



City of
Salisbury
Jacob R. Day, Mayor

29 March 2022

Committee: Budget & Taxation

Testimony on: HB 1187

Position: Favorable

Dear Members of the Budget and Taxation Committee,

As you consider the merits of **HB 1187**, I ask that you **support** this impactful legislation and vote to give **HB 1187** a **Favorable** Committee report.

The City of Salisbury supports **HB 1187**, which will codify changes to the distribution of funds credited to the Gasoline and Motor Vehicle Revenue Account that are awarded as capital grants to counties and municipalities based on Highway User Revenues (HURs). This bill is essential as it will help to ensure that municipalities continue to receive fair compensation for vital road repairs and transportation infrastructure projects.

Prior to FY 2020, municipalities received only 0.4% of Highway User Revenues. Thanks to legislation enacted in 2018, the municipal share of Highway User Revenues was increased fivefold, to 2% for FY 20-24. Now, unless HB 1187 is enacted, the municipal share of HUR funding will be slashed, reverting back to 0.4%. The negative impact that would result from this loss of funding would prove to be catastrophic to the 157 municipalities across Maryland.

Serving as both the Mayor of Salisbury and the President of the Maryland Municipal League, I recognize the value of empowering municipalities by providing us with the resources to effectively and efficiently serve Marylanders close to home, at the local level. I write in support of HB 1187 as this crucial legislation will build upon the progress achieved in 2018 by ensuring that 2.6% of funds credited to the Gasoline and Motor Vehicle Revenue Account are distributed directly to municipalities as HUR capital grants. As a state, we simply cannot afford to move backwards and forfeit the progress we have achieved over the past four years since HUR distribution was reformed.

As we continue to return tax dollars and revenue to local governments by entrusting our local municipal leaders with the resources needed to fix roads throughout their communities, we are making cities and towns across Maryland a safer and more accessible place to call "home."

I ask for your **support** of this impactful legislation as we pave the way to a safer future for all Marylanders.

Respectfully,

Jacob R. Day
Mayor