



March 5, 2025

The Honorable Guy Guzzone, Chairman
Senate Budget and Taxation Committee

The Honorable Pam Beidle
Senate Finance Committee

Re: Senate Bill 881 - Transportation - Regional Transportation Authorities

Position: **Support**

Chairman Korman & Committee Members:

The American Council of Engineering Companies/Maryland (ACEC/MD) is the engineering industry's business association representing 90 companies that employ approximately 7,000 employees statewide. Many of our members are engaged in the design of public water and wastewater systems, bridges, highways, building structures and environmental projects. On behalf of the association, I am writing to express our **support** for Senate Bill 881.

Transportation infrastructure is critical to ensuring the state's economic competitiveness and quality of life for residents. In recent years, securing adequate funding for transportation has been increasingly difficult at the local level due to budgetary constraints and rising costs due to inflation. Senate Bill 881 addresses local governments' challenges to accessing transportation funding by establishing regional transportation authorities and designated funds, and authorizing the authorities to develop transportation plans and impose surcharges on certain transactions to finance their efforts.

By creating regional authorities and empowering them to develop transportation plans, this bill expedites progress in improving local transportation infrastructure, as regional authorities are more acutely aware of the transportation needs and constraints in their area, and can make decisions quicker than those made at state-level. Additionally, by creating funds designated for regional transportation and authorizing the authorities to impose surcharges, this bill creates novel and significant revenue streams to address the gap in funding for local transportation infrastructure. Furthermore, the revenue streams proposed under this legislation would increase a region's financial autonomy in addressing its transportation needs, potentially creating savings to the state in the context of a difficult budgetary landscape.

The degree to which a region's transportation infrastructure is safe and reliable is one of the most important considerations when deciding whether to move one's business or family to an area. By creating regional transportation authorities and empowering them to create transportation plans and raise funds, local transportation improvements can be made faster, ensuring the state remains attractive for businesses and families alike.

We would like to see more clarity on how these transportation authorities would procure services and interact with the Maryland Department of Transportation and the overlapping Metropolitan Planning Organizations. Transportation differs per region, but still needs to be looked at from a statewide perspective. Notwithstanding our minor concerns, we support this bill and request a favorable report on Senate Bill 881.

Respectfully Submitted,

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