

March 10, 2022

Delegate C.T. Wilson, Chair House Economic Matters Committee Room 231, House Office Building Annapolis, Maryland 21401

RE: HB 171 - UNFAVORABLE - Climate Crisis and Environmental Justice Act

Dear Chair Wilson and Members of the House Economic Matters 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.

Thank you for the opportunity to submit testimony on HB 171 – Climate Crisis and Environmental Justice Act. I will start by saying we greatly appreciate the intent of this legislation and all legislation aimed at protecting our environment. However, we need to express the serious concerns our Association and its members have with this bill.

This bill seeks to move the goal of greenhouse gas emission reductions from 40% to 60% by 2030, with a Net Zero by 2040. This will cripple our transportation industry that relies on natural gas and other means to dry aggregate and produce the materials needed for our roads. Greenhouse gas pollution fees will begin July 31, 2023 for transportation fuels, with an increase each year, starting at \$10 per ton, increasing to \$32 per ton in 2032 and each year thereafter. These costs will undoubtedly roll down to our industry and therefore this is not something we can support. The fiscal note states that "small businesses throughout the State incur a significant increase in expenditures due to higher energy and fuel prices."

Our residents and industries continue to suffer from the effects of the COVID-19 pandemic, many of which may never recover. How can we pass legislation that will create such heavy taxes at such a challenging time? Our Association thinks it's prudent to pause this conversation until our economy and Maryland's citizens have fully rebounded from this tragedy.

We appreciate you taking the time to address this important issue, and we urge an unfavorable report on House Bill 171.

Thank you

Michael Sakata

President and CEO

Maryland Transportation Builders and Materials Association