

P.O. Box 278 Riverdale, MD 20738

Committee: Environment and Transportation

Testimony on: HB 1068, Maryland Transportation Authority – Tolls – Collection and Use

(Maryland Toll Rate Reform Act of 2025)

Position: Informational

Hearing Date: March 4, 2025

The Maryland Toll Rate Reform Act of 2025 has the potential to raise the revenue that is needed for critical repair needs across our state's transportation system and the expansion of public transit service that will help reduce pollution and improve mobility. However, the Maryland Chapter of the Sierra Club remains concerned that, as written, HB 1068 could help fund highway capacity expansion projects, which would be counter to the state's climate goals.

The bill requires that the Maryland Transportation Authority (MDTA) maximize toll revenues to generate funding for the maintenance and operation of its toll facilities. Any revenues that are generated beyond what is required by MDTA for its operations will be earmarked into a Transportation Facilities Overage Account that can be used for construction and maintenance of state highway and transit projects that are located within the general vicinity of a transportation facility. MDTA is required to consider discounts for seniors, low-income residents, Maryland E-ZPass holders, and state residents in the process.

Addressing Maryland's transportation fiscal imbalance is necessary to avoid major cuts to transit service, deferred maintenance needs, and a delay of vehicle electrification programs. To address the fiscal imbalance, Maryland should reevaluate its spending priorities and raise revenue. Revenue raised for transportation purposes should first go to State of Good Repair projects that maintain our state's transportation systems and preserve existing public transit service.

Additional funding raised should focus on expanding public transit, active transportation, vehicle electrification, and transit oriented-development projects and programs that would help meet the state's climate, mobility, and equity goals. It is important that revenue raised through programs such as these are not used for highway expansion projects that would hinder progress on these goals by increasing greenhouse gas emissions. For example, over 80% of Marylanders live in areas designated as being in nonattainment of the National Ambient Air Quality Standards for ozone, with the Baltimore region and Cecil County being in serious nonattainment of these ozone standards. Ozone pollution can make it more difficult for people to breathe, aggravate lung diseases, and increase the frequency of asthma attacks.

Therefore, we urge that the proposed bill be amended to prohibit the funds raised by this legislation from being used for highway expansion. Finally, while we applaud the bill's intent, we recommend adjusting the proposed language so that revenue maximization would be required to be considered, but that assessment of other policy objectives also be allowed.

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Founded in 1892, the Sierra Club is America's oldest and largest grassroots environmental organization. The Maryland Chapter has over 70,000 members and supporters, and the Sierra Club nationwide has over 800,000 members and nearly four million supporters.