



# POSITION STATEMENT

## TESTIMONY PRESENTED TO THE SENATE BUDGET & TAXATION COMMITTEE

### SENATE BILL 362 -- TRANSPORTATION - HIGHWAY USER REVENUES -- REVENUE AND DISTRIBUTION

Sponsor – Senator Cory McCray

February 2, 2021

**DONALD C. FRY**  
**PRESIDENT & CEO**  
**GREATER BALTIMORE COMMITTEE**

#### **Position: Support**

The Greater Baltimore Committee (GBC) supports Senate Bill 362, which would remove the funding sunset for municipal highway user revenues (HUR) after Fiscal Year 2024. Senate Bill 362 would also increase municipal funding starting in Fiscal Year 2025 to the approximate levels that existed prior to the reductions in Fiscal Year 2010.

Removing the sunset on HUR distributions would provide critical certainty to county and municipal governments that the funding is long-term and protected. Additionally, through established timelines, Senate Bill 362 delays funding increases for three years, which provides the State with adequate time to adjust project funding allocations.

Legislation passed by the General Assembly in 2018 provided for the current funding level for municipal HUR, which is the highest it has been in over a decade, for a duration of five fiscal years. This assured funding has been helpful to local governments in maintaining their infrastructure. Yet, with the sunset looming after Fiscal Year 2024, local governments are concerned about committing to longer-term transportation project plans.

Senate Bill 362 is consistent with a key tenet in *Gaining the Competitive Edge: Keys to Economic Growth and Job Creation in Maryland*, a report published by the GBC that identifies eight core pillars for a competitive business environment and job growth:

**Superior transportation infrastructure with reliable funding mechanisms.** An essential prerequisite of a competitive business environment includes well-funded and maintained highway, transit, port, and airport infrastructure that provides reliable and efficient options to move people, goods, and services.

Finally, the Greater Baltimore Committee's 2021 Legislative Priorities encourage policymakers to implement a balanced transportation policy and funding priorities that create interconnected, multimodal transportation networks and promote equitable investment in systems across regions, modes, and communities.

**For these reasons, the Greater Baltimore Committee urges a favorable report on Senate Bill 362.**

*The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 66-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.*

**GREATER BALTIMORE COMMITTEE**

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