



BUS STOP

SHUTTLE STOP



BALTIMORE
METROPOLITAN
COUNCIL

Baltimore Regional
Transit Governance & Funding

WORKGROUP REPORT

22053

MDOT
MARYLAND DEPARTMENT
OF TRANSPORTATION
MARYLAND TRANSIT
ADMINISTRATION

sportworks



Acknowledgements

The Baltimore Metropolitan Council's Board of Directors would like to thank the Workgroup members and their Chair, Delegate Tony Bridges, for their commitment to this effort. Additionally, the Board would like to acknowledge the work of BMC staff, our consultants and members of the public who contributed to this effort.



Table of Contents

BACKGROUND	1
THE WORKGROUP	3
THE MEETINGS	4
THE PROCESS	5
THE RECOMMENDATIONS	6
<i>Recommendation 1:</i> <i>Create the Baltimore Regional Transit Commission (BRTC)</i>	<i>8</i>
<i>Recommendation 2:</i> <i>Require Regional Priorities for the Consolidated Transportation Plan (CTP) Tour</i>	<i>10</i>
<i>Recommendation 3:</i> <i>Restructure the LOTS Program So That Flexible Funds May Be Used</i> <i>to Support Both Existing and Growing Transit</i>	<i>12</i>
<i>Recommendation 4:</i> <i>Reconstitute and Empower the Maryland Transportation Commission (MTC)</i> <i>to Provide Oversight and Transparency to the CTP Process</i>	<i>14</i>
<i>Recommendation 5: Conduct a Formal Study of the Creation of a</i> <i>Baltimore Regional Transit Authority (BRTA)</i>	<i>16</i>



BACKGROUND

In July 2022, the Baltimore Metropolitan Council (BMC) established the Baltimore Regional Transit Governance and Funding Workgroup. The charge of the Workgroup was two-fold:

1. Prioritize one or more governance models identified in the Baltimore Regional Transportation Board's 2021 Baltimore Regional Transit Funding and Governance Study.
2. Review funding associated with the Locally Operated Transit Systems (LOTS) program and develop options for increased equity and transparency in the distribution of those funds.

The BMC Board's decision to explore these issues reflects long-standing frustrations with the governance of, and underinvestment in, our region's transit system. These issues simmered for decades, but the 2015 cancellation of the Baltimore Red Line was a catalyst for a more intense analysis of the existing systems and structures. The loss of the social, economic and environmental benefits that the Red Line would have brought to the region (after the project was awarded almost a billion dollars in federal funding) was almost without precedent. However, the decision to cancel the project was not outside of the Governor's authority. The Baltimore region is the only large metropolitan area in the nation whose transit is not operated by a local or regional agency, but instead is provided by a state agency without the oversight of any board or commission. There is effectively no formal local input into how the local and regional transit network is planned, built, operated, or funded. This governance and funding structure left the final decision on a generational project, over twelve years in the making, solely in the hands of one newly elected administration.



STERN AVE.

NO
TURN
ON RED
TAXI - 4PM
SCHOOL DAYS

TO 95 4

STATE &
FEDERAL
ELECTION
TAX

BALTIMORE POLICE

924

MTA
Maryland

Baltimore
when they
live in a smoke
free home
Healthy Baltimore

Since 2015, BMC and other regional leaders have worked together to address Baltimore's unique challenges with transit governance and funding:

- In 2015, BMC released a ***Transit Needs Assessment*** that included a comprehensive assessment of greater Baltimore's transit system and recommendations for an integrated and coordinated regional network.
- In 2016, the General Assembly passed ***HB1010***, which created an oversight and planning board for the Maryland Department of Transportation - Maryland Transit Administration (MTA). The Governor vetoed HB1010.
- 2018's ***Maryland Metro/Transit Funding Act (HB372)*** required MTA to establish a commission to develop a regional transit plan, in consultation with BMC. The work of that commission was completed in 2019 with the release of the ***Central Maryland Regional Transit Plan***.
- ***HB372*** also required MTA to release a 10-year projection of state of good repair needs. Released in 2019, the report identified a \$2 billion shortfall over the next decade.
- In 2021, BMC released the ***Baltimore Regional Transit Governance and Funding Study***, funded by the Baltimore Regional Transportation Board (BRTB). The study identified six options for potential governance reform but did not identify a preferred option.
- That same year, the Central Maryland Transportation Alliance and the Greater Washington Partnership funded a study by the Eno Center for Transportation and released a report ***Transit Reform in Maryland, New Models for Accountability, Stability and Equity***. This study concluded that in order for the Baltimore region to develop a high-performing transit system, local participation in both oversight and funding is required.
- In 2022, the legislature passed ***HB1336***, which established a commission to make a formal recommendation based on BMC's 2020 report. The Governor vetoed HB1336.
- In July of 2022, BMC established this Workgroup to fill the void left by the Governor's veto of HB1336. This report summarizes the Workgroup's efforts and presents its recommendations to the BMC Board, the General Assembly, and the Moore-Miller administration.

