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MARYLAND ASPHALT ASSOCIATION



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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 737 – UNFAVORABLE – Cost of Living Assistance Act of 2022

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 737 would prohibit any rate increases for the motor fuel tax from July 1, 2021 until June 30, 2024. MAA 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,

A handwritten signature in brown ink that reads "Marshall Klinefelter". The signature is written in a cursive style.

Marshall Klinefelter
President
Maryland Asphalt Association