
Getting from Here to There: Moving MTA Forward

Transit Choices | November 11, 2020

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Topics to Cover

- MTA basics & budget
- Past transit legislation
 - Regional Transit Plan
 - Capital Needs Inventory
- Impact of COVID-19
- Current transit legislation
- BMC RFP
- The State of the Transportation Trust Fund
- What's next?

In summary:

- A quick look back at the past 6 years, a review of where we are, and a moderated discussion on what we think our focus should be for the next 2-5 years.
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MTA: the basics

- MTA is a division of the Maryland Department of Transportation
 - Executive run with no local oversight
 - MTA operates:
 - Local buses
 - Commuter buses
 - Light rail
 - Metro
 - MARC train
 - MobilityLink
 - Taxi Access
-

MTA: budget

- Funded by the Transportation Trust Fund (TTF)
 - Funding sources
 - Taxes on gas, vehicles, licenses, registrations
 - Federal aid
 - Corporate income taxes
 - Operating revenues
 - Bond proceeds.
 - Funds are shared with local governments and the remainder is allocated for debt service, and **MDOT capital and operating expenses (shared by SHA, MTA, MARC, WMATA, Ports, Aviation, and MVA)**
 - Capital projects and budget informed by Consolidated Transportation Program (CTP)
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MTA: the basics

Why funding MTA matters for Maryland

- Serves 12 counties that are collectively home to almost 70% of the state's population
- Services include
 - Bus
 - Light Rail
 - Subway
 - Commuter Bus
 - Mobility Paratransit
 - MARC
- 320,000 average weekday trips
- 95 million trips/year



Past Transit Legislation

MTA Oversight & Planning Board - 2016 (Lierman; HB1010)

- Synopsis
 - Establish the MTA Oversight and Planning Board
 - Require MTA to prepare comprehensive transit development plans
 - Require MTA to establish a Citizens Advisory Council, MARC Riders Advisory Council, and Accessible Transportation Advisory Council
- Board and Councils report to General Assembly
- **Vetoed by Governor**

Past Transit Legislation

Farebox Recovery Rate Repeal - 2017 (Lierman; HB271)

- Repeals requirement that MTA must recover at least 35% of its total operating costs from fares and operating revenues derived from its bus, light rail, and metro subway services in the Baltimore region, or other railroad services
- Passed - enacted

Past Transit Legislation

Maryland Metro/Transit Funding Act - 2018 (Korman; HB372)

- Synopsis:
 - Mandated additional capital & operating funding to be set aside for the Washington Metropolitan Area Transit Authority (WMATA)
 - Mandated slight and temporary (2020 - 2022) increases in capital & operating funds for MTA
 - Required MTA to create a Central Maryland Regional Transit Plan (RTP) & Commission
 - Required MTA to create a report on its unrestrained capital needs, backlog of repairs, and replacements needed to achieve a state of good repair at least once every 3 years
- **Passed - enacted**

Regional Transit Plan

Released October 2020

- 25-year plan for improving public transportation in Central Maryland (Anne Arundel County, Baltimore City, Baltimore County, Harford County, and Howard County)
- Addresses traditional transit (buses and trains) and explores new mobility options and technology
- Developed over an 18-month period and finalized per legislative requirements by October 1, 2020 and implementation is now underway

