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BILL NO.: **HB 1070**

TITLE: Maryland Transportation Authority – Tolls – Collection and Use
(Maryland Toll Rate Reform Act of 2024)

SPONSOR: Delegate Korman

COMMITTEE: Senate Budget & Taxation

DATE: March 26, 2024

Baltimore County understands the State’s challenging transportation funding deficiencies, and the need to develop strategies to more sustainably fund, operate, and maintain myriad transportation facilities, including tunnels, bridges, transit systems, and highways to serve Marylanders. Indeed, we have seen how significant reductions in state transportation funding to local jurisdictions continue to limit our ability to assist in managing our shared transportation network.

We recognize that evaluating potential increases to existing tolls, fees, fares, and transportation-related charges could be part of potential solutions. However, efforts to address deficiencies in the Transportation Trust Fund (TTF) must account for where revenues are generated and be mindful of regional equity in the allocation of funds. In the most recent Consolidated Transportation Program (CTP), Baltimore County has been negatively impacted by a de-prioritization of Baltimore region transportation projects, seeing substantial cuts to top priorities even as hundreds of millions have been re-allocated to cover cost overruns on the now \$10 billion Purple Line project. HB1070, as amended by the House, further exacerbates regional equity concerns by diverting revenues largely raised in the Baltimore region and making them available for Statewide allocation.

In 2023, the Maryland Transportation Authority (MdTA) reported revenues from their Maryland toll facilities, six of which are located in the Baltimore region. These six toll facilities, which include the Harbor and Fort McHenry Tunnels, the Key Bridge, portions of I-95 in Baltimore County, and the Hatem Bridge make up just over 80% of the 2023 reported toll revenue. Yet, HB 1070 as amended in the House, increases bond capacity against these tolls to transfer specifically earmarks much of that revenue to the Intercounty connector in the Washington, DC suburbs.

The Baltimore region is **already** exceedingly underfunded when it comes to transportation. Cuts in Highway User Revenues (HUR) hurt Baltimore City the most and has meant a loss of nearly \$450 million to Baltimore County since 2009. Baltimore County receives less than \$1 million a year in Locally Operated Transit System (LOTS) funding, woefully behind our peers despite being the third most populous jurisdiction in the State¹. Our top transportation priority, the I-795 Northwest Expressway at Dolfield Boulevard, was cut by nearly \$120 million in the most recent CTP, while just a few weeks ago over \$400 million was added to cover cost overruns for the Purple Line project. Toll revenue, disproportionately earned in the Baltimore Region, would be available for broad reallocation outside of the Baltimore region if this legislation is to pass as amended. Given the above referenced points, HB1070 as amended in the House, is unfair, inequitable, and unsustainable.

Countless residents within the Baltimore region, including some of the State's poorest residents, must utilize these toll facilities daily to get to work, school, and health care. Their daily tolls should not be increased in order to pay for large roadway projects that they will never use. In fact, rather than contemplate a re-allocation of Baltimore-area toll resources, we firmly believe that many Baltimore area residents from communities such as Edgemere, Dundalk, and Brooklyn, who must cross the Key Bridge frequently as part of their daily lives, should be afforded significantly reduced toll options, similar to that afforded residents who rely on the Hatem Bridge.

In summary, in order to sustainably and responsibly address Maryland's long-term transportation funding needs, the State cannot piecemeal revenues for specific projects. We must, instead take stock of changes in revenue streams and prioritize transportation funds for the most critical projects, including ensuring bridge, tunnel, and roadway safety, expanding transit in population centers to reduce congestion and air pollution, and mitigate climate change. We must evaluate equitable solutions that neither disproportionately impact residents from poor or overburdened communities, nor pits one region against another for finite transportation resources.

For more information, please contact Jenn Aiosa, Director of Government Affairs, at jaiosa@baltimorecountymd.gov.

¹ For context, Montgomery County receives nearly \$50 million in annual LOTS funding