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March 10, 2022

Senator Guy Guzzone, Chair Budget and Taxation Committee 3 West, Miller Senate Office Building Annapolis, Maryland 21401

RE: SB 838 – <u>FAVORABLE WITH AMENDMENTS</u> – Transportation – Elderly and Handicapped Transportation Service – County Funding

Dear Chair Guzzone and Members of the Budget and Taxation Committee:

The Maryland Asphalt Association (MAA) is comprised of 18 producer members representing more than 47 production facilities, 24 contractor members, 24 consulting engineer firms and 41 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.

Senate Bill 838 requires the Secretary of the Maryland Department of Transportation (MDOT) to identify within their annual budget for Fiscal Year 2024 at least \$4,305,908 to be used for elderly and handicapped transportation service, and for each year after that an amount that is equal to the preceding year adjusted for inflation. This amount would then be used to calculate how much specifically gets distributed to each local jurisdiction throughout the State.

MAA's primary concern lies with the diversion of even more funding away from the Transportation Trust Fund, which provides the funding necessary to make critical repairs to the roads and bridges that form the backbone of Maryland's transportation infrastructure. If this Committee would truly like to shift these funds to the counties, we ask for two changes to ensure transparency and accountability in the process. MAA believes that local transportation agencies should be required to issue regular reports to the Secretary of MDOT outlining how much of those funds are being spent and what types of projects are being funded. Second, if those reports show that the local agencies are not spending their appropriations in a timely manner, they should be exempted from the next CPI-driven increase to their funding. If counties aren't fully utilizing their base appropriation, they should not be awarded extra funding. That funding would be better used at the state-level to address Maryland's overall transportation needs.

We appreciate you taking the time to address our concerns with Senate Bill 838.

Slinefelter

Thank you,

Marshall Klinefelter

President

Maryland Asphalt Association

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