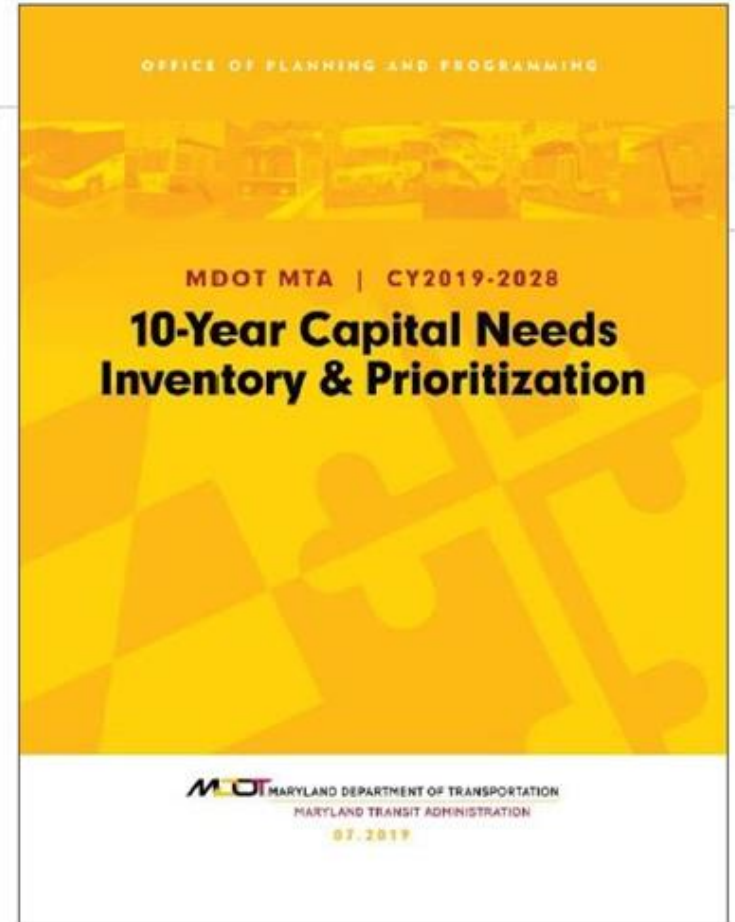


Capital Needs Inventory

Released July 2019

Key takeaways

- MTA is severely underfunded: \$2bn over ten years
- Increased annual funding is needed to maintain a **state of good repair and keep up with new safety and environmental regulations**



“At current funding levels, MDOT MTA is unable to fully address the 10-year capital investment needs identified.”

MDOT MTA CY2019-2028 10-Year Capital Needs
Inventory & Prioritization 07.2019, p. 31

MTA's forecasted shortfall over next decade

\$2,000,000,000,0



By COLIN CAMPBELL

BALTIMORE SUN | JUL 19, 2019 | 7:00 AM

The Maryland Transit Administration faces a funding shortfall of more than \$2 billion over the next decade — money that is needed to keep the agency's transit systems running safely, in compliance with regulatory requirements, and enhanced with new technology and mobility options, according to the agency's first Capital Needs Inventory.

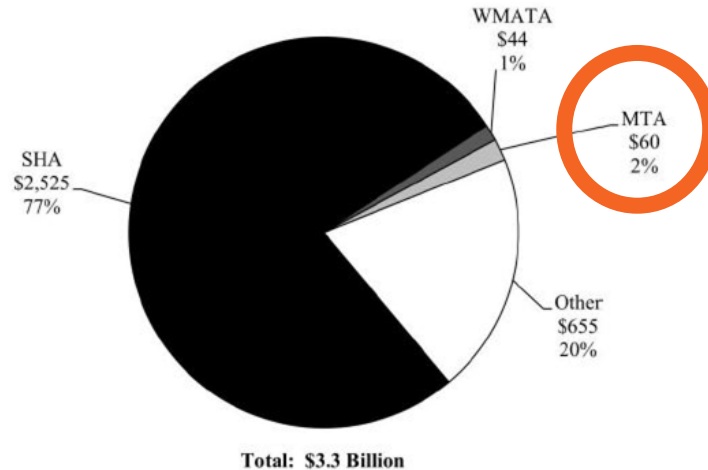
The report, required as part of last year's Maryland Metro/Transit Funding Act following the [emergency shutdown of the Baltimore Metro Subway](#), identifies \$5.7 billion in necessary spending between now and 2028.

For Context... how we got here:

MDOT Overview

MDOT has made its decision about how to spend TTF dollars over the past 5 years...

Exhibit 18
Capital Spending Above Fiscal 2013 Base
Fiscal 2014-2019
(\$ in Millions)



MTA: Maryland Transit Administration
SHA: State Highway Administration
WMATA: Washington Metropolitan Area Transit Authority

Source: Maryland Department of Transportation, Transportation Trust Fund Forecasts; Department of Legislative Services

Impact of COVID-19

- On top of the huge budget gap, MTA funding got cut during COVID; WMATA spared
- MDOT FY 2021 Operating Budget Reductions = \$97,991,953

