



February 11, 2025

Delegate Vanessa Atterbeary, Chair
House Ways & Means Committee
131 Taylor House Building
Annapolis, MD 21401

Delegate Marc Korman, Chair
House Environment and Transportation Committee
250 Taylor House Office Building
Annapolis, MD 21401

RE: HB 695 – UNFAVORABLE – Repair the Transportation Trust Fund Act

Dear Chair Atterbeary, Chair Korman, and Members of the Committees:

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.

MTBMA strongly opposes HB 695, the Repair the Transportation Trust Fund Act, as it poses significant risks to the stability of Maryland’s transportation funding. The bill repeals the annual adjustment of the motor fuel tax based on the Consumer Price Index (CPI), removing a key mechanism that ensures transportation funding keeps pace with inflation. It also prohibits the State and local jurisdictions from imposing a Vehicle Miles Traveled (VMT) tax or similar fees, limiting future options for sustainable revenue generation.

The repeal of the CPI adjustment would erode long-term funding for critical infrastructure projects, leaving Maryland’s roads, bridges, and transit systems vulnerable to underfunding as construction and maintenance costs continue to rise. The prohibition on a VMT tax eliminates a potential revenue source that could have helped equitably distribute transportation costs among all road users, particularly as fuel tax revenues decline with the rise of electric and hybrid vehicles. These changes threaten the financial health of Maryland’s transportation network and hinder efforts to maintain and improve vital infrastructure.

For these reasons, we strongly urge an unfavorable report on HB 695.

Thank you,

Michael Sakata
President and CEO
Maryland Transportation Builders and Materials Association