THE WORKGROUP

The Workgroup's makeup mirrors that of the proposed commission in the vetoed HB1336. BMC's Board of Directors appointed all members:

Tony Bridges

Workgroup Chair & Maryland State Delegate
Baltimore City, District 41

Dr. Celeste Chavis

Associate Professor of Transportation and Urban Infrastructure Studies, Interim Associate Dean for Undergraduate Studies
Morgan State University's Clarence M. Mitchell, Jr. School of Engineering

Andrew Gena

Director of Strategic Research
Amalgamated Transit Union AFL-CIO/CLC

Tasha Gresham-James

Executive Director
Dundalk Renaissance

Ron Hartman

Senior Consultant
WSP USA

Jon Laria

Managing Partner, Baltimore
Ballard Spahr

Michael McMillan

President & Business Agent
Amalgamated Transit Union Local 1300

Tony Scott

Associate Director for Project Management
Baltimore Mayor's Office of Infrastructure

Samuel Snead

Director
Anne Arundel County Department of Transportation

Aaron Tomarchio

Executive Vice President of Corporate Affairs
Tradepoint Atlantic

Adrea Turner

Chief of Staff
Urban Institute

D'Andrea Walker

Acting Director
Baltimore County Department of Public Works & Transportation

Mary Washington

Maryland State Senator
Baltimore City, District 43

THE MEETINGS

The Workgroup held four meetings from September to December 2022 and based their work on the BRTB's extensive 2021 analysis of this issue. The Workgroup considered the alternatives from the original study, compared peer state and regional transit entities, and ultimately developed consensus around a set of five recommendations.

Each meeting at the offices of the Baltimore Metropolitan Council was open to interested groups and individuals and included opportunities to provide comments on the process and recommendations both virtually and in-person. In addition to the public participation opportunities at each meeting, members of the public were invited to comment on a set of draft-final recommendations prior to the creation of this report. Workgroup meeting agendas, notes, presentation materials, and a summary of public comments may be found on the BMC website.

SEPTEMBER 2	OCTOBER 7	NOVEMBER 4	DECEMBER 2
<ul style="list-style-type: none"> • Summarize findings from 2021 study • Discuss governance and funding models • Questions and initial prioritization 	<ul style="list-style-type: none"> • Review governance and funding models / answer questions • Implications for transit funding statewide (Locally Operated Transit Systems (LOTS)) • Questions and discussion 	<ul style="list-style-type: none"> • Present/discuss governance models and options • Prioritization and Draft Recommendations • Additional questions and information needs 	<ul style="list-style-type: none"> • Recommend governance and funding structure for Baltimore region









The graphic above reflects the 2021 study language. The graphic below outlines the evaluation framework

THE PROCESS

The 2021 BRTB study identified six alternatives (including a status quo alternative) for improving transit governance and funding in the Baltimore Region. The Workgroup refined the challenges associated with the existing governance and funding structure, identified goals and objectives for improvement, and

articulated criteria to evaluate options and develop recommendations. The Workgroup started with these options and used the evaluation framework below to eliminate two of the six governance options - the status quo/no action alternative and the Baltimore Advisory Board concept.

TRANSIT GOVERNANCE & FUNDING GOAL	EVALUATION CRITERIA
 Increased Transparency	Does the recommendation result in a more readily accessible and easily understood process? Will the public, local government leaders and legislators be more informed about transportation investments and the process through which they are made?
 Increased Stability	Does the recommendation help build stability into the funding and decision-making processes that can last beyond an election cycle? Will the public, decision makers, and other partners (i.e.: developers, local transit agencies, employers, labor unions) be better able to rely on decisions and investments?
 Funding	Does the recommendation increase funding for transit – or – increase opportunity for the Baltimore region to advocate for more funding?
 Local Input	Does the recommendation increase input on transit decision-making from our local jurisdictions?

THE RECOMMENDATIONS

At the heart of the conversation about transit in Baltimore is the question of whether an independent authority can provide the greatest opportunity to develop a world-class system. The Workgroup believes that, ultimately, an independent authority may well be the best option, but there are currently too many unanswered questions to immediately recommend such a significant change. The full analysis of this issue is provided in Recommendation #5.

The Workgroup advanced five recommendations through its meetings and deliberations. These five recommendations are meant to be considered in concert and carried out collectively. Further, these recommendations should in no way impede, delay, or hinder the critical early work of the Moore-Miller administration. Governor Moore and his team have been clear that fixing Baltimore's transit system is a top priority, and the Workgroup hopes this report will be received as an effort to assist them in that important work.

The problems facing MTA's Baltimore area services are not abstract. There are notable performance issues, and service has not kept pace with regional growth. MTA itself has documented a nearly \$2 billion gap in funds needed to maintain a state of good repair of their current assets, which in itself limits the potential for growth. Local governments, employers and riders in the region have a well-founded skepticism of proposed changes to MTA service, and they struggle to rely on promised projects and improvements when making land use and development decisions.

Most glaringly, the system has not seen major capital investment in decades. The last MTA Administrator to oversee the development of a new rail line in the region was a member of this Workgroup. He left MTA in 1993.

After cancelation of the Red Line, the State spent \$135 million on BaltimoreLink. This was a rebranding and rerouting of core service routes focused mainly on high-frequency service routes within Baltimore City and limited stop service from city to suburb and between select suburbs. Results were minimal. One national study found that BaltimoreLink actually decreased job access for transit riders, most dramatically in lower income neighborhoods and communities of color.¹ The current system simply does not serve the interests of Baltimore's transit riders.

