



March 6th, 2025

Senator Guy Guzzone, Chair
Senate Budget and Taxation Committee
3 West, Miller Senate Office Building
Annapolis, Maryland 21401

**RE: SB 557 – UNFAVORABLE– Vehicle-Miles-Traveled Tax and Associated Mandated Devices
- Prohibition (Transportation Freedom Act of 2025)**

Dear Chair Guzzone 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.

Senate Bill 557, the Transportation Freedom Act of 2025, prohibits the State of Maryland and local jurisdictions from imposing a Vehicle-Miles-Traveled (VMT) tax. The bill prohibits mileage-based user fees or other similar fees, tolls, or taxes. This bill would also prevent the State or local jurisdictions from requiring the installation of a device in or on a privately owned vehicle, ensuring that no law could mandate installing devices to monitor vehicle miles traveled.

We urge an unfavorable report on SB 557, as it hampers the state's ability to address both current and future challenges within the Transportation Trust Fund. Maryland’s transportation funding structure is at a critical crossroads, and organizations like MTBMA cannot support legislation that removes potential alternative revenue sources essential for maintaining and improving our transportation infrastructure. By restricting viable funding options to replace the gas tax for road construction and maintenance, this bill threatens the sustainability and growth of our industry—and Maryland’s economy as a whole.

We appreciate you taking the time to consider our request for an **UNFAVORABLE** report on SB 557.

Thank you,

Michael Sakata
President and CEO
Maryland Transportation Builders and Materials Association