



CITY OF TAKOMA PARK, MARYLAND

**SB 362 / HB 649
Support**

Senate Budget and Taxation Committee

February 2, 2021

SB 362: Transportation - Highway User Revenues - Revenue and Distribution

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The City of Takoma Park supports SB 362, which would increase the share of highway user revenue funding for municipalities and counties from fiscal years 2020 to 2024, and remove the sunset on highway user revenue levels for municipalities and counties after 2025.

As Mayor Kate Stewart testified regarding similar legislation last year, continued and certain highway user fund revenue is critical for municipalities to make long-term transportation decisions and maintain local infrastructure. Takoma Park received \$495,471 in highway user revenue in 2020, which the City used for road surfacing and sidewalk projects, as well as traffic calming. Under current law, Takoma Park's highway user revenue is projected to decline by almost \$50,000 in 2021, which could limit the City's ability to continue these types of infrastructure projects. These funding levels also remain below pre-recession levels of \$580,000 to 600,000 a year from 2006 to 2008, even as the City and region experienced continued population growth.

As the City prepares for the completion of the Purple Line in 2022 and rethinks how roads, sidewalks and bikeways should work in these times of climate change and pandemic, it is more important than ever for the City to have certainty in the continuity of highway user revenue funding. SB 362 would help advance this goal by removing the sunset on highway user revenue funding. The City remains concerned that funding would be subject to the ability of the Department of Transportation to meet debt service and operating expenses, creating uncertainty for municipalities making long-term transportation decisions. Nevertheless, adoption of SB 362 will provide critical assistance to Takoma Park and other municipalities as we maintain the State's road networks.

The City of Takoma Park strongly supports SB 362 for helping restore highway user revenue funding to pre-recession levels and providing more certainty in the long-term continuity of highway user revenue funding.