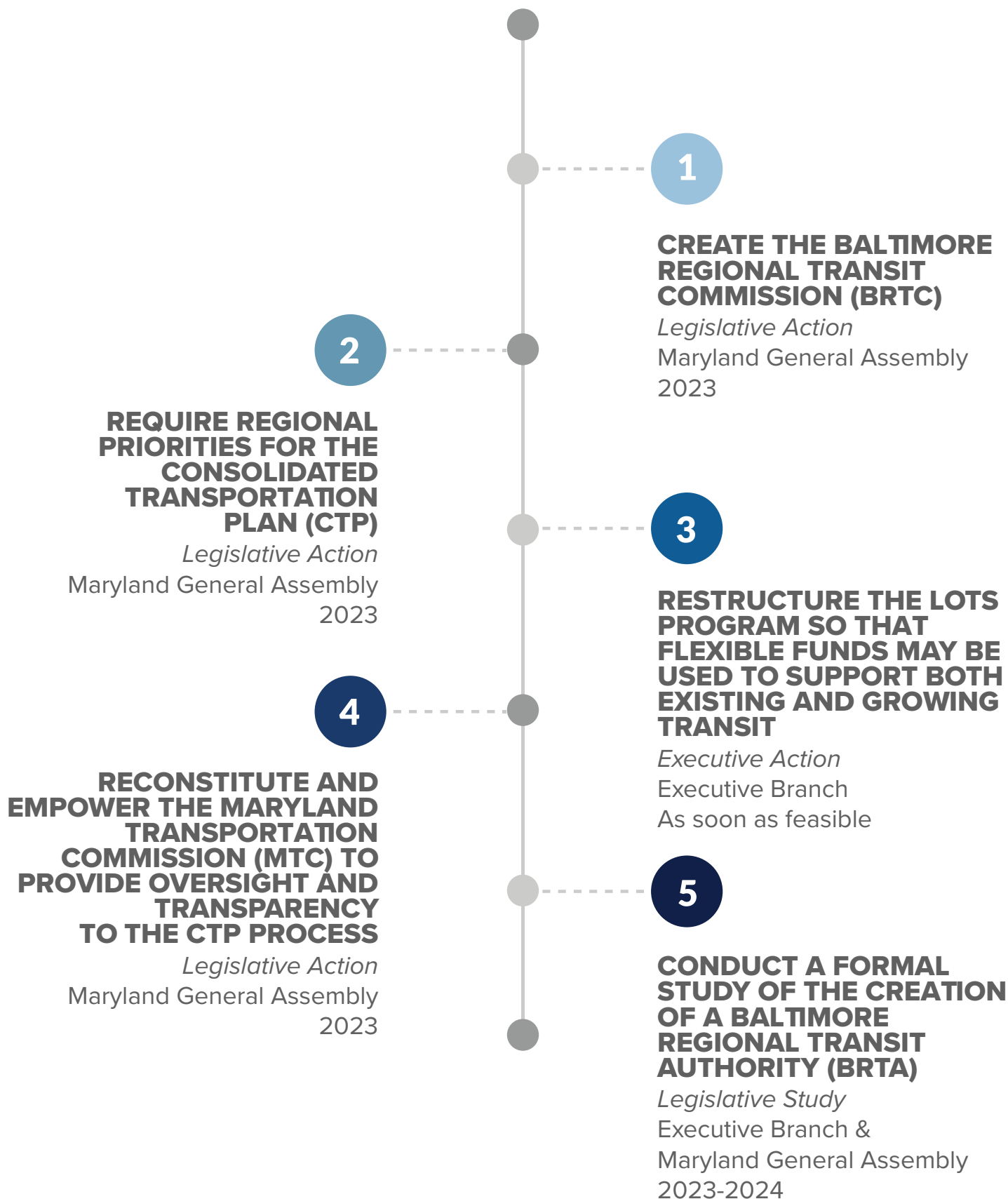
While MTA's investment in Baltimore has languished, the agency's investment in the suburbs of Washington D.C. has increased exponentially. When the Governor canceled the Red Line, the executive branch opted to construct and finance the Purple Line from College Park to Bethesda, an area with already-robust service provided in large part by the Washington Metropolitan Transit Authority. During the development and construction of the Purple Line, project costs have increased by \$3.9 billion, including a \$250 million settlement with former contractors.

The cost increases of the Purple Line are greater than the entire estimated costs of the Red Line at the time of its cancelation, and the settlement with the former contractors alone is greater than the cost of the BaltimoreLink.

The Workgroup has determined that lack of continuity between administrations, the absence of focus on the State's largest city, and the inability for local leaders to actively participate in major decisions around the planning, operation and funding of our own transit system necessitates these recommendations.

Collectively, the recommendations in this report offer a plan to incrementally, but deliberately, address the systemic issues summarized above and increase transparency, while also focusing on immediate needs of transit riders in our region. The recommendations are further designed to foster a more inclusive partnership between the State and our region's local governments. The Workgroup recognizes that some of these recommendations ask the State to share some level of authority with local partners, while others in turn recognize the need for more local funding input. These recommendations are not made lightly. The Workgroup firmly believes that without new partnership between State and local government, Baltimore's transit system will continue to decline.

