



## House Bill 846

### *Transportation Access and Revenue Act*

MACo Position: **SUPPORT**  
**WITH AMENDMENTS**

To: Ways & Means and  
Environment & Transportation Committees

Date: February 18, 2025

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** HB 846 **WITH AMENDMENTS** to address the state's chronic transportation funding shortfall and enable counties to invest in safe, equitable, and sustainable transportation projects that reduce congestion, enhance communities, and strengthen the economy. New commitments to ground transportation funding must be employed equitably, including the permanent restoration of Highway User Revenues, local governments' only transportation revenue source.

In Maryland, local governments have no authority to levy their own transportation revenues – counties and municipalities depend entirely on a share of state-levied revenues to support safety and maintenance work on local roads and bridges across the state. For decades, the State supported a balanced means to maintain its transportation infrastructure. The bulk of transportation revenues – mainly motor fuel and vehicle titling taxes – have been split between the State (for its consolidated Transportation Trust Fund, serving multiple modes) and local governments (who own and maintain roughly five of every six road miles across the state).

The State faced a mid-year budget crisis during the "Great Recession" in 2009. In turn, the Board of Public Works adopted a 90% reduction of the local distributions of these Highway User Revenues and a roughly 40% reduction to Baltimore City's allocation (the largest by far to any jurisdiction).

Since then, the State has fully or largely restored many recession-driven cutbacks. However, Highway User Revenues remain far below historic levels, even after the General Assembly enacted a substantial transportation revenue increase. The \$446 million in the proposed budget plan for FY 2026 remains far short of proper and historic funding levels, even on a simple dollar-to-dollar basis.

**HB 846 expands the sales and use tax to generate new transportation revenue but prohibits any of it from supporting local roads and bridges.** While counties would benefit indirectly from broader transportation investments, MACo contends that a sustainable solution must restore fair, predictable funding for local infrastructure.

As such, counties urge amendments to ensure a fair share of new transportation revenues supports local roads and bridges. **A meaningful investment in Maryland's transportation network must recognize local governments as full funding partners and provide the resources needed to maintain 83% of the state's roads.**

Accordingly, MACo respectfully requests that the Committee issue a **FAVORABLE WITH AMENDMENTS** report on HB 846.