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G. Marshall Klinefelter

March 5, 2020

Delegate Kumar P. Barve, Chairman
Environment and Transportation
251 House Office Building
6 Bladen Street
Annapolis, Maryland 21401

SUPPORT

Re: **HOUSE BILL 1394 – HIGHWAY USER REVENUES – REVENUE AND DISTRIBUTION.**

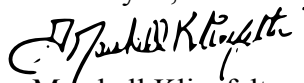
Dear Chairman Barve and Committee Members:

The Maryland Asphalt Association is comprised of 18 producer members representing more than 47 production facilities, 21 contractor members, 24 consulting engineer firms and 39 other associate members. We proactively work 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.

We support HB 1394 because it will shift revenue attributable to increases in the motor fuel tax rate due to adjustments for inflation through CPI calculations from the Transportation Trust Fund to the Gasoline and Motor Vehicle Revenue account, also known as the Highway User Revenue ("HUR") account. This will lead to an increase of \$203 million in local jurisdictions' highway user revenues over a five-year period, which is equal to the decrease expected in the Transportation Trust Fund. We are in favor of this change because local HUR funds are used for paving and resurfacing projects. It is imperative that our roads around the State are regularly maintained so that residents and non-residents alike are safe while utilizing these roads.

We appreciate you taking the time to address this important issue and we respectfully urge a favorable report on House Bill 1394.

Thank you,



Marshall Klinefelter
President
Maryland Asphalt Association