

Greater Baltimore Committee Leaders Propose Gas Tax Increase to Close Transportation Funding Gap

BALTIMORE, Sept. 21 /PRNewswire-USNewswire/ -- Citing concern over the level of transportation funding in Gov. Martin O'Malley's preliminary plan to increase state revenues, leaders of the **Greater Baltimore Committee** called for a 10-cent gas tax increase as a major source to provide \$600 million in additional revenue to the state's Transportation Trust Fund.

The \$600 million is the minimum annual increase needed for the state to be able to begin addressing a more than \$40 billion backlog of planned highway, transit, port, and airport projects that are not yet funded for construction, according to GBC President & CEO Donald C. Fry.

The Governor's plan to close the state's \$1.7 billion deficit, expand health care access, and strengthen transportation resources includes only a \$400 million transportation funding increase, Fry and GBC Chairman Atwood "Woody" Collins III, president of M&T Bank's Mid-Atlantic Division, noted during a news conference on Baltimore's MARC terminal platform in Baltimore.

Between now and 2012, the cost of simple upkeep for all of Maryland's transportation systems will increase 4.5 percent annually but, at current levels, revenue to the Transportation Trust Fund will increase by only 2.5 percent a year.

"Every day that we put off starting the capital projects that we need to relieve congestion in Maryland costs us time and money," said Collins.

GBC leaders note that even though O'Malley's revenue-raising proposal places a substantial burden of new taxes on businesses and business owners, it fails to adequately deliver the business community's top economic development priority -- bolstering the state's Transportation Trust Fund.

"At a time when we are talking about \$1.7 billion in new general funds, much of which would come from business, I would certainly hope that we could find it in our political will to raise one third of that amount to ensure that our citizens move more freely on our highways, and have access to transportation alternatives," Fry said.

Given Maryland's projections for growth in the next 25 years, funding improvements to its transportation infrastructure is the state's top economic development challenge, he said.

SOURCE **Greater Baltimore Committee**