MDOT FY 2021 Operating Budget Reductions

TBU	Reduction	Reduction Amount
MDOT TSO	Various administrative reductions to travel, training, supplies, and postage to reflect hiring freeze and telework environment.	323,000
MDOT TSO	Reduce funds for various contracts based on cost containment.	640,000
MDOT TSO	Reduce available grant funds based on expected usage.	250,000
MDOT TSO	Reduction for various departmentwide information technology contracts and services due to improved pricing, streamlined services, and cost containment.	3,293,000
MDOT SHA	Reduce funding for signal and lighting maintenance activities.	2,000,000
MDOT SHA	Reduce roadway and inlet cleaning and maintenance due to cost containment.	8,125,000
MDOT SHA	Reduce roadside landscaping and repair and maintenance activities due to cost containment.	10,425,000
MDOT SHA	Various administrative reductions for uniforms, supplies, and reporting due to cost containment.	450,000
MDOT MPA	Various administrative reductions to overtime, travel, training, equipment, fleet, and postage to reflect hiring freeze, telework environment, and cost containment.	1,261,744
MDOT MPA	Reduction to various contracts based on actual and expected usage and cost containment efforts.	435,473
MDOT MPA	Reduction for communications charges due to system upgrade.	138,913
MDOT MPA	Reduction to utilities based on actual usage and current pricing.	1,163,870
MDOT MVA	Reduction in the need for additional staff and overtime that had been expected prior to extension of REAL-ID deadline. MVA's appointment-only operating status will reduce the impact on customers.	5,503,939
MDOT MVA	Reduce postage and printing based on increased use of electronic documents and transmittal and alternative service delivery.	1,107,679
MDOT MVA	Reduction to various information technology services to reflect cost containment.	1,200,000
MDOT MVA	Various administrative reductions to supplies, training, and security to reflect hiring freeze, modified operations, and cost containment.	535,410
MDOT MTA	Reduce the increase in Mobility costs based on reduced travel demand.	9,900,000
MDOT MTA	Reduce funding for Core Bus based on service reductions (detailed separately) in accordance with ridership analysis.	8,600,000
MDOT MTA	Reduce funding for Commuter Bus based on service reductions (detailed separately) in accordance with ridership analysis.	4,000,000
MDOT MTA	Reduce funding for Light Rail and Metro based on service reductions (detailed separately) in accordance with ridership analysis.	1,000,000

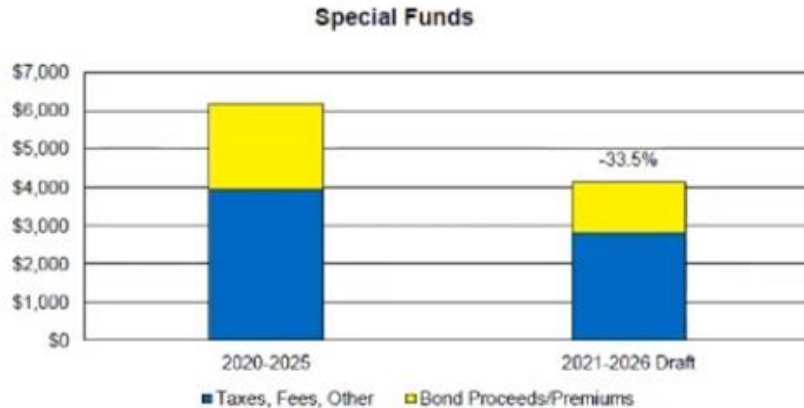
MDOT FY 2021 Operating Budget Reductions

TBU	Reduction	Reduction Amount
MDOT MTA	Reduce funding for rail operations based on service reductions (detailed separately) in accordance with ridership analysis.	7,500,000
MDOT MTA	Reduce LOTS operating grants by 20%, which is offset by the availability of CARES Act funding.	12,000,000
MDOT MAA	Various administrative reductions to communications, travel, fleet, uniforms, and supplies to reflect hiring freeze, telework environment, and cost containment efforts.	563,816
MDOT MAA	Reduction to utilities based on actual usage and current pricing.	900,000
MDOT MAA	Reduction to various repair and maintenance and landscaping contracts and activities at BWI Marshall Airport and Martin State Airport to reflect cost containment.	8,146,930
MDOT MAA	Reduction to various information technology services to reflect cost containment.	510,000
MDOT MAA	Reduction of shuttle bus service due to closure of certain airport parking lots based on demand.	4,812,000
MDOT MAA	Reduction for various contracts due to reduced passenger levels and cost containment efforts.	3,096,178

