



John Hartline, Chair

50 Harry S. Truman Parkway • Annapolis, MD 21401
Office: 410-841-5772 • Fax: 410-841-5987 • TTY: 800-735-2258
Email: rmc.mda@maryland.gov
Website: www.rural.maryland.gov
Charlotte Davis, Executive Director

POSITION STATEMENT

Senate Bill 0362 – Highway User Revenues – Revenue and Distribution
Before Budget and Taxation Committee
February 2, 2021

The Rural Maryland Council **SUPPORTS** Senate Bill 362 – Highway User Revenues – Revenue and Distribution. This bill alters the amount of capital grants based on highway user revenues that are required to be appropriated to Baltimore City, counties, municipalities by increasing the capital grants that shall be appropriated from the Transportation Trust Fund by 13.5% between fiscal years 2020 through 2024 and 14.6% for fiscal year 2025 and each fiscal year thereafter.

The Highway User Revenues are the share of gas tax and vehicle titling tax dedicated for local roadways and bridges in Maryland. Historically, the state shared 30% of these revenues with local governments to maintain their roads. However, the distribution of these funds was greatly cutback due the economic downturn in 2008, and the reduction in State funding continues to affect the ability of local governments to provide infrastructure repair, maintenance, and transportation services. While these local dollars have increased gradually over the years, the funding still reflects a sizeable decrease from the share of these revenues that were allocated to local governments in the past.

Drivers generate funding for local road projects through the gas tax and SB 362 will guarantee that some of the gas tax revenue will be directed to fix local roads in a driver's community. The Council respectfully requests your favorable support of SB 362.

The Rural Maryland Council (RMC) brings together citizens, community-based organizations, federal, state, county and municipal government officials as well as representatives of the for-profit and nonprofit sectors to collectively address the needs of Rural Maryland communities. We provide a venue for members of agriculture and natural resource-based industries, health care facilities, educational institutions, economic and community development organizations, for-profit and nonprofit corporations, and government agencies to cross traditional boundaries, share information, and address in a more holistic way the special needs and opportunities in Rural Maryland.

“A Collective Voice for Rural Maryland”