly defined Express Toll Lanes, we must first fix existing systems – Metro, MTA, bridges, and MARC. We should then focus on the investments which best help existing communities and make us most competitive. With Fortune 500 companies choosing urban and transit locations, and people and small business choosing cities, towns and more walkable suburbs, that next priority should be new transit.

Therefore, we urge you to reach consensus on fully funding Maryland's formula share of new dedicated Metro funding while also ensuring the administration is meeting Maryland's fix-it-first transportation needs. We also urge you to work closely with your counterparts in Virginia and D.C. to reach consensus on fully funding Metro. We are working in all three jurisdictions -- and Virginia in particular is making strong progress on a bill to provide their full \$154 million formula share of funding.

The time period between now and the Virginia veto session on April 18 will be the critical period during which all three jurisdictions must agree on the funding and reform package. Please support SB277 and fully fund Metro at \$167 million.

Thank you.

A handwritten signature in black ink, appearing to read "Stewart Schwartz". The signature is fluid and cursive, written on a light-colored background.

Stewart Schwartz  
Executive Director  
Coalition for Smarter Growth