



Maryland Municipal League  
*The Association of Maryland's Cities and Towns*

TESTIMONY

March 15, 2022

**Committee:** Senate Budget & Taxation

**Bill:** SB 946 – Transportation – Highway User Revenues – Distribution

**Position:** Support

**Reason for Position:**

The Maryland Municipal League strongly supports Senate Bill 946. Full funding of Highway User Revenues (HURs) has been a priority of the League ever since 96% of municipal HUR were cut in 2009 in the depths of the recession. Although HUR funding has crept up over the years and several one-time capital grants have been included in the State operating budget, the funding level and predictability have never returned to where they were in the decades prior to 2009.

In 2018, the General Assembly passed CH 330/331 which increased HUR funding for municipalities, counties, and Baltimore City. This legislation returned about 85% of municipal HUR but included a sunset provision ending that funding level after FY 2024.

This bill proposes changes to how HUR funding is allocated, including percentage increases at every level of government. A funding increase is crucial; municipalities have lost more than \$280 million in HUR since the initial cuts over a decade ago. The certainty of a stable funding allocation at a level that suits the needs of local governments will allow for a more stable budgeting process and higher quality local transportation infrastructure.

As a contrast to other HUR legislation, this bill takes advantage of federal infrastructure funds: local governments' allotments significantly increase for the short timeframe during which the State receives federal money, then decreases once that timeframe tolls. This is a reasonable and creative approach that meets the needs of local governments without burdening the Department of Transportation.

For these reasons, the League appreciates this crucial measure and respectfully requests a favorable report.

1212 West Street, Annapolis, Maryland 21401

410-268-5514 | 800-492-7121 | FAX: 410-268-7004 | [www.mdmunicipal.org](http://www.mdmunicipal.org)

**FOR MORE INFORMATION CONTACT:**

Scott A. Hancock

Angelica Bailey

Bill Jorch

Justin Fiore

Executive Director

Director, Government Relations

Director, Research and Policy Analysis

Manager, Government Relations