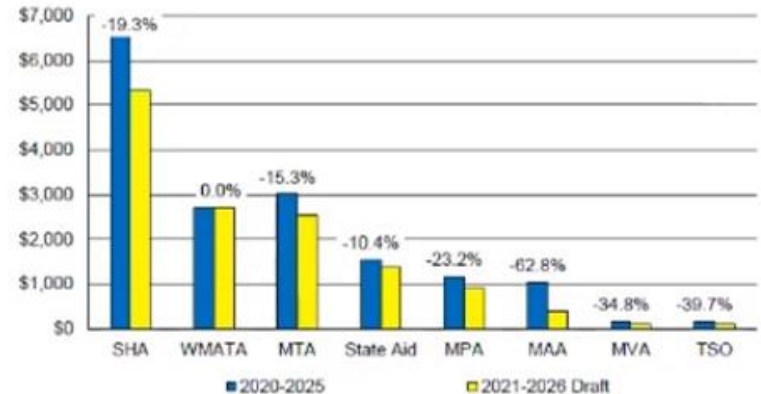
97,881,952

Disparate treatment of MTA v. WMATA

Consolidated Transportation Programs
 Fiscal 2020-2025 v. Fiscal 2021-2026 Draft
 Six-year Funding and Percent Change between Programs



State Funds by Mode



MAA: Maryland Aviation Administration SHA: State Highway Administration
 MPA: Maryland Port Administration TSO: The Secretary's Office
 MTA: Maryland Transit Administration WMATA: Washington Metropolitan Area Transit Authority
 MVA: Motor Vehicle Administration

Note: Does not include general funds programmed to support the dedicated capital grant to the Washington Metropolitan Area Transit Administration.

Current Legislation

Transit Safety & Investment Act - 2020 (Lierman; HB368)

- Synopsis
 - Extends provisions of the Maryland Metro/ Transit Funding Act by 7 years
 - Requires the Governor to increase operating and capital spending for MTA (**increases capital funding by ~ \$123m/year for next 6 years**) for FY 2022 - 2028 from the TTF for the state of good repair needs of MTA, as specified
- **Passed the House only; re-introducing in 2021**

Why the Transit Safety & Investment Act Matters

The budget shortfall must be addressed because unreliable transit:

- Creates barriers to employment and success
- Makes Marylanders late to work, health appointments, school and other obligations
- Disproportionately impacts communities of color, persons with disabilities, and low-income communities who have less access to transportation to reach their critical destinations

2020 Legislation

Maryland Area Regional Commuter Train - Expansion of Service - 2020 (Solomon; HB1236)

- Synopsis
 - Requires MTA to negotiate expansion of Maryland Area Regional Commuter train service in and around D.C., Alexandria, VA and Delaware
- Passed both chambers - vetoed
- *Bayview MARC Station cut before passage*

2020 Legislation

Central Maryland Regional Transit Plan & Commission - Alterations - 2020 (Boyce; HB1159)

- Synopsis
 - Required MTA to prepare corridor studies corridors prioritized by the Central Maryland Regional Transit Plan
 - Required MTA to publish progress reports on implementation of CMRTP
 - Required the Commission to meet at more regular intervals
- **Did not pass**

2019 Legislation

Regional Transportation Authority Study - 2019 (Bridges; HB771)

- Synopsis
 - Authorized study on regional transportation authorities to determine how other states and jurisdictions govern, design, plan, build, finance, administer and maintain regional transportation systems.
- **Did not progress**

A Path Forward; RTA?

- Maryland is one of the few states with major metropolitan areas that does NOT have an RTA
 - Over 30 regions in U.S. use this model
- MTA does NOT have **local oversight**. This is problematic as Governor's priorities are often not aligned with diverse local needs
- An RTA would be more accountable to equity and the needs of local riders.
- Transportation is experienced at the regional level - we should give locals more of a say in their transit system

Baltimore Metropolitan Council RFP - Regional Transit

BMC has released an RFP to facilitate a study of:

- **Alternative (regional/ local) governance and funding models for the Baltimore area transit system and**
- Corridors emerging from the Central Maryland Regional Transit Plan process
- https://www.baltometro.org/sites/default/files/bmc_documents/RFP/RFP_200825_transit-governance-and-funding.pdf

Baltimore Metropolitan Council RFP

On the current executive MTA structure:

“Under this current structure, Baltimore’s public transportation system has not kept pace with repair and service needs as identified in the recent MDOT MTA Capital Needs Assessment. Reforming this governance and funding structure could enhance accountability and drive shared investments to create a higher-performing transit system in the Baltimore metropolitan area.”

The State of the Transportation Trust Fund



The TTF is empty. What's next?



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