¹ Access Across America: Transit 2019. Center for Transportation Studies, University of Minnesota.



RECOMMENDATION #1

CREATE THE BALTIMORE REGIONAL TRANSIT COMMISSION (BRTC)

Background

The federal government is an important source of transit funding in Maryland. The state is home to two designated (primary or major) direct recipients of federal transit funds. One designated direct recipient is the Washington Metropolitan Transit Authority (WMATA), a board-managed authority governed by appointments from Maryland, Virginia and the District of Columbia. The other designated direct recipient is the Maryland Transit Administration (MTA), a modal agency of the Maryland Department of Transportation. While WMATA serves a core service in the National Capital Region, including Maryland's DC suburbs, MTA is a statewide Maryland entity.

The MTA has been providing public transportation to connect people to jobs, schools, and other important destinations in the Baltimore region since the early 1970s. The MTA services play a critical role in the Baltimore region's transportation network by operating multiple modes of transit for commuters, helping to alleviate traffic congestion on roads, reduce air pollution, and improve overall mobility. In addition, the MTA also plans and operates a network of transit service (bus, light rail, and metro services) in Baltimore City, Baltimore County, and Anne Arundel County. It also operates a regional commuter bus service, MARC, and paratransit service. MTA is especially important in Baltimore City, and continuing to invest in transit infrastructure will have long-term benefits for the economic and social development of our region.

Unlike WMATA, which has a board of directors, MTA's planning, budget, and investment decisions are ultimately made by the Governor and Secretary

of Transportation, with support from MTA staff. This structure of decision-making without representation from local or regional stakeholders is a national outlier. Of the 35 largest transit agencies in the country, a board or commission governs all but one – MTA.

Baltimore City and its surrounding counties have no formal voice in core transit services. Additionally, Baltimore transit services are underfunded in comparison to state highway funding within the state and underdeveloped relative to peer systems nationally. They also have frequent performance issues, due in part to the state of good repair backlog as previously discussed, and are not well aligned with regional origin and destination needs.

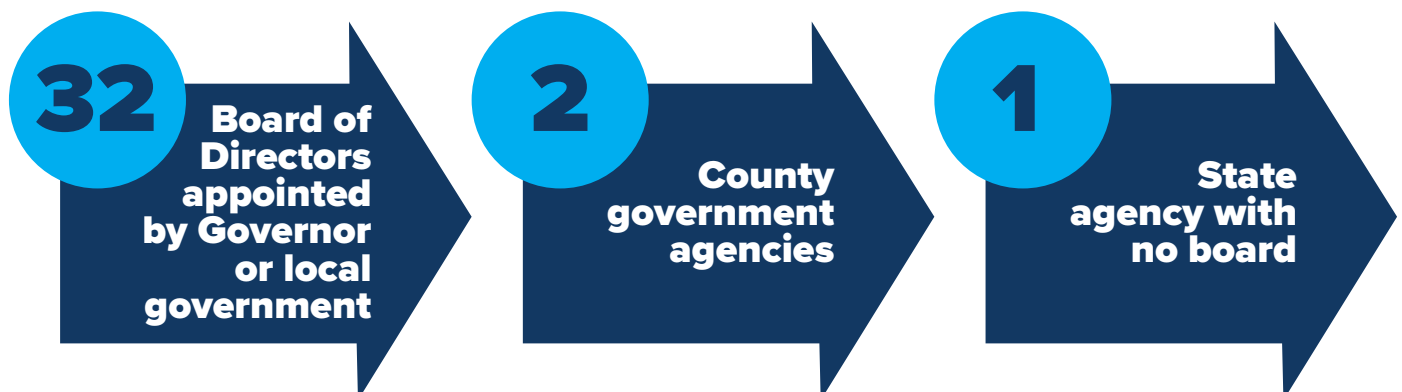
Identified Challenges

The lack of local participation in transit planning in the Baltimore region creates real barriers to development. These barriers stem from a lack of coordination between state and local government plans regarding land use, economic development, and even traffic operations. The result of these barriers is a system that is not aligned with regional job centers, schools, and healthcare facilities.

MTA's current governance structure leaves the Baltimore region without necessary guardrails against the impacts of changing political leadership on infrastructure projects and long-term investments. Inevitably, the development of major projects, like the Red Line, will span administrations in Annapolis. State government is just one partner in these efforts. Local governments and communities invest tremendous time and money preparing projects for federal approval.

The cancellation of the Red Line was abrupt and nearly unprecedented. Maryland is only the second state to have ever declined a full funding federal grant agreement for a FTA New Starts project. The Red Line's New Starts award came after more

Governance structures of top 35 US transit agencies



than a decade of work by local, state, federal, and community partners. Abandoning the Red Line would not have been so simple if a governing body had been empowered to advocate for and defend the project.

Recommended Solutions

Create a Baltimore Regional Transit Commission (BRTC) as a policy and oversight board with responsibility to incorporate local and regional perspective in the planning, design, and funding of transit services in the Baltimore region. Transit boards and commissions play three essential roles for successful transit:

1. Create transparency in budgeting.
2. Provide oversight and accountability in decision making.
3. Serve as advocates and champions for the agencies they oversee.

