

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 932
Appropriations

(Delegate Lewis, *et al.*)

Maryland Transit Administration - Fifth Bus Division Facility - Construction

This bill requires the Maryland Transit Administration (MTA) to complete construction of a fifth bus division facility by June 30, 2032. Beginning with the *Consolidated Transportation Program (CTP)* for fiscal 2027 through 2033, the Maryland Department of Transportation (MDOT) and MTA must identify the funding necessary to ensure that the fifth bus division facility is in operation by June 30, 2032. **The bill takes effect July 1, 2026.**

Fiscal Summary

State Effect: Because MDOT’s capital program is generally fully subscribed each year, MDOT must redirect hundreds of millions of dollars from other projects in its capital program from FY 2027 through 2032 to ensure the fifth bus division facility is in operation by June 30, 2032, as discussed below. Transportation Trust Fund (TTF) expenditures increase significantly, likely beginning in FY 2032, for operating costs associated with the new facility, as discussed below. Revenues are not directly affected.

Local Effect: The bill does not directly affect local government operations or finances.

Small Business Effect: Minimal.

Analysis

Current Law: MTA is a modal unit within MDOT, and it operates a comprehensive transit system throughout the Baltimore-Washington metropolitan area, including more than 50 local bus lines in Baltimore and other services, such as the light rail, Baltimore Metro subway, commuter buses, Maryland Area Regional Commuter trains, and

mobility/paratransit vehicles. Aside from the District of Columbia transit system, MDOT and MTA are generally the agencies responsible for the construction and operation of transit lines in the State.

The [CTP for fiscal 2026 through 2031](#) includes \$14.6 million, primarily in fiscal 2028 and 2029, for engineering and right-of-way acquisition costs associated with the design and construction of a fifth bus division to serve MTA core bus transit.

State Expenditures: MDOT advises that the fifth bus division facility project is being considered as part of its Development and Evaluation Program, and, accordingly, the CTP for fiscal 2026 through 2031 includes funding only for the initial steps of the project; it does not include funding for construction of the facility. Therefore, to meet the bill's requirement that the bus division be operational by June 30, 2032, MDOT must redirect significant funding from other projects included in the CTP. A preliminary analysis by MDOT estimates that, from fiscal 2027 through 2032, approximately \$650.0 million must be redirected for construction costs for the project, and approximately \$365.0 million must be redirected to procure additional buses for the facility.

In addition, TTF expenditures associated with operating costs for the new facility are anticipated to increase significantly, likely beginning in fiscal 2032, as necessary staff are hired and trained to ensure the facility is operational by June 30, 2032, the final day of fiscal 2032. Beginning in fiscal 2033, once the facility is fully operational, MDOT anticipates ongoing operating costs of approximately \$130.0 million annually.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Maryland Department of Transportation; Department of Budget and Management; Maryland Department of Legislative Services

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jg/lgc

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