



## **Senate Bill 935**

### *Transportation - Regional Authorities - Established*

MACo Position:

### **LETTER OF INFORMATION**

Date: March 5, 2025

To: Budget and Taxation and Finance  
Committees

From: Kevin Kinnally

The Maryland Association of Counties (MACo) takes no position on SB 935 but urges the Committee to consider critical policy concerns. This bill proposes Regional Transportation Authorities and new transportation-related surcharges to support transportation infrastructure. While regional collaboration benefits long-term planning, this framework requires significant revision to ensure that local governments — who own and maintain 83% of Maryland’s roadways — play a direct role in decision-making.

Counties are prohibited from levying local-option transportation revenues and instead rely entirely on State-levied funds. Despite multiple transportation revenue increases, the State has failed to restore Highway User Revenues (HUR) to sustainable levels. The proposed fiscal 2026 budget still falls far short of pre-recession funding, leaving counties struggling to maintain existing infrastructure, much less invest in broader regional initiatives.

Any discussion of new transportation revenue mechanisms must first acknowledge the State’s long-standing obligation to support local infrastructure. Local roads make up most of Maryland’s transportation network, yet they remain chronically underfunded. Without a meaningful reinvestment in HUR, counties cannot sustain safe and reliable roadways, let alone take on additional regional funding obligations.

This bill raises concerns regarding governance, fiscal accountability, and funding distribution. New tax surcharges and bonding mechanisms require careful oversight to ensure equitable and transparent fund allocation. Without a clear governance structure that includes county leadership, this framework risks diverting resources away from local needs and further fragmenting an already complex funding system.

Maryland must address its transportation funding shortfall in a way that remains both sustainable and equitable. If regional transportation authorities move forward, counties must play a direct role in governance, revenue allocation, and project prioritization — rather than serving merely as funding sources without a voice. MACo remains committed to working with the General Assembly to refine this framework and ensure that local transportation priorities receive full consideration.

