

February 11, 2025

Senator Brian Feldman, Chair Senate Education, Energy, and the Environment Committee 2 West Miller Senate Office Building Annapolis, MD 21401

RE: SB 250 – <u>FAVORABLE WITH AMENDMENTS</u> – Department of the Environment – Fees, Penalties, Funding, and Regulation

Dear Chair Feldman and Members of the Committee:

The Maryland Transportation Builders and Materials Association ("MTBMA") has been and continues to serve as the voice for Maryland's construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of Maryland's transportation construction and materials industry by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland's multimodal transportation system.

As the Committee may remember, Senate Bill 250 was introduced last year, which seeks to increase permitting fees within various programs in the Department of the Environment (MDE). During the interim and currently, we have met with MDE to discuss the fee increases as it relates to surface mining permits, to work together on a reasonable solution. We understand the fees have not been increased in 30 years, and our members agree there should be some amount of increase, but it needs to be reasonable.

We have presented the following proposal to MDE that would still generate a significant amount of revenue for MDE. Our amendments would increase the per acre fee to \$50 for each year, but not to exceed \$5,000 with a 1% increase every two fiscal years starting in 2028, but not to exceed \$75 per acre and a total amount of \$10,000.

For the record, we would like to acknowledge that we greatly appreciate MDE working collaboratively as partners on this. Their initial proposal which sought to increase the program's annual revenue to \$1.3M is however, unmanageable for our industry. With the massive cuts to the State's transportation budget, and the unreliability of federal dollars being infused into Maryland, our industry is struggling exponentially and the burden of these additional costs will have a significant adverse impact on our member companies who operate surface mines in Maryland. We hope that our proposal is well received and we look forward to continuing to work with MDE to come to a reasonable solution that works for everyone.

We appreciate you taking the time to consider our amendments. Thank you.

Michael Sakata President and CEO Maryland Transportation Builders and Materials Association