



House Bill 1322

Operating Budget - Consolidated Transportation Program and Unanticipated Federal Funds

MACo Position: **SUPPORT**

To: Appropriations Committee

WITH AMENDMENTS

Date: March 8, 2022

From: Dominic J. Butchko

The Maryland Association of Counties **SUPPORTS** HB 1322 **WITH AMENDMENTS**. This bill seeks to guide Maryland's use of federal funds for various infrastructure needs. Counties seek language in the bill, and as part of any associated discussions, to assure that locally maintained roads and bridges are restored to their rightful and historic place in Maryland's transportation and infrastructure fabric.

HB 1322 is designed to provide a set of guardrails should the State receive unexpected federal aid from the recent federal infrastructure package. The bill targets funds to three categories: projects included in the consolidated transportation budget, the replacement of lead pipes, or projects in underserved communities.

Counties agree with the wisdom of legislation like HB 1322, creating a framework for the multi-year deployment of billions in federal investment. Having a guide for the use of federal funds provides both predictability and process should more resources be made available to the State. MACo would urge language creating a clear path for the restoration of Highway User Revenues, which counties believe can be part of such a framework. If the policy downside of restoring the full share of HUR funding for local roads and bridges is the potential delay in projects within the State's current capital plan, HB 1322 can serve as the means to create the "soft landing" to allay those concerns. Maryland can have it both ways, and serve every community, as Marylanders everywhere benefit from the federal emphasis on infrastructure.

The share of State transportation revenues targeting local roads and bridges was cut drastically during the 2009 "great recession." Unlike most cost savings measures during that fiscal crisis, Highway User Revenues have never even approached restoration, undermining residents' expectations. The anticipated wave of federal funding gives Maryland its clearest opportunity to do so, through stand-alone legislation or in concert with a bill like HB 1322.

HB 1322 can be amended to help promote the fair restoration of funding to local transportation. Accordingly, MACo urges the committee to **SUPPORT full funding for our local roads and bridges**, whether through an **AMENDED** version of HB 1322, or other legislation.