

CHARLES COUNTY COMMISSIONERS

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Mark Belton
County Administrator

March 8, 2022

Bill: HB 1187/ SB 726 Transportation – Highway User Revenues – Revenue and Distribution

Committee: House – Environment and Transportation

Senate – Budget and Taxation

Position: OPPOSE

It is the sincere pleasure of the Board of County Commissioners for Charles County to support passage of HB 1187/ SB 726 Transportation – Highway User Revenues – Revenue and Distribution. This bill fully restores the local share of highway user revenues and holds the State to its long-standing responsibility to help fund public infrastructure.

Recession-driven budget cuts decimated the local share of Highway User Revenues and have left local roadways, bridges, and other public infrastructure in dire need of maintenance and repair. Re-investing in infrastructure – a call heard at every level of government – is good for Maryland jobs, business attractiveness, residents' safety, and overall quality of life across the state. Charles County lost over \$114,000,000 beginning in FY08. Undoubtedly, the impact of such a dramatic decrease in funding has meant the delay of important road projects, to the detriment of our residents and visitors.

The cumulative loss for Maryland counties since FY 2007 is over \$4.5 billion in local roadway investment. With local governments maintaining 83% of the roads in Maryland, this represents a significant and critical loss for local resources.

The State created the highway user revenue formula in 1968, and for more than forty years afterward, local governments had received at least 30 percent of transportation revenues—mostly motor fuel tax and vehicle registration fees—to fund their roads and bridges. The Great Recession forced cuts to this area deeper than those in any other component of the state budget. Twenty-three counties' share of funds plummeted from nearly \$300 million in 2007 to only \$40 million in 2018: an 87 percent decimation. In 2018, Baltimore City alone received nearly \$100 million less than it did before the cuts.

In 2018, a temporary phase-in was passed to provide emergency relief for local infrastructure projects – bringing those twenty-three counties to only a third of their previous, fully funded amounts – but it is set to expire in FY 2025. If SB726/HB1187 does not pass, local infrastructure funding will again plummet, this time by about \$76.8 million, further stressing county budgets already strained by the national health pandemic, a weakened economy, aggressive education funding mandates, and other state obligations. The full restoration of this funding will mean better, safer, more modern infrastructure for travel, economic development, and the quality of life of Maryland's residents.

Highway user revenues fund roads and bridges across Maryland through an equitable, time-tested formula based on road mileage and vehicle registrations. This touches the roads our kids ride to school, the roads our first responders travel to keep us safe, and the roads where we all live. Without restoration of the traditional share of highway user revenues to local governments, counties and municipalities will have minimal means to address infrastructure maintenance and keep our communities safe and moving.

SB726/HB1187 returns the transportation dollars to the 83% of roads and bridges maintained by local governments in Maryland. It brings back transportation dollars to our local communities. This bill restores these desperately needed funds to their intended purpose.

Accordingly, the Charles County Commissioners respectfully urge the Committee to give SB726/HB1187 a FAVORABLE report to fund all local roadways. Thank you for the opportunity to provide our full support.

Sincerely,

County Commissioners of Charles County Reuben B. Collins, II, Esq., President

cc: Charles County Delegation