

March 9, 2022

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

RE: SB 726 – <u>FAVORABLE</u> – Transportation – Highway User Revenues – Revenue and Distribution

Dear Chairman Guzzone and Members of the Senate 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. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland's multimodal transportation system.

Senate Bill 726 would increase the share of funds from the Gasoline and Motor Vehicle Revenue Account that the Maryland Department of Transportation must provide annually to local governments through Highway User Revenue (HUR) capital grants beginning in FY 2025.

Prior to the Great Recession, local governments in Maryland received more than 30% of Transportation Trust Fund (TTF) revenues to support the roads and bridges that they maintained. In August 2009, the Board of Public Works made a devastating 90% cut to HUR's, and the following year's budget made that cut ongoing. MTBMA strongly supports this legislation because it would return the HUR distribution back to the previous 30% share, increasing the amount of TTF dollars that will be invested in these projects by upwards of \$441 million by FY 2027. These funds are critical to building, repairing, and maintaining the roads and bridges that make up the backbone of Maryland's transportation infrastructure.

We appreciate you taking the time to address this important issue, and we urge a favorable report on Senate Bill 726.

Thank you,

Michael Sakata President and CEO

Maryland Transportation Builders and Materials Association