



## THE MARYLAND HOUSE OF DELEGATES

ANNAPOLIS, MARYLAND 21401

### Transportation - Regional Transportation Authorities (HB1370) 2025

#### Testimony of Delegate Ryan Spiegel – Favorable

Hon. Chair Korman, Vice Chair Boyce, and Members of the Environment and Transportation Committee:

The multi-billion dollar shortfall in our existing state transportation funding model is not sustainable. We all know that the funding formula for the Transportation Trust Fund (TTF), with its disproportionate reliance on gasoline tax revenue, is facing a bleak future as more drivers choose EVs and fuel-efficient vehicles and the advent of remote jobs continues to erode this revenue. Actions taken by the General Assembly last year helped stem the bleeding, but we are still nowhere near where we need to be.

HB 1370 is a reintroduction of a bill you heard last year that would establish a new model to help select, fund, and construct regional transportation projects in light of the ongoing challenges and shortfalls of the State's Transportation Trust Fund. The model borrows several elements of the successful Northern Virginia Transportation Authority.

While last year's bill proposed only an initial framework and governance model for these regional transportation authorities, this year's bill is much more developed—with a robust funding mechanism, a system for these authorities to prioritize projects, and a spending formula that allocates 70% of revenues to regional priorities and the other 30% to individual jurisdictions for local transportation needs within each authority's boundaries. It also gives the authorities bonding capacity, leveraging the funding streams to advance important major projects. Again, many of these elements come from the Northern Virginia Transportation Authority since it offers a strong proof of concept.

The proposed funding source is a mix of small surcharges on sales tax, hotel/motel tax, and transfer tax in each region, again modeled on the Northern Virginia Transportation Authority. After feedback during last year's committee hearing, this year's bill tweaks the defined boundaries of the three proposed regional authorities in the DC metro area, the Baltimore region, and the Southern Maryland region. This bill ensures broad and varied representation on the authority boards, including state, county, and municipal representatives in each region—which promotes regional choice and allows authorities to address unique needs in the different regions while remaining accountable. On inter-

regional or statewide projects, the legislation provides for collaboration with other regions and MDOT.

HB 1370 has co-sponsors from Baltimore City, Frederick, Prince George's, and Montgomery Counties, and has been cross-filed by Senator Rosapepe. A sponsor amendment also requires authorities to invest a minimum of 30% of their regional spending on non-car mode projects to ensure investments in transit and other modes, while still leaving flexibility.

HB 1370 also has language making clear that funds generated for these authorities are meant to supplement, not supplant, existing funding from the State. And another sponsor amendment will help ensure that the prioritization of regional projects is based on an objective set of scoring criteria, just as the Northern Virginia Transportation Authority does.

If we want to make much-needed long-term investments in transportation, unlock our potential for jobs, housing, access to services, and quality of life in our state, and make more progress on our climate goals, we need to be serious about long term, sustainable solutions for transportation funding. Now is the time to put in place innovative, proven solutions like regional transportation authorities.

I respectfully request a favorable report. Thank you.