

SB 188_MTBMA_FAV.pdf

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Position: FAV



January 21, 2026

Senator Guy Guzzone, Chair
Senate Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, MD 21401

RE: SB 188 – FAVORABLE – Maryland Transportation Authority – Revenue Bond Limit – Increase

Dear Chair Guzzone and Members of the Committee:

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 250 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.

Senate Bill 188 would increase the limit on the amount of revenue bonds the Maryland Transportation Authority may have outstanding and unpaid. Specifically, the bill raises the cap on outstanding toll-backed revenue bonds from \$4 billion to \$5 billion. The bill does not authorize new taxes or tolls but expands the Maryland Transportation Authority’s financing capacity.

MTBMA supports SB 188 because it provides the Maryland Transportation Authority with the financial flexibility needed to advance critical transportation infrastructure projects. Maryland’s transportation system requires continued investment to address system preservation and safety improvements. Increasing the revenue bond limit will allow more projects to move forward without delay, supporting job creation, economic growth, and long-term system reliability.

For these reasons, we respectfully ask that you vote FAVORABLE on Senate Bill 188.

Thank you,

Michael Sakata
President and CEO
Maryland Transportation Builders and Materials Association

SB0188 - LOS - MDTA - Bond Cap Increase.pdf

Uploaded by: Patricia Westervelt

Position: FAV



Wes Moore
Governor
Aruna Miller
Lieutenant Governor
Kathryn Thomson
Acting Secretary

January 21, 2026

The Honorable Guy Guzzone
Chair, Senate Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, MD 21401

RE: Letter of Support – Senate Bill 188 – Maryland Transportation Authority – Revenue Bond Cap Increase

Dear Chair Guzzone and Committee Members:

The Maryland Department of Transportation (MDOT) and the Maryland Transportation Authority (MDTA) support Senate Bill 188 and offer the following information for the Committee’s consideration.

SB188 would increase the MDTA’s revenue bond limit to \$5 billion from its current cap of \$4 billion in response to financing needs associated with MDTA’s capital preservation program and the Francis Scott Key Bridge reconstruction. Currently, MD Code, Transportation §4–306 establishes that “revenue bonds secured by toll revenue may be issued in any amount as long as the aggregate outstanding and unpaid principal balance of the revenue bonds secured by toll revenue and revenue bonds of prior issues does not exceed \$4,000,000,000 on June 30 of any year.” A lower bonding limit hampers the legally required capital maintenance of the tolling facilities. Depending on the federal reimbursement speed, Key Bridge financing needs may cause MDTA debt to rise more quickly during the six-year program period and exceed the \$4 billion bonding limit in fiscal year 2027. Some portion of capital preservation projects are financed over the useful lives of the improvements, and the remaining portion is funded on a PAYGO basis from net operating revenues.

Recognizing the legal requirement to maintain the facilities in good working condition, a bonding capacity of less than \$5 billion could require a larger increase in tolling rates and revenues to support a larger proportion of PAYGO funding. Additionally, the need to fund the Key Bridge reconstruction costs prior to federal reimbursements may necessitate substantial short-term financings during the multi-year construction period.

The Maryland Department of Transportation and the Maryland Transportation Authority respectfully request the committee to consider this information when deliberating Senate Bill 188 and request a favorable report.

Respectfully submitted,

Bruce Gartner
Executive Director
Maryland Transportation Authority
410-537-1001

Matt Mickler
Director of Government Affairs
Maryland Department of Transportation
410-865-1090

SB 188_MAA_FAV.pdf

Uploaded by: Tim Smith

Position: FAV



Senator Guy Guzzone, Chair
Senate Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, MD 21401

January 21, 2026

RE: SB 188 – FAVORABLE – Maryland Transportation Authority – Revenue Bond Limit – Increase

Dear Chair Guzzone and Members of the Committee:

The Maryland Asphalt Association (MAA) represents approximately 110+ members, including 20 material producers, contractors, engineering firms, and associate members, supporting a 7,000-person workforce. MAA actively collaborates with regulatory agencies to advocate for the asphalt industry, ensuring fair regulations at both the state and federal levels. Additionally, we support adequate funding for Maryland's multimodal transportation system.

Senate Bill 188 would increase the limit on the amount of revenue bonds the Maryland Transportation Authority may have outstanding and unpaid. Specifically, the bill raises the cap on outstanding toll-backed revenue bonds from \$4 billion to \$5 billion. The bill does not authorize new taxes or tolls but expands the Maryland Transportation Authority's financing capacity.

MAA supports SB 188 because it provides the Maryland Transportation Authority with the financial flexibility needed to advance critical transportation infrastructure projects. Maryland's transportation system requires continued investment to address system preservation and safety improvements. Increasing the revenue bond limit will allow more projects to move forward without delay, supporting job creation, economic growth, and long-term system reliability.

For these reasons, we respectfully ask for a favorable report on Senate Bill 188.

Sincerely,

Tim E. Smith, P.E.
President
Maryland Asphalt Association