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Committee: Environment and Transportation Testimony on: HB 1070- Maryland Transportation Authority - Tolls - Collection and Use (Maryland Toll Rate Reform Act of 2024) Position: Support Hearing Date: March 1, 2024

The Maryland Chapter of the Sierra Club supports HB 1070. This bill raises critical revenue that is needed for our state's transportation system. The bill requires that the Maryland Transportation Authority (MDTA) maximize toll revenues to generate funding for the maintenance and operation of its toll facilities. Any revenues that are generated beyond what is required by MDTA for its operations will be earmarked into a Transportation Facilities Overage Account that can be used for construction and maintenance of state highway and transit projects that are located within the general vicinity of a transportation facility. MDTA is required to consider discounts for seniors, low-income residents, Maryland E-ZPass holders, and state residents in the process.

Maryland's six year capital budget is facing a fiscal imbalance of over \$3.15 billion. If the fiscal imbalance is not addressed, it would result in major cuts to transit service, deferred maintenance needs on our transit and highway systems, and a delay of critical vehicle electrification programs. To address the fiscal imbalance, Maryland should reevaluate its spending priorities and raise revenue.

Revenue that is raised for transportation purposes should first go to State of Good Repair projects that maintain our state's transportation systems and preserve existing public transit service. Additional funding raised should focus on expanding public transit, active transportation, vehicle electrification, and transit oriented-development projects and programs that would help meet the state's climate, mobility, and equity goals. It is important that revenue raised through programs such as these are not used for highway expansion projects that would hinder progress on these goals. Therefore we urge this committee to consider prohibiting any funds raised by this legislation to be used for highway construction.

This bill is based on recommendations from the interim report of the Commission on Transportation Revenue and Infrastructure Needs. The funding generated by this program can be used for critical repair needs and the expansion of public transit service that will help reduce pollution and improve mobility. For this reason, we urge a favorable report.

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Founded in 1892, the Sierra Club is America's oldest and largest grassroots environmental organization. The Maryland Chapter has over 70,000 members and supporters, and the Sierra Club nationwide has over 800,000 members and nearly four million supporters.