

New task force to study transportation funding; analysts predict a \$2.5B shortfall in next 6 years

By Len Lazarick
Examiner Staff Writer

The Greater Baltimore Committee has formed a new 24-member task force on transportation funding at the same time legislative analysts are forecasting a \$2.5 billion shortfall in funding for highway and transit projects over the next six years.

"The way we fund transportation is broken," said Don Fry, president of the GBC. "We announced we were going to form this even before all the major hits to the trust fund took place."

On Tuesday, legislative analyst Jon Martin told lawmakers on the joint Spending Affordability Committee that transportation revenues are down primarily because people are buying fewer cars and trucks, and driving less.

That means the titling tax — the sales tax on vehicles — is expected to be down \$1 billion over the next six years, and gasoline tax revenues already are down as well. That means the Transportation Department will be able to sell \$1.2 billion less in bonds to build projects.

Transportation Secretary John

Porcari said his department was looking carefully at the estimates, but he didn't think the future would be as bad as forecast.

In past recessions, the titling tax has recovered after about 24 months, Porcari said.

In September, Porcari announced he was shelving \$1 billion in road and transit projects based on lower revenue estimates. "We've already made operating cost reductions" since then, Porcari said. It is "too early to speculate" about the need to cut other projects in the future.

Fry said transportation funding was too dependent on titling fees and the gasoline tax. Even when the economy turns around, Fry said, people would likely be buying smaller, less expensive and more fuel-efficient vehicles, generating lower transportation revenues.

The Greater Baltimore Committee, the Maryland Chamber of Commerce, the Greater Washington Board of Trade and other business groups have long advocated increasing the gas tax, which has not been raised in 16 years. But even a modest proposal last year by Gov. Martin O'Malley to index the gasoline tax to inflation was rejected out of hand by the Gen-

eral Assembly,

"We need a gas tax, folks," Senate President Thomas Mike Miller told the chamber two weeks ago. "I know it's not popular," having proposed it several times to three different governors.

"It's probably not going to happen till the next administration, Republican or Democrat," Miller added.

"There's not going to be a Red Line [in Baltimore], there's not going to be a Purple Line [near D.C.], there's not going to be a new Bay bridge," he said. "People want to talk about these things, but it's not going to happen without a revenue source. It's not good politics.

"It's not an economic development issue, so much as a quality-of-life issue," Miller said.

llazarick@baltimoreexaminer.com