



Jeffrey Z. Slavin
Mayor

TOWN OF SOMERSET

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Matthew Trollinger
Town Manager

February 28, 2020

Delegate Sara Love, District 16
House Environmental and Transportation Committee

Subject: HB 1394/SB 982 – Highway User Revenues – Revenue and Distribution

Dear Del. Love:

We are writing in support of HB 1394/SB 982, which would:

- Remove the funding sunset currently set to go into effect after FY 2024 when municipal highway user revenues (HURs) would drop back to recession level lows;
- Increase municipal funding starting in FY 2025 to the approximate levels that existed prior to the state diversion in FY 2010;
- Apply the same lock box protections afforded to the rest of the transportation trust fund to the HUR account; and
- Tie HUR to the consumer price index so that HURs rise with inflation.

An important aspect of this bill is that it allows over four years before any funding increase occurs, providing the State time to adjust its project funding allocations. However, two items that can be addressed immediately are removing the sunset and lock boxing the HUR account; these provisions of the bill would provide critical certainty to municipal governments that the funding is long term and protected.

The legislation passed by the General Assembly in 2018 provided for the current funding level for municipal HUR, which is the highest it has been in over a decade, for a duration of five fiscal years which has been greatly helpful in maintaining local infrastructure; however with the sunset looming after FY 2024 it is difficult to engage in any long term transportation project plans.

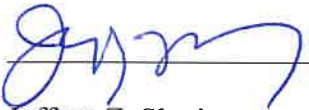
“Where People and Trees Have Deep Roots and Grow Strong”

Only a portion of the Town of Somerset's roads have been repaved in the past 10 years, and the rest are coming to the end of their lifecycle. We are appreciative of the uptick in funding since 2018, and are putting it to use by hiring an engineer to conduct a study of our streets to determine the extent of repaving that is needed. The full cost of street, sidewalk, curb and gutter repairs on the remaining roads could cost as much as three-quarters of the Town's entire budget. To make such investments – not to mention continue to provide day-to-day services to our residents – the Town needs to engage in long-term budgeting and planning. But because of the uncertainty of future funding past FY23, it is near impossible to properly budget long-term, especially while juggling multiple large infrastructure projects in Town. In fact, it is precisely *when* the funding is scheduled to sunset that Somerset will need this money the most.


We sincerely hope that HB 1394/SB 982 receives a favorable report. 2020 is the year to reengage the discussion of fully and permanently restoring highway user revenues to local governments.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeffrey Z. Slavin", written over a horizontal line.

Jeffrey Z. Slavin,
Mayor
Town of Somerset

A handwritten signature in blue ink, appearing to read "Marnie Shaul", written over a horizontal line.

Marnie Shaul,
Council President
Town of Somerset