



RMI
1850 M St NW, Suite 280
Washington, DC 20036

Committee: Budget and Taxation Committee
Testimony on: SB 395, “Major Highway Capacity Expansion Projects and Impact Assessments (Transportation and Climate Alignment Act of 2025)”
Position: Informational
Hearing Date: January 29, 2025

Members of the Committee,

RMI is a nonpartisan, nonprofit organization working to secure a clean, prosperous, zero-carbon future for all by leveraging market-driven solutions. RMI is providing INFORMATIONAL testimony on SB 395.

Marylanders face soaring transportation expenses. According to a 2024 report from the American Automobile Association (AAA), the annual cost of car ownership is at an all-time high of \$12,297 per year per vehicle. The average Maryland household has approximately 2 vehicles, doubling this expense.

Maryland is also not on track to meet its climate goals. According to the Department of Transportation’s (MDOT) 2023 Carbon Pollution Reduction Plan, the state must further expand clean transportation choices and reduce Vehicle Miles Traveled (VMT) by 20% per capita to achieve climate alignment.

However, MDOT forecasts that current “strategies in progress,” although helpful, are not enough to achieve the needed VMT reductions, increasing both household costs and climate pollution.

The enclosed results show our analysis of the benefits to Marylanders if MDOT were to adopt new policies and strategies to achieve its 20% per capita VMT goal by 2050. These potential benefits include:

- **\$3,081 of average household savings per year** from reduced vehicle operating costs and depreciation, adding up to **\$62 billion in direct cost savings** for Marylanders by 2050
- 55 million metric tons of cumulative CO2e savings
- 171 fewer car crash fatalities on average per year
- 1,420 fewer deaths on average per year from cleaner air & increased physical activity
- 26 hours of annual time savings per resident from congestion relief

Our peer-reviewed methodology is available online at the RMI ‘Smarter MODES Calculator’ webpage for the Committee’s convenience.

Signed,

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RMI