

**J00H01 Maryland Department of Transportation
Maryland Transit Administration
Fiscal Year 2027 Operating Budget
Response to Department of Legislative Services Analysis**

Senate Budget and Taxation Committee
Public Safety, Transportation, and Environment Subcommittee
Chair Shelly Hettleman
February 19, 2026

House Appropriations Committee
Transportation and the Environment Subcommittee
Chair Courtney Watson
February 23, 2026

**J00H01 MDOT – Maryland Transit Administration
Fiscal Year 2027 Operating Budget
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DLS Budget Analysis

1. Status of Legislative Additions (Page 13)

***MTA should provide an update on the status of Maryland Senior Rides and
Neighborhood Rides grant agreements and distribution of funds to these grantees***

MDOT Response:

All FY 2026 Senior Ride grant agreements have been signed by MTA and distributed to recipients for their final execution; execution status varies among recipients. Once grant agreements are fully executed, recipients may submit eligible expenses for reimbursement.

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DLS Budget Analysis Issues

1. Red Line Transit Project (Page 31)

MDOT should comment on the planned uses of capital funding budgeted for the Red Line project in fiscal 2027 in light of the pause in advancement of the federal NEPA process. DLS recommends committee narrative requesting that MTA provide a report on the Red Line project that includes the current project timeline and next steps, including the status of planning and design activities while the federal NEPA process remains paused and the project's future funding needs and projected sources of funding.

MDOT Response:

The Red Line FY 2027 budget focuses on answering key questions about the project's scope to identify the project's concept design (or "preferred alternative") that will advance through the Federal Transit Administration's (FTA) Capital Investment Grants (CIG) program. This work includes planning, preliminary engineering, traffic analysis, field investigations, community engagement and administrative support to the program. This positions the Red Line for future CIG funding eligibility, as well as final engineering and construction.

The NEPA pause is administrative in nature and has not affected this ongoing technical work to determine the preferred alternative. Rather, the duration of this pause is coordinated with FTA to enable a thorough assessment of the current scoping questions and then establish a corresponding NEPA timeline that incorporates this work.

The Department concurs with providing a report outlining the project's timeline, next steps, and projected funding needs and sources.

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Operating Budget Recommended Actions

- 1. Delete funding for 5 new apprenticeship positions; the agency should reclassify existing vacant positions instead. (Page 38)**

MDOT Response:

The Department respectfully does not concur with the proposed deletion of five new apprenticeship positions. The Bus Maintenance Apprenticeship Program requires dedicated training PINs to assure trainees' focus fully on learning the technical skills needed to excel as bus mechanics. Bus mechanics are critical to increase bus availability, which is key to improving reliability of service and bus on time performance. MTA is actively recruiting for all vacant positions. There are no vacant positions at the agency that can be repurposed for the apprenticeship program without negatively impacting other parts of the agency.

The Bus Maintenance Apprenticeship Program launched in 2024 in partnership with the Community College of Baltimore County and the Amalgamated Transit Union (ATU) Local 1300. Ten candidates were accepted into the first cohort of the three-year program. The program aims to expand career opportunities, develop a resilient workforce, and address the demand for skilled mechanics.

- 2. Adopt committee narrative requesting bimonthly construction status reports for Purple Line. (Page 38)**

MDOT Response:

The Department concurs with the DLS recommendation

- 3. Adopt committee narrative requesting a report on the status, timeline, and funding needs of the Red Line project. (Page 39)**

MDOT Response:

The Department concurs with the DLS recommendation

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PAYGO Budget Recommended Actions

1. Concur with Governor's allowance. (Page 39)

MDOT Response:

The Department concurs with the DLS recommendation



Maryland Department of Transportation Maryland Transit Administration

Fiscal Year 2027 Budget Overview
Presentation to Budget Committees
2026 Session



Investments from Revenue Increase

- The Light Rail Modernization program to upgrade MTA's light rail vehicles to modern, low floor vehicles, as well as upgrading stations, maintenance facilities, train control, and power systems to enable successful use of the new vehicles
- 90% of MTA's FY26-30 State of Good Repair and Enhancement needs are met
- Replacement of 81 escalators across MTA's rail systems
- Structural repairs at six Metro stations, external Metro platform rehabilitation and addition of a snow melt system, as well as replacement of the Metro switch heater system
- Overhaul of 26 MARC locomotives
- Upgrades to MARC's Riverside Heavy Maintenance Facilities
- Advancing design of a MARC turnback facility at Silver Spring, to enable planned service improvements outlined in the MARC Growth and Transformation Plan
- Rehabilitation and structural repair of Eastern Bus Division
- Inclusion of funding to acquire a property for a Fifth Bus Division