Transit boards offer clear accountability, opportunities for local engagement and participation within the areas served and ultimately lead to informed, well-reasoned plans and investments. A professionally staffed BRTC would address the barriers described above without compromising the core strengths of MTA.

Core functions of the BRTC would be to identify regional network and service priorities and support deeper integration of regional transit. It would serve to help reduce operational barriers to coordinating route schedules, support transfers between modes and build infrastructure. The BRTC would have the following responsibilities:

- Approving MTA's annual budget request for MTA's core service in the Baltimore region (local bus, light rail, Metro, commuter bus routes and regional MARC service).
- Approving regular updates to the Central Maryland Transit Plan.
- Guiding and directing transit investment in the Baltimore region.
- Facilitating coordinated and integrated transit planning between MTA and the LOTS providers.

The Governor, local governments, and the legislature should appoint members of the BRTC. The Governor should have a +1 majority (or the MTA administrator could be a tie-breaking vote). Votes and/or appointees should be weighted by the amount of service in each jurisdiction, with regular reassessments conducted

to accommodate demonstrated need for transit growth. Participating jurisdictions would be Baltimore City, Baltimore County, Anne Arundel County, and Howard County. Other BMC members should have the opportunity to opt in. A non-voting role should be reserved for the largest operating labor union. Among the Governor's appointees should be representatives from transit riders, the private sector, and other stakeholder groups deemed appropriate by the legislature. The Workgroup strongly urges all appointees to have subject matter expertise in order for the board to develop and maintain appropriate gravitas.

In order to ensure a focus on the Baltimore region, the Workgroup believes it important that BRTC be staffed by an independent entity with transportation planning capacity and funded by the State. The BRTC should have the authority to access information sources and authorize funding decisions as necessary to perform its intended purpose.

MTA's internal structure and operations would remain largely unchanged. It would remain the direct recipient of federal funds for the region; therefore, there should be minimal to no disruptions to day-to-day operations, staffing, labor contracts, pensions, or service contracts.

Recommended Next Steps

The Workgroup recommends that the General Assembly pass legislation in 2023 to create the Baltimore Regional Transit Commission (BRTC) with a clear mandate to work in concert with MTA to implement regional transit priorities and coordinate service and planning the LOTS.

The BRTC would have the authority to raise revenue for transit in the region and serve as the fiscal agent for any such revenue.

Additionally, the Workgroup recommends that the State explore funding similar to the Washington Area Grant funds distributed to Washington-area counties for the Baltimore region. These funds would be used to supplement MTA or LOTS service at the discretion of the BRTC. However, any new "Baltimore Area Grant" should hold harmless MTA funding levels.

RECOMMENDATION #2

REQUIRE REGIONAL PRIORITIES FOR THE CONSOLIDATED TRANSPORTATION PLAN (CTP)

Background

Maryland funds its transportation program through a unified Transportation Trust Fund (TTF) that allows the State to shift funds between modes including transit, highways, the Port of Baltimore, and our airports. This system provides the Maryland Department of Transportation (MDOT) with important flexibility to meet shifting demands.

The Consolidated Transportation Program (CTP) is Maryland's six-year capital budget for all transportation projects across the state and is updated annually. The CTP includes major and minor transportation projects and allocations of monies from the TTF. Annual funding allotments for each of MDOT's modal agencies, as well as individual projects throughout the state, are determined by the adopted CTP. The final CTP is a complex document that is approved in the context of the Maryland General Assembly's state budget process.

The CTP is developed with input from each of Maryland's counties. Counties identify and request funding for projects through "priority letters" that are submitted to MDOT in April of each year. MDOT develops and reviews revenue estimates to program funds and works with the Secretary of Transportation and Governor to create a draft CTP. The draft CTP is shared with the public in September of each year through a "tour" that includes meetings in each of Maryland's 24 counties. Once tour meetings are complete, MDOT develops a final annual budget

and submits it to the Department of Budget and Management and the Governor in December. From the perspective of the Workgroup, the CTP is the key to increased or refocused transit funding throughout the state. MTA's annual capital budget allotment is based on the funds approved in the CTP, and any capital transit projects must be detailed in the document. As with the funding and governance of MTA, the final authority on allocation of funding to other transportation modes in the CTP rests entirely with the Secretary of Transportation and the Governor (notwithstanding the final approval by the Maryland General Assembly).

Identified Challenges

While local jurisdictions identify priority projects within their boundaries, the current process does not incentivize or require the inclusion of regional priorities, and such priorities are often left unvoiced. Even when jurisdictions do align on shared priorities, the current tour system does not provide an opportunity for a regional request.

A second challenge with the CTP development process is insufficient public input throughout the process. Although the CTP tour includes opportunities for discussion of local priorities, there is no requirement for the MDOT Secretary to incorporate such priorities into the CTP, nor is there any such requirement for the localities to solicit public input in the development of their priorities.

A third challenge is the lack of transparency into how MDOT uses the CTP process to allocate TTF revenues to MDOT's individual business units. For all surface transportation modes, highway infrastructure projects have historically been given preference over transit projects and infrastructure needs.





