



Senate Bill 674

Date: March 4, 2026

Committee: Budget & Taxation

Position: Information

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families.

Senate Bill 674 (SB 674) would establish three regional transportation authorities, covering the Baltimore Region, Capital Region, and Southern Maryland, to coordinate transportation planning, project development, and investment across multiple jurisdictions. The bill creates dedicated regional transportation funds for each authority and authorizes new revenue sources, including sales, hotel, and property transfer tax surcharges, to support transportation projects and related bonding authority.

We appreciate the sponsor's efforts to advance more coordinated, regional approaches to transportation planning and investment. Transportation systems do not stop at jurisdictional boundaries, and improved regional coordination has the potential to enhance mobility, support economic growth, and improve access to jobs and services for Maryland residents and employers.

We are particularly encouraged by the bill's recognition that long-term transportation challenges, such as congestion, freight movement, workforce access, and infrastructure modernization, require collaborative solutions that align state, regional, and local priorities. A well-designed regional framework can help ensure that transportation investments are strategic, efficient, and responsive to regional economic needs.

SB 674 includes funding mechanisms to support the proposed authorities through certain local surtaxes. While we understand the need for sustainable transportation investment, additional taxes and surcharges raise important considerations for the business community and the broader economy, including impacts on consumer costs, regional competitiveness, and cumulative tax burdens. We believe further discussion and analysis are warranted to better understand the economic implications of these proposals, evaluate equity across regions and sectors, and ensure appropriate transparency and accountability in how new revenues would be used.

We appreciate your consideration of our comments on **SB 674**.