

March 1st, 2024

Delegate Marc Korman, Chair House Environment and Transportation Committee Room 251, House Office Building Annapolis, MD 21401

RE: HB 1215 – <u>FAVORABLE</u> – Transportation Financing – Retail Delivery Fee and Transportation Network Company Impact Fee (Transportation Funding Act of 2024)

Dear Chair Korman and Members of the 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 1215, the "Transportation Funding Act of 2024" aims to address the significant transportation funding issues in Maryland by introducing two new fees: the Retail Delivery Fee and the Transportation Network Company (TNC) Impact Fee. The Retail Delivery Fee will be imposed on certain vendors and marketplace facilitators for deliveries within the State, and the TNC Impact Fee will be on passenger trips originating in the State using transportation network companies. The fees will go toward the Transportation Trust Fund (TTF), with any surplus directed to local transit systems.

MTBMA believes HB 1215 represents a vital opportunity to address the critical funding needs of the TTF. The fees outlined in this bill represent an innovative way to diversify revenue streams for the TTF, which will ensure dedicated funding for critical transportation and infrastructure projects throughout Maryland. Furthermore, the allocation of surplus funds to local transit systems underscores a commendable commitment to enhancing accessibility for all Marylanders. This legislation is a pragmatic approach to investing in our State's economic prosperity, public safety, and sustainability.

We appreciate you taking the time to consider our request for a FAVORABLE report on HB 1215.

Thank you,

Michael Sakata
President and CEO

Maryland Transportation Builders and Materials Association