CHAIRMAN: Jeff Graf VICE CHAIRMAN David Slaughter



TREASURER: Paul Bramble SECRETARY: Curtis Hall PRESIDENT: Tim Smith

March 1st, 2024

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

RE: HB 924 – <u>FAVORABLE</u> – Transportation – Regional Transportation Authorities

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 924 would establish regional transportation authorities in three regions of Maryland the Baltimore Region, the Capital Region, and the Southern Maryland Region to develop and implement congestion mitigation, long-range regional planning, recommend transportation priorities, allocate funds for projects, recommend the use or changes in use of tolls, among other duties. It also creates funds for each region that consist of money appropriated from the State Budget.

MTBMA strongly supports HB 924 because it addresses a critical need for funding regional and local transportation projects across all modes. We greatly appreciate the sponsor for introducing this bill because this is a concept that we have long argued for in Maryland. We see this as a proven model in ensuring regional transportation improvements. Virginia has used regional transportation authorities for years, which have been very successful. The Northern Virginia Transportation Authority for example, contributes over \$400 million in project funding annually. It meets a critical need to fund regional projects that are part of approved regional plans, with a portion of those funds going to localities to direct to local projects based on their needs. The funding potential is significant—based on Virginia's experience, with \$400 million a year, over a 6-year capital budget cycle, this could provide \$2.4 billion in additional funding if Maryland followed a similar path.

Maryland is facing a current budget shortfall of \$3.1 Billion just to keep the current pipeline of projects funded through the Transportation Trust Fund, and it is widely recognized that the current pipeline is not sufficient to meet Maryland's needs or keep transportation workers employed. This

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approach moves Maryland beyond over-reliance on the Motor Fuel Tax and other limited funding streams, to allow expanded investment that would ease commutes and create tens of thousands of new jobs for Maryland's construction industry workers. Given Maryland's diverse landscape, having an RTA program would really help narrow in on the transportation needs of a specific region so the rest of the State is not covering the cost. There is often the argument that within certain regions of Maryland, residents foot the bill for projects they will never use.

We appreciate you taking the time to consider our request for a FAVORABLE report on HB 924.

Sincerely,

Jun Smith,

Tim Smith. P.E. President Maryland Asphalt Association