



## Senate Bill 161

### *Transportation – Highway User Revenues - Allocation*

MACo Position: **SUPPORT**

To: Budget & Taxation Committee

Date: February 1, 2017

From: Barbara Zektick

The Maryland Association of Counties (MACo) **SUPPORTS** SB 161. This bill phases in restoration of highway user revenues over seven years, provided that Transportation Trust Fund revenues exceed the most recent estimate of the Board of Revenue Estimates for the applicable fiscal year.

*This phase-in will supply desperately needed revenue to repair and maintain local roads and bridges.*

Maryland's 23 counties and Baltimore City identified reinvestment in local roads, bridges, and infrastructure as one of their top legislative initiatives this Session. All 24 jurisdictions – of varying sizes, budgets, and regions – are united in the need for a Local Infrastructure Fast Track for Maryland (LIFT 4 MD).

Recession-driven cost shifts have left local roadways lacking proper maintenance, bridges in dire need, and other public infrastructure neglected. Re-investing in infrastructure – a call heard at every level of government – is good for Maryland jobs, business attractiveness, and quality of life across the state.

For more than 40 years, local roadways received 30% of highway user revenues (motor fuel tax and vehicle registration fees). The Great Recession forced cuts to this area deeper than those in any other component of the state budget. 23 counties' share of funds plummeted from \$282 million in 2007 to only \$27 million today. Baltimore City alone now receives \$85 million less each year than before the cuts. The cumulative loss of local roadway investment since Fiscal 2010 is nearly \$3 billion.

It is unquestionable that local governments maintain the lion's share of the roads and bridges in our state. Unlike most other states, in Maryland, local governments own and maintain 83% of the roads. Even recognizing that state arterials have more lanes than local roads do, local governments still own and maintain 77% of the lane miles in Maryland. Every resident depends on local roadways.

Highway user revenues fund roads and bridges throughout our entire state, through an equitable, time-tested formula based on road mileage and vehicle registrations. This touches the roads our kids ride to school, the roads our first responders travel to keep us safe, and the roads where we all live. SB 161 begins to bring transportation dollars back to 83% of the roads and bridges in Maryland, and brings transportation dollars back to everyone's home. SB 161 offers a path to restore these desperately needed funds, with a contingency based on ongoing revenue strength.

Accordingly, MACo requests the Committee give SB 161 a **FAVORABLE** recommendation.