Recommended Solutions

Amend the CTP process to require that MDOT formally consider regional priorities. These priorities would be in addition to the local priorities identified in each county's annual priority letter. The Workgroup envisions both a regional priority letter and a regional tour meeting. Such forums would provide collaborative opportunities to share issues and consider priorities for investments within a broader context

A regional tour meeting, in addition to local tour meetings, would allow major project considerations in the priority letter process and provide an opportunity to highlight regional priorities. The Workgroup understands that additional meetings could pose significant logistical challenges on an already packed schedule. These regional meetings could readily be included as agenda items in regularly scheduled meetings of our state's Metropolitan Planning Organizations (MPO's) or other regional councils.

Recommended Next Steps

The Workgroup recommends that the Maryland General Assembly update the requirements in the Annotated Code of Maryland, Transportation Article, secs. 2-103.1(e) to require regional priority letters and meetings, in addition to individual jurisdictional meetings, around the state as part of the annual CTP Tour.

The Workgroup further recommends that the General Assembly require MDOT to establish a template for priority letters that can be developed by local jurisdictions and regional transportation planning bodies across the state.

RECOMMENDATION #3

**RESTRUCTURE THE LOTS PROGRAM
SO THAT FLEXIBLE FUNDS MAY BE
USED TO SUPPORT BOTH EXISTING
AND GROWING TRANSIT**
Background

Each county operates (or shares) a Locally Operated Transit System (LOTS). In the Baltimore region, LOTS service types and levels vary, but most LOTS service is designed to supplement MTA core service, and serve areas not served by MTA. LOTS funding also supports demand response services, which serve older adults and persons living with disabilities. LOTS service typically operates within a single jurisdiction throughout Maryland. The Regional Transportation Agency (RTA) provides all local bus service in Howard County as well as services linking Howard County to connection points in in Anne Arundel and Prince George's County.

LOTS are funded through a mix of local funds, federal grant programs, and state contributions and are sub-recipients of the MTA for any federal funds they receive. Grants are administered through MTA, which is the designated direct recipient of these federal funds. LOTS must provide local funding to match

capital and operating grants, and in many cases, this local funding is the largest portion of the LOTS budget. In addition, Maryland guarantees Montgomery and Prince George's Counties significant LOTS funding through the Washington Area Grant Program, those jurisdictions supplement their significant local service with funds raised through local taxes.

Outside of statutory mandated LOTS funding, like that found within the Washington Area Grant Program, as of December 2022, annual funding distributions through the LOTS program are not calculated through a formula or methodology shared with Maryland's local jurisdictions.²

Identified Challenges

Statewide LOTS funding is a complicated and opaque combination of Federal and State funds allocated by MTA within the rules and requirements governing each funding stream. The lack of a public process or formula in the distribution of these funds has impeded the ability of local jurisdictions to provide optimal service to their residents. For example, local agencies in the Baltimore region struggle to expand service to meet ridership needs without predictable funding, and their efforts to maintain state of good repair are hampered by their inability to plan for future service and potential expansion.

² MTA released a draft LOTS operating funding formula during the public comment period of the Workgroup's draft recommendations.



In late December 2022, MTA released a draft formula to allocate LOTS funding and suggested that this be used for FY 2024 funding. The proposed funding formula addresses only the federal operating portion of the program and does not address, explain, or correct disparities in the LOTS' existing funding distributions. Capital grants will remain a discretionary source of funding for LOTS and MTA, and LOTS may request capital funding as part of their Annual Transportation Development Plan application.

The proposed formula increases transparency and consistency, but the proposed distribution of funds maintains existing allocation with limited inclusion of regional demographics. In addition, should one of the LOTS use local funding to significantly increase service, in the following year its increased federal allocation would be drawn from the other LOTS. The role of state funding and its allocation is a key part of the challenge of LOTS funding and needs to be considered as part of the overall solution.

Recommended Solutions

The Workgroup appreciates MTA's efforts to develop an updated funding formula for LOTS service throughout the state. However, in order to ensure transparency and equity, ***the Workgroup recommends MDOT reconfirm the LOTS program goals and values, and align the funding distribution with stated goals and values to help better meet the existing***

and growing transit needs throughout the state, particularly in areas not currently served by MDOT. It should undertake a complete look at LOTS funding, including the state funding and projected capital needs (and funding sources) and make its findings and the proposed LOTS formula available to the public prior to implementation. It should address regional inequities to provide comparable levels of mobility across the state and provide additional funding where necessary. The concept of a state funding program like the Washington Area program for the Baltimore region should be developed and considered.³

Recommended Next Steps

The Workgroup recommends MDOT and MTA develop LOTS program goals and values aligned with a fair and equitable formula for all LOTS funding throughout the state. MTA and MDOT play a key role in this process, but the need for expansion funding and potential legislation to create new state funding programs may require an independent study and public participation to conduct this process.

