



LEGISLATIVE POSITION:

Unfavorable

House Bill 84 – Transportation and Climate Alignment Act of 2025

Senate Budget & Taxation Committee

Thursday, March 27, 2025

Dear Chair Guzzone and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

Imposing the mandates outlined in House Bill 84 will bring highway capacity expansion to a halt, effectively eliminating and discouraging many needed expansion projects. Additionally, existing processes established under the National Environmental Policy Act and the state's Consolidated Transportation Program already guide state and local decision-making, ensuring a balance between essential transportation projects and climate objectives.

HB 84 also requires MDOT to either fund multimodal offsetting activities concurrently with highway expansion projects or defer those projects entirely until the offsets are funded. This means essential infrastructure improvements could be indefinitely delayed or defunded if the state cannot identify and fully fund a corresponding set of transit-oriented, pedestrian, or other multimodal initiatives – regardless of whether those initiatives are appropriate or feasible in the impacted region.

This requirement introduces substantial delays to needed and necessary infrastructure projects if offset projects are not feasible or funded in time. It also results in budgetary trade-offs that divert limited state transportation dollars from critical repairs and upgrades to less urgent or less impactful multimodal programs. Such a one-size-fits-all approach disregards the transportation needs of rural and suburban communities, introduces costly new administrative burdens, and sets an unworkable standard that could paralyze progress on critical congestion relief and economic development efforts.

Highway congestion imposes significant costs on businesses due to increased transportation time and delays in the delivery of goods and services. These delays can disrupt supply chains, leading to increased operational costs and decreased efficiency. It is also important to consider that employees spend more and more time commuting to and from work. Unreliable commute times lead to lower worker productivity, hinder attraction of talent, and make access to jobs difficult for those lacking transport options. Maryland ranks in the bottom third nationally for per capita transportation infrastructure investment. As Maryland continues to grapple with persistent transportation infrastructure challenges that impact commute times and business

operations, HB 84 will further negatively impact our highway system. Instead, the Chamber advocates for a multi-pronged transportation system.

As commutes lengthen and infrastructure funding lags behind, Maryland businesses and residents are facing barriers to inclusive economic growth and reduced quality of life. Efficient, dependable transportation unlocks growth opportunities for Maryland businesses and workers. Maryland's transportation infrastructure serves the backbone of our economy, facilitating access to jobs, supplies and services for individuals, and enabling businesses to reach more customers while also benefiting from the efficient movement of goods, services and people. The Chamber believes that improved transportation networks boost economic opportunity, and we work to advance short- and long-term solutions to statewide transportation needs. Highway expansion projects create jobs, generate economic activity and transform Maryland into a leader in 21st-century transportation solutions.

For these reasons, the Chamber respectfully requests an unfavorable report on HB 84.

