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March 1, 2024

Delegate Marc Korman, Chair
House Environment and Transportation Committee
251 House Office Building
Annapolis, MD 21401

RE: HB 1008 – UNFAVORABLE – Fossil Fuel Transportation Fee and Mitigation Fund (Climate Pollution Reduction Fund Act)

Dear Chair Korman and Members of the Committee:

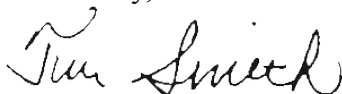
The Maryland Asphalt Association (MAA) is comprised of 19 producer members representing more than 48 production facilities, 25 contractor members, 25 consulting engineer firms, and 41 other associate members. MAA works proactively with regulatory agencies to represent the interests of the asphalt industry both in the writing and interpretation of state and federal regulations that may affect our members. We also advocate for adequate state and federal funding for Maryland's multimodal transportation system.

House Bill 1008 establishes a fossil fuel transportation fee imposed on a carrier who transports fossil fuels in Maryland at a rate equal to 30 cents per million BTUs, which will be distributed into a newly created Fossil Fuel Mitigation Fund.

While our organization appreciates the intent of this legislation and all legislation aimed at protecting our environment, we have serious concerns about how this bill will impact our members and the transportation industry as a whole. This will cripple our transportation industry that relies on natural gas and other means to dry aggregate and produce the materials needed for our roads. With the State's massive cuts to the transportation budget over the six years, at the very least, resulting in less work for our member companies, how can the legislature pass a bill that will create such heavy taxes at such a challenging time?

We appreciate you taking the time to consider our request for a **UNFAVORABLE** report on HB 1008.

Sincerely,



Tim Smith, P.E.
President
Maryland Asphalt Association