

WHO ARE WE?

An organization of 90 engineering and professional service firms in the State of Maryland

WHO DO WE REPRESENT?

Over 7,000 employees including:
 Engineers Scientists
 Architects Technical Specialists
 Land Surveyors Planners

CONTACT INFORMATION

8254 Bayside Drive
 Pasadena, MD 21122
 www.acecmd.org
 P. 410.539.1592 | F. 410.685.5470
 acecmd@aol.com

President
 Anthony R. Frascarella, P.E.

Chair, CEPAC
 Steven I. Hawtof, PE

Chair, Legislative Committee
 Samuel F. Minnitte, Jr.

Executive Director
 Jim Otradovec



**MARYLAND'S TRANSPORTATION TRUST FUND
 BALANCE, STABILITY & SUSTAINABILITY**

WHAT IS THE ISSUE?

The revenue generated from the gasoline tax is the major funding source for Maryland's Transportation Trust Fund (TTF). These funds fall short regularly and no longer meet the transportation infrastructure needs of the state. As a result, existing transportation facilities will continue to deteriorate including bridges, roadways, and mass transit systems. This is a dangerous prospect for the citizens of Maryland. If the revenue is not generated from the TTF for these critical repairs, the transportation system of the future will be in jeopardy. It is in the State's best interest to ensure funding levels in the TTF are at a level to sufficiently provide safe, effective and efficient travel. Further, this will ensure we can compete economically and help provide jobs for Marylanders.

WHY ARE THESE CHANGES IMPORTANT?

- To protect the TTF revenues in times where market disruptions adversely impact travel. Lack of a formula that will prevent TTF revenue from falling below a pre-determined level – a “floor” – when unique circumstances are presented (such as the pandemic's impact on fuel tax collections, gasoline prices and commuting) in the current gasoline tax is a structural deficiency in the current legislation and the provision for alternate sources of revenue are not provided.
- Budget shortfalls are now significant. The revenue stream to the TTF is based on an increasingly antiquated formula reliant on gas-powered vehicles. Increasing market acceptance of hybrid and electric vehicles further reduces gas tax revenues.
- Maryland is behind other states in the mid-Atlantic regarding transportation investment. These states have implemented a multi-model, approach to funding both roads and transit.
- There is no sustainable revenue source for transit. Inherent limitations with cost recovery have never been sufficiently addressed.
- System preservation funding is at-risk. Maintenance funding for highways, bridges and transit has been dramatically cut, leading to concerns over public safety.

Legislative Action Required

Three primary concerns – First, Address the structural deficiency (no floor) in House Bill 1515, Transportation Infrastructure Investment Act of 2013. Second, Correct the fuel tax from a wholesale levy to a more efficient retail levy “at the pump.” Third, revise the formula for reliance on vehicle gasoline sales which inherently does not recognize the hastening market shift to fuel efficiency and alternative powered vehicles to a formula which does recognize this market shift.