

# TESTIMONY TO THE HOUSE WAYS AND MEANS and the HOUSE ENVIRONMENT AND TRANSPORTATION COMMITTEE

## HB 1008 Vehicle-Miles-Traveled Tax and Associated Mandated Devices – Prohibition (Transportation Freedom Act of 2025)

### **POSITION: Against**

#### BY: Linda Kohn, LWVMD President

#### Date: February 18, 2025

The League of Women Voters of Maryland (LWVMD) is against HB1008. A Vehicle Miles Traveled Tax should be available to the state and not prohibited by law.

The League supports a fair and efficient tax structure for Maryland. We further support the following principles for tax policy (among others):

- Compatibility with state social and environmental policy: The state's policy and tax structure are working toward the same ends, not at cross purposes;
- Equity/Fairness: The *benefit* principle means a tax or fee will be levied in proportion to the benefit received, e.g. user fees and dedicated taxes.

A variety of taxes should be available for Maryland to use to help the solvency of our state and its transportation. History continues to dictate taxes that are based on Marylanders' way of life. The gas tax has been used for many years at federal, state and local government levels to increase transportation dollars and cover the costs of routine and periodic road maintenance.

We know that this tax is not producing the revenue that was once expected, as an increasing share of vehicles are either fully electric, hybrid, or otherwise enjoying higher fuel efficiency. These are all good things for the environment and climate, but such vehicles still incur wear and tear on our roads and highways (in fact, most electric vehicles are heavier than traditional gas/diesel fueled vehicles and therefore impose greater damage per vehicle-mile-traveled).

This bill takes away alternatives that the state should have for raising revenue for the Transportation Trust Fund.

#### LWVMD urges an unfavorable report on HB 1008.