



Senate Bill 881

Transportation – Regional Transportation Authorities

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 881 but urges the Committee to consider critical policy concerns. This bill proposes Regional Transportation Authorities and new transportation-related surcharges. While regional collaboration plays a key role in transportation planning, this framework needs substantial revision to ensure local governments – who own and maintain 83% of Maryland’s roadways – have a direct role in decision-making.

Counties lack the authority to levy local-option transportation revenues and instead depend entirely on State-levied funds. Despite multiple transportation revenue increases, the State has not restored Highway User Revenues (HUR) to sustainable levels. The proposed fiscal 2026 budget still falls far short of pre-recession funding levels, leaving counties without the resources to meet growing infrastructure demands.

Any discussion of new transportation revenue mechanisms must account for 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 will struggle to maintain safe and reliable roads, let alone support broader regional initiatives.

Furthermore, this bill raises serious concerns about governance, funding, and fiscal accountability. New tax surcharges and bonding mechanisms require careful oversight. Without a clear structure that includes county leadership, these proposals risk diverting resources away from local needs and further complicating an already fragmented funding system. Counties must play a central role in governance, revenue allocation, and project prioritization – not simply serve as funding sources without a voice.

Maryland must address its transportation funding shortfall with a sustainable and equitable approach. If regional authorities move forward, counties must have a seat at the table to ensure fair funding distribution and project planning that meets local needs. MACo remains committed to working with the General Assembly to refine this framework.