



March 4, 2022

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

Delegate Kumar Barve  
Chair, Environment and Transportation Committee  
Room 251  
House Office Building  
Annapolis, Maryland 21401

**RE: Support for SB726/HB1187- Transportation – Highway User Revenues – Revenue and Distribution**

Dear Chairs and Committee Members:

The Mayor and City Council of Gaithersburg support Senate Bill 762 & House Bill 1187. In addition to removing the funding sunset after FY '24, these bills would increase highway user revenues (HURs) to municipalities over the next two fiscal years to approximate HUR funding levels that are consistent with historical norms, while also providing stability to plan longer-term projects. These are priority bills for both the City of Gaithersburg as well as the Maryland Municipal League.

As you recall, the 2009 reduction to highway user revenue was intended to be a one-time cut and restored the following year- which never happened. Here in the City of Gaithersburg, we estimate to have lost between \$7.5M and \$9M over the past decade alone. The loss of these funds increased our deferred maintenance costs and significantly delayed new road projects to support Gaithersburg's fast-growing population and business community. While the effects of these cuts were undoubtedly felt statewide, the impacts were particularly acute here in Gaithersburg, where we operate as a "pay as you go" city and do not borrow to fund capital projects.

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MAYOR  
Jud Ashman

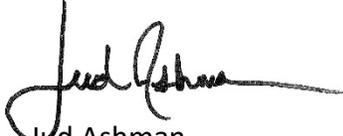
COUNCIL MEMBERS  
Neil Harris  
Lisa Henderson  
Jim McNulty  
Ryan Spiegel  
Robert T. Wu

CITY MANAGER  
Tanisha R. Briley

While the annual grants in recent years have been helpful to our city, we cannot realistically rely on them from year to year. The cost of labor and materials for road maintenance and construction continues to rise, and these amounts of these grants are simply insufficient. As a result, planning and budgeting for the City's transportation projects has proven to be problematic. With a state budget surplus and billions of federal infrastructure dollars flowing into Maryland, we believe that 2022 is the year to finally and permanently restore highway user revenues to local governments.

For all of the reasons stated herein, we respectfully request these committees grant these bills a favorable report. Thank you for your consideration.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jud Ashman", with a long horizontal flourish extending to the right.

Jud Ashman

Mayor

City of Gaithersburg