

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

Senate Bill 600

(Senator Garagiola)

Judicial Proceedings

Environmental Matters

Vehicle Laws - Electric Vehicles

This bill extends by (1) two years the termination date for the Maryland Electric Vehicle Infrastructure Council and (2) four years the authorization for plug-in electric drive vehicles to use high occupancy vehicle (HOV) lanes. The bill also establishes new reporting requirements for the council. The bill defines “plug-in electric drive vehicle” in the Maryland Vehicle Law, including for purposes of the vehicle excise tax credit, the disclosure of personal records by the Motor Vehicle Administration (MVA), and the use of such vehicles on HOV lanes. The new definition does not substantively alter the application of the tax credit, but the definition changes slightly for purposes of the personal record disclosure requirement and the authorization to use HOV lanes.

The bill takes effect June 1, 2013.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures increase negligibly for the Maryland Department of Transportation (MDOT) to continue providing staff support to the Maryland Electric Vehicle Infrastructure Council for an additional two years, produce the required reports, and continue to issue HOV lane decals. Revenues are not affected, assuming MVA continues to offer HOV permits to electric vehicles free of charge.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law/Background:

The Maryland Electric Vehicle Infrastructure Council

Chapters 400 and 401 of 2011 (SB 176/HB 167) established the Maryland Electric Vehicle Infrastructure Council to promote the use of electric vehicles in Maryland. An interim report of the council's work and recommendations was required to be submitted to the Governor and the General Assembly by January 1, 2012, and a final report was required to be submitted by December 1, 2012. In the final report, the council recommended that the termination date for the council be extended by two years.

Current Definitions of Electric Vehicle

Currently, the definitions for a "qualified plug-in electric vehicle" and a "plug-in vehicle" are slightly different as they apply to tax credits and HOV lane use, respectively. A "qualified plug-in electric vehicle" must be acquired for use or lease by a taxpayer and not for resale and must be titled by a taxpayer between October 1, 2010, and July 1, 2013. A "plug-in vehicle" must meet neither of these requirements, but the definition applies to a vehicle with a maximum speed capability of at least 65 miles per hour, rather than 55 miles per hour for the definition of a qualified plug-in electric vehicle.

The Maryland Electric Vehicle Infrastructure Council recommended that a new definition be established because the current definitions terminate along with the tax credit and the authorization to use HOV lanes. The council also recommended that the new definition encompass vehicles converted to plug-in status aftermarket.

Authorization to Use Electric Vehicles in HOV Lanes

Chapters 491 and 492 of 2010 (HB 674/SB 602) authorize a plug-in vehicle with a State permit to use HOV lanes until September 30, 2013. The Department of State Police (DSP) as well as MVA and the State Highway Administration (SHA) were required to design the permit, and MVA is authorized to charge a fee of up to \$20 for issuance of the permit. Currently, MVA does not charge a fee. Chapters 491 and 492 require MVA and SHA to annually report on the effect that use of plug-in vehicle permits has on the operation of HOV lanes in the State. In the 2012 report, the agencies noted that 392 HOV permits had been issued as of October 1, 2012. SHA determined that the number of vehicles was sufficiently minimal as to have no impact on HOV lane operations and that more formal study is not needed with so few permitted vehicles.

The Maryland Electric Vehicle Infrastructure Council recommended in its final report that the authorization to issue HOV lane permits be extended from September 30, 2013, to September 30, 2020, along with the requirement that MVA and SHA continue to monitor the impact of HOV lane use by electric vehicles.

Disclosure of Personal Records Relating to Electric Vehicles

Chapters 334 and 335 of 2012 (SB 998/HB 1279) require a custodian of personal records at MVA to release specified personal information for use by an electric company, but only (1) information describing a plug-in vehicle and identifying the address of the registered owner of the vehicle; (2) for use in planning for the availability and reliability of the electric power supply; and (3) if the information is not published or further disclosed, including to an affiliate, or used for marketing or solicitation purposes.

Growth of Electric Vehicles

Although plug-in electric vehicles represent a small percentage of total vehicle sales, the rate of growth in sales for these vehicles has been significant. According to MVA data, only 1 electric vehicle was registered in Maryland in fiscal 2010, but there were 72 in fiscal 2011 and 657 in fiscal 2012. Additionally, 875 electric vehicle excise tax exemptions have been granted in fiscal 2013 (through January 2013); this represents more than 1% of all vehicles titled.

Additional Information

Prior Introductions: None.

Cross File: HB 836 (Delegates Malone and McHale) - Environmental Matters.

Information Source(s): Maryland Energy Administration, Public Service Commission, Maryland Department of Transportation, Department of Legislative Services

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mc/ljm

Analysis by: Evan M. Isaacson

Direct Inquiries to:
(410) 946-5510
(301) 970-5510