

Committee: Appropriations

Testimony on: HB 438 – "Washington Metropolitan Area Transit Authority – Funding

Formulas - Alteration (WMATA Dedicated Funding Amendment Act of

2022)"

Position: Favorable

Hearing Date: February 15, 2022

The Maryland Chapter of the Sierra Club supports HB 438. The bill would alter the amount of appropriation in the annual budget that the Governor is required to make for the Washington Suburban Transit District to pay the capital costs of the Washington Metropolitan Area Transit Authority (WMATA) for its Metrorail and Metrobus system.

In 2018, the General Assembly and Governor agreed to have the annual base capital contribution that Maryland was making to WMATA increase annually by 3% more than the preceding fiscal year. In addition, it was decided that Maryland would start providing dedicated funding of \$167 million to WMATA each fiscal year. HB 438 would shift the 3% escalator so it would apply only to the annual dedicated funding beginning in fiscal year 2025, contingent on Virginia and the District of Columbia doing the same. No change would be made to the requirement imposed in 2018 that WMATA meet satisfactory performance and condition assessments each fiscal year to receive the base capital appropriation. The increase in the dedicated funding stream would allow that appropriation to steadily grow (faster than the annual base capital contribution was growing) to enable WMATA to issue more bonds to fund needed construction and maintenance projects.

Providing much-needed funding to enable improvements to the Metro system translates to hundreds of thousands of car trips not taken every day by drivers of gasoline-powered vehicles and avoidance of all that tailpipe exhaust. This is particularly important because transportation is the largest source of climate-damaging greenhouse gases in the U.S. today. Transportation is also a major source of toxic emissions what are hazardous to human health.

In addition to providing substantial pollution-reduction benefits, Metro is a key driver of Maryland's economy as it is a central component of the state's transportation network. For example, more than 50% of all jobs in the Washington metropolitan region are located within a half-mile radius of Metrorail or Metrobus stops. Metro's continued viability is contingent on being able to fund construction and maintenance so it can provide fast, safe and reliable transportation for residents and travelers in the Washington metropolitan area.

For these reasons, the Maryland Chapter of the Sierra Club urges a favorable report on HB 438.

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Founded in 1892, the Sierra Club is America's oldest and largest grassroots environmental organization. The Maryland Chapter has over 70,000 members and supporters, and the Sierra Club nationwide has over 800,000 members and nearly four million supporters.