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March 27th, 2025

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

RE: HB 84 – <u>UNFAVORABLE</u> – Transportation – Major Highway Capacity Expansion Projects and Impact Assessments (Transportation and Climate Alignment Act of 2025)

Dear Chair Guzzone and Members of the Senate Budget and Taxation Committee:

The Maryland Asphalt Association (MAA) represents approximately 120 members, including 20 material producers and 100 contractors, engineering firms, and associate members, supporting a 7,000-person workforce. MAA actively collaborates with regulatory agencies to advocate for the asphalt industry, ensuring fair regulations at both the state and federal levels. Additionally, we support adequate funding for Maryland's multimodal transportation system.

House Bill 84 would introduce additional approval requirements for all major highway capacity expansion projects with total costs exceeding \$5 million. This includes mandating further impact assessments before a project can be considered for inclusion in the Consolidated Transportation Program (CTP). If an assessment determines that a project would result in a net increase in greenhouse gas emissions or vehicle miles traveled, the state must develop a mitigation plan to offset those increases entirely.

While MAA supports responsible and thorough project evaluations, we believe this legislation is both redundant and unnecessarily burdensome. Existing state and federal processes already ensure rigorous environmental and transportation impact reviews, making this bill an unnecessary layer of bureaucracy. The legislation introduces additional complexity through unproven predictive tools, raising concerns about the feasibility and effectiveness of the required mitigation measures in achieving true net-zero greenhouse gas emissions. Ultimately, this could result in prolonged delays or, more likely, the cancellation of all new highway capacity expansion projects across the state.

Furthermore, this bill directly contradicts Governor Moore's economic growth agenda. For perspective, the cost of building a turn lane at an intersection is greater than \$5 million. A well-funded, efficient transportation system is a cornerstone of economic development, and policies that hinder infrastructure investment risk undermining Maryland's long-term competitiveness. Below are graphs illustrating the state's roadway funding needs, shifts in allocation, and the decline in asphalt tonnage due to changing transportation priorities.

We appreciate you taking the time to consider our request for an UNFAVORABLE report on HB 84.

Sincerely,

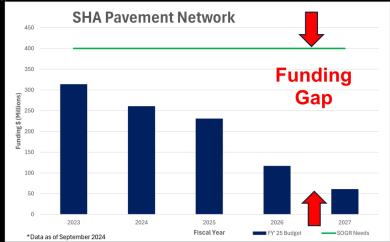
Tim Smith. P.E.

President

Maryland Asphalt Association

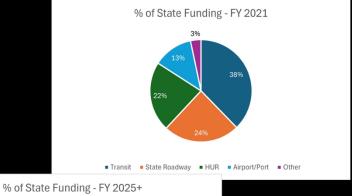
Roadway Funding Needs in Maryland

- State of Good Repair (State of Good Repair)
 - Separate from congestion.
- Existing Budgets.
 - ○¼ required for SOGR.
 - 1/3 of recent allocations.
- \$400M/yr for SOGR. • ~\$300M/yr in FY '23



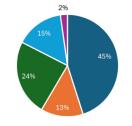
Roadway Funding

- Philosophy shift in allocation.
 Transit is taking priority.
- Governor's Budget Proposal.



6-yr CTP	Pavement Budget
2023-'28	\$1,524
2024-'29	\$1,494
2025-'30 Original	\$1,097
2025-'30 GO Proposal	\$1,240

Budget in millions \$.





■ Transit ■ State Roadway ■ HUR ■ Airport/Port ■ Other

