

February 16, 2022

Delegate Vanessa E. Atterbeary, Chair House Ways and Means Committee Room 301, House Office Building Annapolis, MD 21401

RE: House Bill 577 – <u>UNFAVORABLE</u> – Motor Fuel Tax and Sales and Use Tax – Tax Holiday

Dear Chair Atterbeary and Members of the House Ways and Means 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.

House Bill 577 would require the Comptroller to reduce the motor fuel tax rate by 15 cents from June 30, 2022 until January 1, 2023. MTMBA cannot support this legislation that seeks to lower the motor fuel tax rate, even for the six-month period it requests. 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 House Bill 577.

Thank you,

Michael Sakata

President and CEO

Maryland Transportation Builders and Materials Association