

March 10, 2022

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

RE: SB 737 – <u>UNFAVORABLE</u> – Cost of Living Assistance Act of 2022

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

The Maryland Transportation Builders and Materials Association ("MTBMA") has been and continues to serve as the voice for Maryland's construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials.

Senate Bill 737 would prohibit any rate increases for the motor fuel tax from July 1, 2021 until June 30, 2024. MTBMA cannot support this legislation that seeks to prohibit necessary increases to the motor fuel tax for the next two years. Realizing consistent revenue increases for the TTF is integral to maintaining the spending power of the Maryland Department of Transportation's ("MDOT's") capital program, as any decrease in TTF revenues would jeopardize MDOT's capacity to issue Consolidated Transportation Bonds due to their debt service requirements. The needs of our State are critical, and we cannot afford to impose more constraints on a region that is struggling with massive deficiencies in its transportation infrastructure network.

We appreciate you taking the time to address this important issue, and we urge an unfavorable report on Senate Bill 737.

Thank you,

Michael Sakata
President and CEO

Maryland Transportation Builders and Materials Association