

March 10, 2022

Delegate Kumar P. Barve, Chair House Environment and Transportation Committee Room 251, House Office Building Annapolis, MD 21401

RE: HB 410 – <u>FAVORABLE</u> – Transportation – Highway User Revenue – Distribution

Dear Chairman Barve and Members of the House Environment and Transportation 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.

House Bill 410 would remove the sunset date on the increase to 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 enacted by the legislature in 2018. It would also require each local government receiving HUR funds to report various pieces of related information to the State Highway Administration by July 1 each year.

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 supports this legislation because it would maintain the current elevated HUR distribution formula from 2018, preventing the loss of more than \$82 million annually that the law would no longer mandate to be invested in these projects beginning in FY 2025. 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 House Bill 410.

Thank you,

Michael Sakata President and CEO

Maryland Transportation Builders and Materials Association