³ As an example, Baltimore County's current FY 2023 LOTS federal funding allocation of \$158,473 would increase to \$260,761 under the proposed MTA funding formula. Yet the LOTS funding allocation for Prince George's County (including the state-funded Washington Area Grant) would still be \$11,827,342 (a decrease from \$11,952,723. Both counties have similar populations, both receive transit service from regional systems (MTA for Baltimore County, WMATA for Prince George's). The difference is the legislatively mandated state bus funding for local bus services in the Washington suburban counties.



RECOMMENDATION #4

RECONSTITUTE AND EMPOWER THE MARYLAND TRANSPORTATION COMMISSION (MTC) TO PROVIDE OVERSIGHT AND TRANSPARENCY TO THE CTP PROCESS

Background

The Maryland Transportation Commission was formed in 1971. The Commission has seventeen members, including ten Gubernatorial appointees and the seven regional members of the State Roads Commission. The Governor names the Chair (Annotated Code of MD, Transportation Article, Secs. 2-201 through 2-205).

Among the stated purposes of the Commission are the responsibilities to “study the entire transportation system of this State and regularly discuss with the Secretary any matter relating to this State’s transportation system” and, to “advise and make recommendations to the Secretary and heads of the units in the Department on all matters that concern transportation policy and program execution” (Annotated Code of MD, Transportation Article, Sec 2-205).

The current description of the Commission on MDOT’s website states, “the Maryland Transportation Commission shall consider any request for the dedication of transportation facilities in memory or honor of individuals or groups of significance to the state of Maryland.” A cursory review of their meeting minutes, last posted in December 2020, shows this largely ceremonial role to be the current function of the Commission.

Identified Challenges

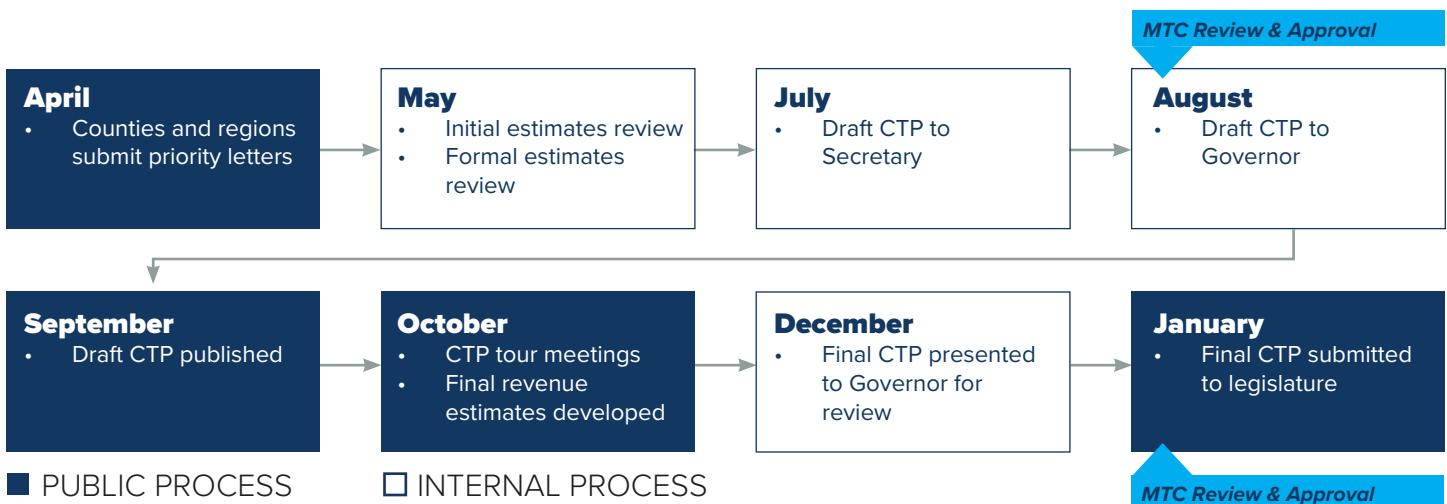
As detailed in Recommendation #2, the Consolidated Transportation Program (CTP) informs major statewide funding allocations across MDOT’s business units. Currently, local government and public input is gathered through a priority letter and a single meeting with each county during the annual tour. This process offers limited opportunity for review and feedback on major statewide investments.

The Workgroup views improving the CTP development process (*described in more detail above in Recommendation #2*) as integral to creating a more transparent and equitable transportation governance structure. The Workgroup also believes that as overall transportation governance, decision-making, and funding is improved, transit funding priorities will follow.

Recommended Solutions

Reconstitute and empower the Maryland Transportation Commission (MTC) with authority for specific duties related to the CTP and MDOT’s annual budgeting process:

- Review and approve the capital and operating budgets of each MDOT business unit, including estimates of revenues generated by the TTF and forecasts of sales tax receipts. This approval would signify the release of the final CTP for review and approval by the Maryland State General Assembly.
- Review and approval of MDOT’s Long Range Transportation Plan and individual modal plans.



The reconstituted MTC would create a transparent budgeting process for MDOT as well as ensure the State's major population centers and their leadership receive a voice in the development in budget development.

The Governor, local governments, and the legislature should appoint members of the MTC. The Governor should have a +1 majority (or the MDOT Secretary or their designee could be a tie-breaking vote). All seats should be weighed by population and/or urbanized area. Non-voting membership should be reserved for representatives of transportation stakeholder groups, i.e., transit, older adults, persons living with disabilities, bicycle, and pedestrian interests. Membership terms should be multi-year and staggered to provide for continuity of programs and policies over time and administrations.