Economic Impact of MTA

\$2.7B ~10,000

**in total economic
output statewide**

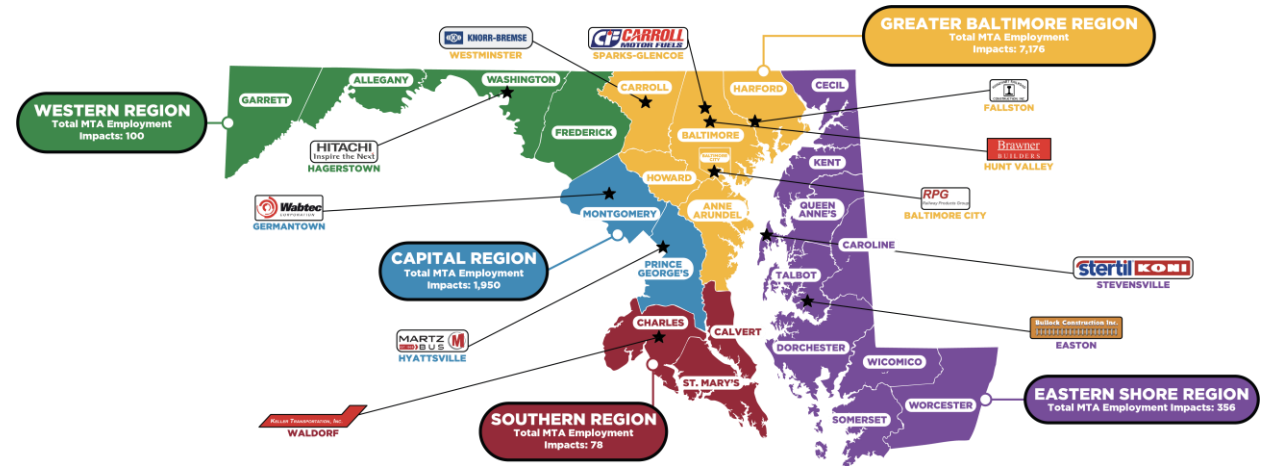
**jobs supported statewide
on an annual basis**



79% > \$900M

of MTA's budget spent within Maryland

**in total labor income
statewide on an annual
basis**



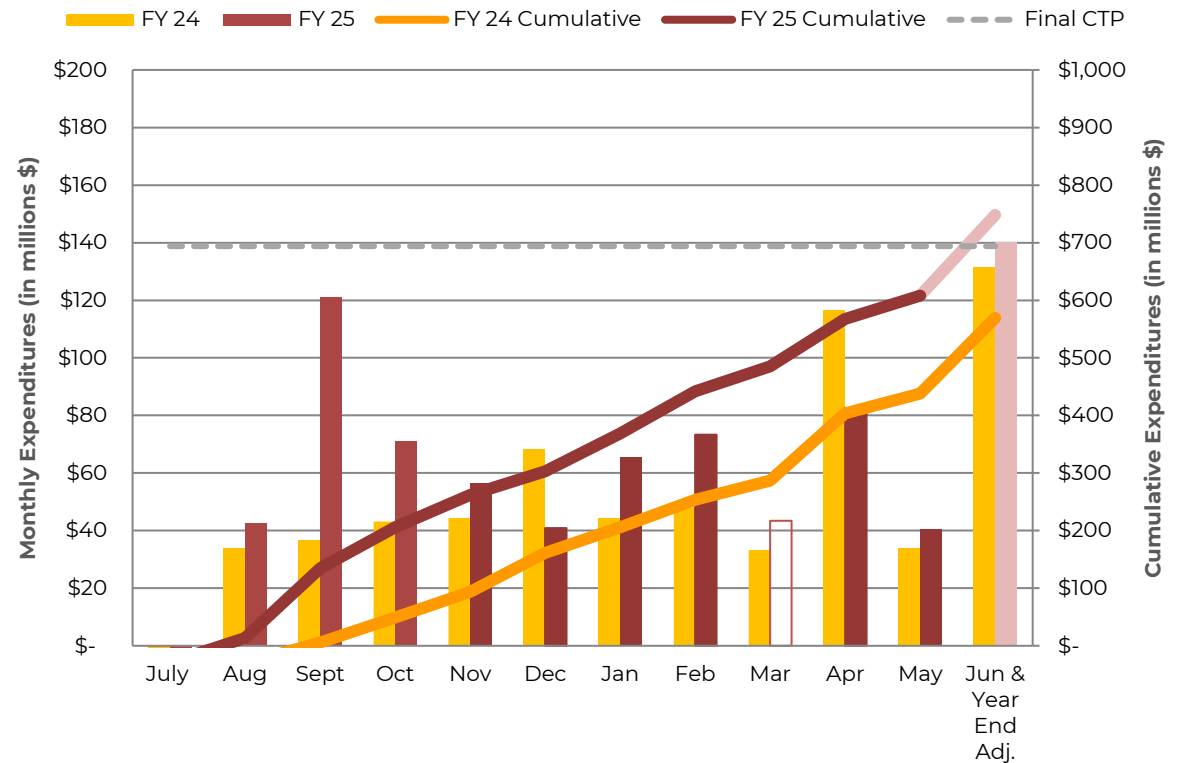
Hitachi Rail
production facility
in Hagerstown



