

February 18th, 2025

Chairwoman Vanessa Atterbeary House Ways and Means Committee 131 Taylor House Office Building Annapolis, Maryland 21401

Chairman Marc Korman House Environment and Transportation Committee 251 Taylor House Office Building Annapolis, Maryland 21401

RE: HB 1008 – <u>UNFAVORABLE</u> – Vehicle-Miles-Traveled Tax and Associated Mandated Devices - Prohibition (Transportation Freedom Act of 2025)

Dear Chair Atterbeary and Chair Korman as well as 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 the transportation construction and materials industry in Maryland 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.

House Bill 1008, the Transportation Freedom Act of 2025, prohibits the State of Maryland and local jurisdictions from imposing a Vehicle-Miles-Traveled (VMT) tax, meaning the state could not impose a tax based on the number of vehicle miles driven by Maryland citizens. The bill prohibits mileage-based user fees or other similar fees, tolls, or taxes. This bill would also prevent the State or local jurisdictions from requiring the installation of a device in or on a privately owned vehicle, ensuring that no law could mandate installing devices to monitor vehicle miles traveled.

We urge an unfavorable report on HB1008 because it prohibits a Vehicle-Miles-Traveled tax and associated tracking devices. Thes structure of our current transportation funding is at a critical impasse and organizations like MTBMA cannot support legislation that would limit the state's ability to determine potentially new and alternative revenue sources for our critical infrastructure projects. The bill restricts potential revenue sources for our transportation systems which could negatively impact infrastructure funding and the survival and growth of our industry.

We appreciate you taking the time to consider our request for an UNFAVORABLE report on HB 1008.

Thank you,

Michael Sakata President and CEO Maryland Transportation Builders and Materials Association