

February 2, 2023

Delegate Kumar Barve, Chair Environment Transportation Committee Room 251 House Office Building Annapolis, MD 21401 Delegate Vanessa E. Atterbeary, Chair Ways and Means Committee Room 131 House Office Building Annapolis, MD 21401

## RE: HB 12 - <u>UNFAVORABLE</u> - Equitable and Inclusive Transit-Oriented Development Enhancement Act

Dear Chair Barve, Chair Atterbeary, and Members of the Committees:

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 12 would establish the Transit-Oriented Development (TOD) Capital Grant and Revolving Loan Fund in order to promote equitable development of TODs throughout Maryland. The fund will consist of money appropriated from the State budget and other sources, such as the Transportation Trust Fund (TTF). The bill dictates that the TOD Capital Grand and Revolving Loan Fund must have \$10 million at the start of each fiscal year.

While we appreciate the intent of this legislation, MTBMA opposes House Bill 12 because of the impact it would have on the TTF and the critical road and highway maintenance and construction projects it finances. TTF revenues would decrease by \$358,200 in the first year, with future increases possible. There currently exists a gap of \$5.6 billion to meet the lifecycle needs of MDOT assets over the next ten years, covering all highway resources like drainage, roadway lighting, traffic barrier, signals, facilities, pavements/bridges, etc. Maintaining safety assets is our industry's most significant concern at this time, but the resulting increase in the system preservation funding gap would only serve to make our deteriorating roads and crumbling bridges even more dangerous. With ongoing TTF revenues already in jeopardy, we need to be thinking of ways to strengthen our transportation infrastructure, not weaken it.

We appreciate you taking the time to address this issue and we respectfully urge an unfavorable report on House Bill 12.

Thank you

Michael Sakata President and CEO

Maryland Transportation Builders and Materials Association