Performance Metrics

- Ridership Growth
 - Up 9% in FY25
 - Over 70 million rides in FY25
 - Year-over-year increases and post-pandemic highs on all modes
- Budget Performance
 - Closed FY25 operating budget within 0.2% of spending plan
 - Closed FY25 capital budget at 97% of Final CTP allocation
 - SGR and Enhancement spending up 24% YOY
 - Increased each year since FY21
- Public Safety
 - Part 1 crimes down 50% over the past decade
 - Zero homicides or rapes on MTA in 2025
 - Over 200 lives saved by Narcan
 - Improved clearance rates for serious crimes

MTA Capital Expenditures by Month – FY25 vs FY24



MTA Operating Budget

Restored funding in FY26:

- Commuter Bus Service: \$1.1M
 - Additional trips for routes with growing ridership
- Mobility Demand: \$11.1M
 - Additional funding for Call-a-Ride growth
- Elimination of Fare Collection COPS: \$5.9M
 - Postponement of fare collection system replacement

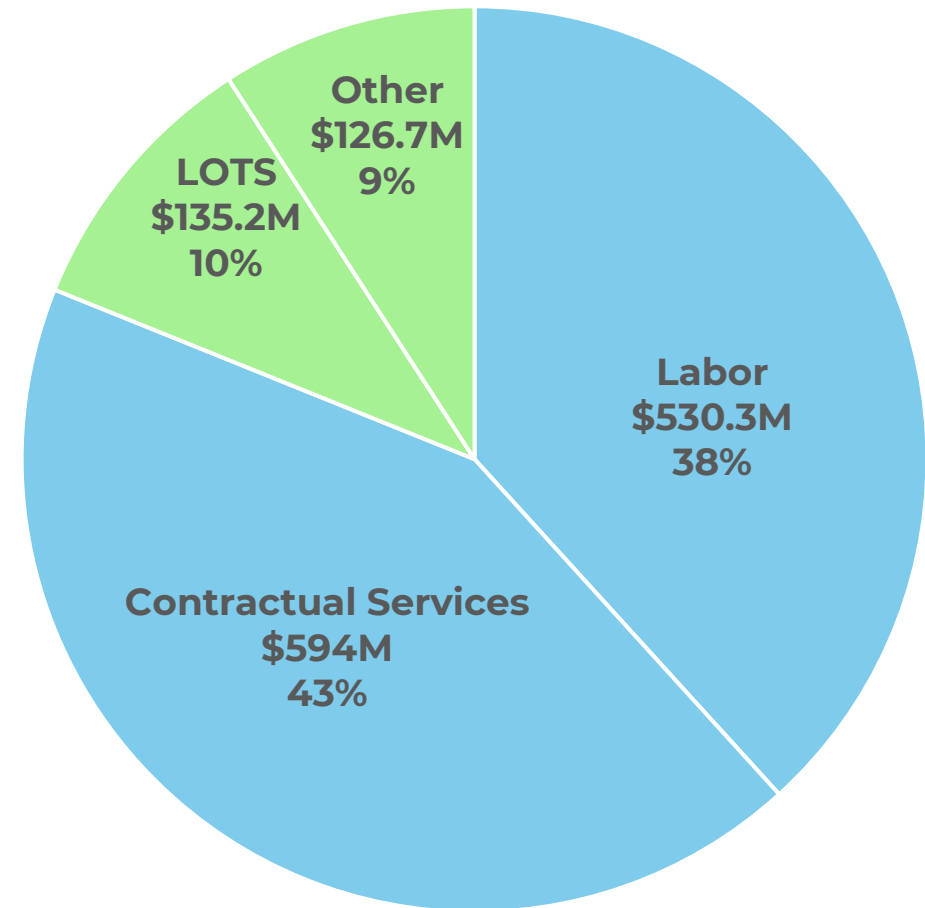
Additional Funding in FY27:

- Contracts/Commitments: \$59.1M
 - Contractual service inflation, includes MARC, Call-a-Ride, Commuter Bus
 - Union overtime and benefits
- Additional PINS: \$11M
 - Purple Line Police*, Apprentices

*Note: negotiations with WMATA ongoing

FY 2027 Operating Budget

- Total for FY27 = \$1.39 billion
 - 81% is labor and contracted services
- Additional 128 PINs
 - 5 for Apprenticeship Program
 - 123 for Purple Line Police*

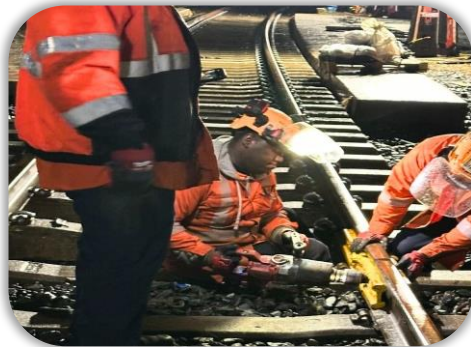


MTA Capital Projects

Light Rail Modernization Program



Metro and Light Rail Maintenance of Way



Bus and Mobility Vehicle Replacements



Purple Line



MARC Vehicle Overhauls and Replacements



Eastern Bus Facility Rehabilitation



Metro Railcar and Train Control Replacement Program



Frederick Douglass Tunnel (Amtrak Lead)