It should be noted that while this Workgroup's charge was focused on the Baltimore region, it is recognized that this recommendation impacts, and it is believed, benefits, other parts of the state by reconstituting a transparent, needs based, and equitable entity through which transportation funding priorities and allocations are routinely discussed and determined throughout the state.

Recommended Next Steps

The Workgroup recommends that the Maryland General Assembly and the Moore-Miller administration form a joint commission to explore the empowerment and reconstitution of the MTC. The Workgroup envisions a MTC with clear authorization and responsibility to advise the Secretary of Transportation and Department Administrators. The commission to study the issue should be created through legislation in 2023 and their work should be complete by the end of this year.



RECOMMENDATION #5

CONDUCT A FORMAL STUDY OF THE CREATION OF A BALTIMORE REGIONAL TRANSIT AUTHORITY (BRTA)

Background

As described in this document, limitations and challenges of transit governance and funding in the Baltimore region include:

- Concentrated decision-making that rests entirely with the Governor.
- Lack of transparency into transportation decision-making, especially concerning how funding is allocated both across MDOT's modal business units and among the different MTA programs.
- Inability to influence decision-making or advocate for priority transit programs and projects in the Baltimore region.
- Inability to raise additional funds for local and regional transit services.

In part because transit decision-making and funding is concentrated at the state and carried out with little local input, Baltimore's transit network is fragmented. There are at least eight transit operations in the Baltimore region, each of which is planned, designed, operated, governed, and funded independently. The resulting network is complicated for riders to understand and use; it is also inefficient to operate.

Identified Challenges

The Workgroup explored the option of creating an independent Baltimore Regional Transit Authority (BRTA). There was significant support for the BRTA – from Workgroup members and members of the public – because this option would give the region the most autonomy and authority over how transit services are developed, operated, and funded.

At the same time, the Workgroup recognized that the BRTA would be a radical departure from the current way transit is governed, funded, and operated. These changes would bring significant challenges, ranging from establishing legal, financial, and administrative authorities for a new regional entity; a multitude of negotiations related to if, and how, transit service operations would transfer from the MTA to a new BRTA; and the financial relationship between the MTA, the BRTA and regional stakeholders.

Creating a BRTA will also require state legislation to create the organization, define its membership and authorities, and provide for specified taxing authority. There will be a need for local enactment of ordinances regarding membership in the regional authority. Additional considerations include the board structure and goals, existing labor and service contracts, funding structure, and agency structure and best practices in delivering high quality service to riders in the Baltimore region.

Recommended Solutions

Undertake a formal study of the creation of a Baltimore Regional Transit Authority to ensure any resulting organization is well researched and clearly defined. While the Workgroup believes an independent and state-funded regional transit authority would be the most effective and efficient governance structure for the Baltimore region, it would be complicated and time-consuming to advance. Rather than immediately advance the BRTA structure, the Workgroup first recommends the commencement of a detailed study.

Recommended Next Steps

The Workgroup recommends the General Assembly form a commission to study a Baltimore Regional Transit Authority, with a final report to be submitted in advance of the 2025 legislative session (i.e., recommendations available by January 2025). The study should address the issues raised in this report and should include substantive input or representation from constituents including, but not limited to, local government, state government, transit riders, community and advocacy groups, anchor institutions, and labor. Should the commission recommend the creation of an authority, their report should also evaluate and develop an implementation and service plan for a newly created Baltimore Regional Transit Authority.

The final report should address the general considerations discussed below as well as those mentioned throughout in this report:

- **Define the purpose and goals** of the transit authority, including how it will serve the needs of the community and support economic development.
- **Outline the specific powers and responsibilities of the transit authority**, including the authority to acquire and operate transit systems, levy taxes or fees, and enter into contracts with other entities.

- **Specify the structure and governance of the transit authority**, including the number and composition of board members and local members as well as any provisions for public input or oversight.
- **Identify impacts to existing labor and service contracts** with MTA and the LOTS. Develop a model and best workforce practices to preserve these family-supporting jobs, ensure staff wellbeing and retain expertise to deliver high quality service.
- **Identify potential funding sources** for the transit authority, including ability to be a direct recipient of FTA funds and eligibility for federal and state grants. The funding model should also recommend potential transit revenues such as taxes, fees, fares, and other revenues.
- **Reflect input from stakeholders** such as local jurisdictional members, labor unions, community organizations, large employers, local businesses, and transit riders and advocates to ensure that the transit authority meets the needs of the community.
- **Consider any potential impacts on existing transit systems or agencies and their employees** and offer strategies to minimize disruptions or negative impacts.
- **Ensure compliance with relevant federal, state, and local laws and regulations**, by consulting with legal counsel to ensure that the transit authority is properly established and operated as a direct recipient of FTA funding.

The study should provide sufficient analysis both to support a recommendation whether to move forward with a Baltimore Regional Transit Authority and, if so, to develop a clear, detailed roadmap to implementation.





BALTIMORE
METROPOLITAN
COUNCIL