

**J00J00 Maryland Department of Transportation
Maryland Transportation Authority
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
March 6, 2026

House Appropriations Committee
Transportation and the Environment Subcommittee
Chair Courtney Watson
March 9, 2026

**J00J00 MDOT – Maryland Transportation Authority
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DLS Budget Analysis

1. MDTA Financial Outlook (Page 23)

MDTA should comment on the timing of potential toll increases and how they would be implemented.

MDOT Response:

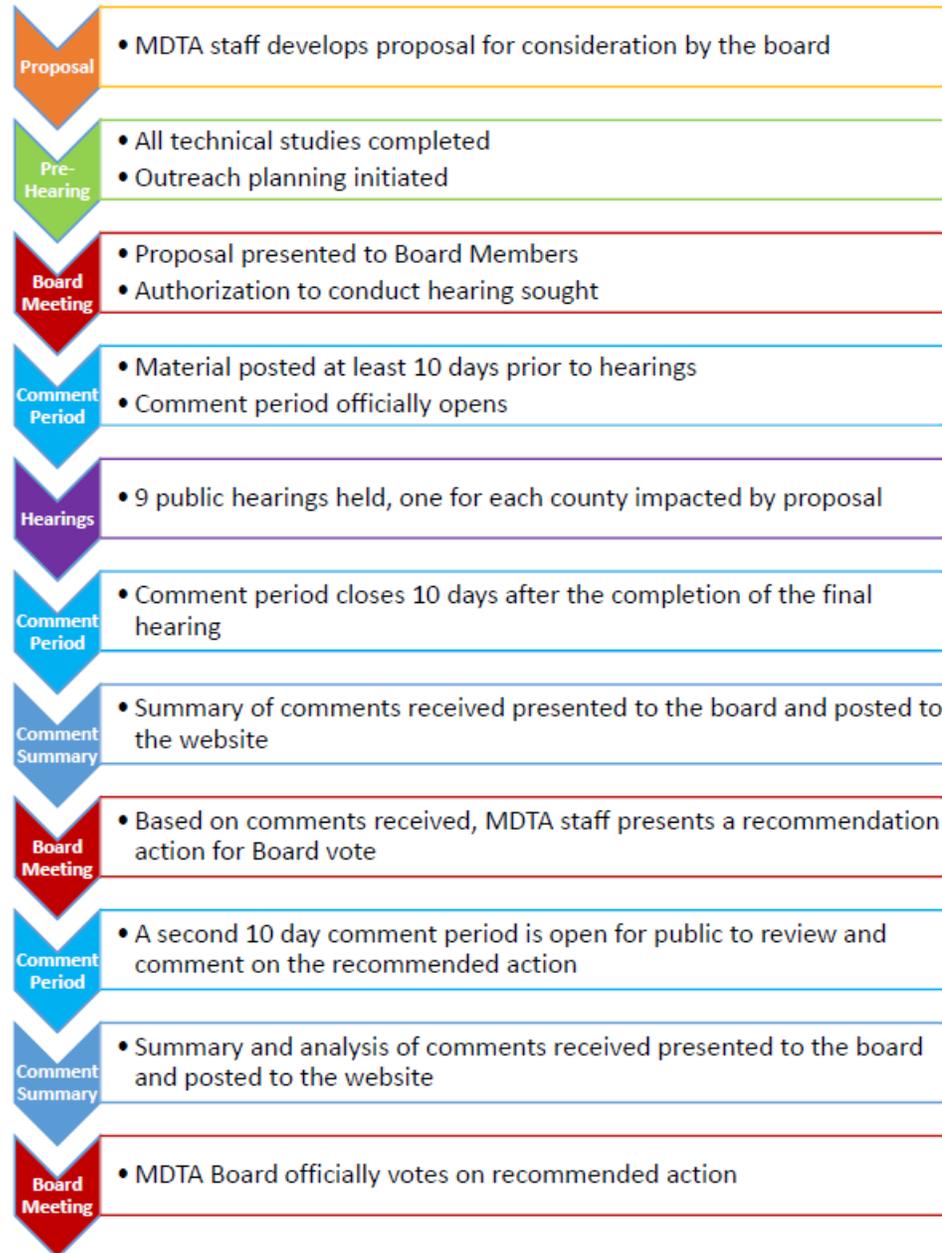
A need for a toll increase has been forecasted since prior to the pandemic. The toll increase process must begin with sufficient time to accomplish the requirements in state law, Transportation Article 4-312, and to allow year end net revenue compared to annual debt service to meet or exceed a factor of 2-times as required by legal covenant (known as 2.0x Debt Service Coverage).

The MDTA is in the midst of its planning process for a toll increase to take place in early fiscal year 2028. Some of the key toll rate increase planning and related activities include gathering data used to determine the long-term capital and operating needs of the agency; analyzing the MDTA's current toll rate structure, including the sensitivity elasticity to increasing tolls; and researching toll rates in neighboring states and for similar facilities.

Based on MDTA's current forecast, the toll setting process would likely begin in early calendar year 2027. The toll setting process is illustrated in the flow chart on the following page.

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Toll Setting Flowchart



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Operating Budget Recommended Actions

- 1. Adopt committee narrative requesting status reports on the Francis Scott Key Bridge reconstruction project. (Page 31)**

MDOT Response:

The Department concurs with the DLS recommendation.

PAYGO Budget Recommended Actions

- 1. Nonbudgeted. (Page 31)**

MDOT Response:

The Department concurs with the DLS recommendation.