

**Committee: Transportation and Environment Subcommittee- (Appropriations  
Committee)****Testimony on: Budget Hearing- MDOT State Highway Administration****Hearing Date: February 27, 2023**

The Maryland Chapter of the Sierra Club encourages incoming Secretary Wiedefeld and the General Assembly to exercise the flexibility of federal transportation funds to promote sustainable transportation options that reduce climate pollution, improve public health, create good green jobs, and advance equity.

Two of the largest sources of federal funding for transportation that the federal government automatically gives to the Maryland Department of Transportation each year are the Surface Transportation Block Grant (STBG) and the National Highway Performance Program (NHPP). In fiscal year 2022, Maryland received approximately \$203 million from the STBG and \$418 million from the National Highway Performance Program. The Infrastructure Investment and Jobs Act (also known as the Bipartisan Infrastructure Law) passed by Congress in 2021 increases the amount that Maryland receives each year for these block grant programs.

The guidance from the federal government Bipartisan Infrastructure Law<sup>1</sup> on how to spend the Surface Transportation Block Grant (STBG) funds indicates that a state may transfer up to 50% of funds to programs that allow for spending on transit, biking, and pedestrian infrastructure. In addition, 50% of funds can be transferred from the National Highway Performance Program to other sources like the Congestion Mitigation & Air Quality Improvement Program (CMAQ) and Transportation Alternatives Program (TAP) that fund bike, transit, and pedestrian infrastructure.<sup>2</sup> However, Maryland only flexes a very small amount – just 9% from all eligible “highway programs” and less than 3% from STBG and NHPP, specifically<sup>3</sup> to transit, pedestrian, and cycling infrastructure.

**We ask that MDOT flex 50% of funds from the Surface Transportation Block Grant and National Highway Performance Program formulas towards eligible bike, transit, pedestrian projects, and vehicle electrification.** We also ask that MDOT report the percentage of these federal dollars that are flexed from these programs in the Consolidated Transportation Program and the Statewide Transportation Improvement Program each year.

For years, Maryland has been overspending on increasing highway capacity underfunding everything else—from maintaining our existing road and transit infrastructure to creating sidewalks and bike trails. The proportional split of the funding between traditionally “highway” and “transit” dollars remained essentially unchanged—with roughly 80% going towards highways and 20% going toward transit. In the 2023 list of regional transportation projects planned for the

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<sup>1</sup> <https://www.fhwa.dot.gov/bipartisan-infrastructure-law/stbg.cfm>

<sup>2</sup> <https://www.fhwa.dot.gov/legsregs/directives/orders/45511.cfm>

<sup>3</sup> [Download: Federal Funding Flexibility: Use of Federal Aid Highway Fund Transfers by State DOTs](#)

Baltimore area for the next four years, no funds were allocated for transit capacity or commuter rail, but over \$900 million were provided for expanding highway capacity.<sup>4</sup>

Flexing federal funds from projects and programs that increase single-occupancy vehicle usage to transit, cycling, pedestrian infrastructure, and vehicle electrification is critical to helping the state meet its goal of reducing 60% of greenhouse gas emissions by 2031. For example, the 2021 National Capital Region Transportation Planning Board Climate Change Mitigation Study<sup>5</sup> indicated that the Greater Washington region must reduce per capita driving (light duty VMT) 15-20% below the 2030 baseline forecast under the region's current transportation plan, ensure 50% of cars sold are EVs by 2030, and take additional actions to reduce transportation emissions at least 50% by 2030.

In November 2022, the Maryland Commission on Climate Change's annual report recommended that "the Governor should greatly increase the percentage of federal funding including from the Surface Transportation Block Grant and National Highway Performance Program to be used by state agencies and shared with cities and counties for public transit, bike, and pedestrian infrastructure, and Transit Oriented Development programs." In addition, in the fall of 2022 the Maryland Transit Caucus sent a letter to then-Sec. Jim Ports requested that MDOT utilize the flexibility in federal funds from the STBG and NHPP.

Maryland Sierra Club respectively requests that Maryland Department of Transportation utilize the flexibility of federal funds in the Surface Transportation Block Grant and National Highway Performance Program formulas to support eligible bike, transit, pedestrian projects, and vehicle electrification.

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<sup>4</sup> [https://www.baltometro.org/sites/default/files/bmc\\_documents/general/transportation/tip/23-26/23-26TIP.pdf](https://www.baltometro.org/sites/default/files/bmc_documents/general/transportation/tip/23-26/23-26TIP.pdf)

<sup>5</sup> <https://www.mwcog.org/tpb-climate-change-mitigation-study-of-2021/>