

SENATE BILL 168

Q5, R4

9lr0124
CF 9lr0157

By: **The President (By Request – Administration) and Senators Carozza, Eckardt, Guzzone, Hershey, Jennings, Salling, Simonaire, and West**

Introduced and read first time: January 21, 2019

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Clean Cars Act of 2019**

3 FOR the purpose of expanding the vehicle excise tax credit for the purchase of certain
4 plug-in electric drive vehicles to include the purchase of certain fuel cell electric
5 vehicles; providing that the credit for a fuel cell electric vehicle may not exceed a
6 certain amount; altering the name, membership, and required activities of the
7 Maryland Electric Vehicle Infrastructure Council; requiring the Council to issue an
8 interim report on or before a certain date; requiring the Council to submit certain
9 reports to certain committees of the General Assembly on or before certain dates;
10 increasing, for a certain fiscal year, the amount that a certain fund must reimburse
11 the Transportation Trust Fund; increasing the total amount of credits that may be
12 allowed during a certain fiscal year; defining a certain term; correcting an obsolete
13 reference; repealing certain obsolete provisions; making stylistic changes; and
14 generally relating to fuel cell electric vehicles.

15 BY adding to
16 Article – Transportation
17 Section 11–125.1
18 Annotated Code of Maryland
19 (2012 Replacement Volume and 2018 Supplement)

20 BY repealing and reenacting, with amendments,
21 Article – Transportation
22 Section 13–815
23 Annotated Code of Maryland
24 (2012 Replacement Volume and 2018 Supplement)

25 BY repealing and reenacting, with amendments,
26 Chapter 400 of the Acts of the General Assembly of 2011, as amended by Chapters
27 64 and 65 of the Acts of the General Assembly of 2013 and Chapter 378 of the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Acts of the General Assembly of 2015

2 Section 1

3 BY repealing and reenacting, with amendments,

4 Chapter 401 of the Acts of the General Assembly of 2011, as amended by Chapters

5 64 and 65 of the Acts of the General Assembly of 2013 and Chapter 378 of the

6 Acts of the General Assembly of 2015

7 Section 1

8 BY repealing and reenacting, with amendments,

9 Chapter 359 of the Acts of the General Assembly of 2014, as amended by Chapters

10 362 and 363 of the Acts of the General Assembly of 2017

11 Section 2

12 BY repealing and reenacting, with amendments,

13 Chapter 360 of the Acts of the General Assembly of 2014, as amended by Chapters

14 362 and 363 of the Acts of the General Assembly of 2017

15 Section 2

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

17 That the Laws of Maryland read as follows:

18 **Article – Transportation**

19 **11–125.1.**

20 **“FUEL CELL ELECTRIC VEHICLE” MEANS A MOTOR VEHICLE THAT:**

21 **(1) IS MADE BY A MANUFACTURER;**

22 **(2) IS MANUFACTURED PRIMARILY FOR USE ON PUBLIC STREETS,**
23 **ROADS, AND HIGHWAYS;**

24 **(3) IS RATED AT NOT MORE THAN 8,500 POUNDS UNLOADED GROSS**
25 **WEIGHT;**

26 **(4) HAS A MAXIMUM SPEED CAPABILITY OF AT LEAST 55 MILES PER**
27 **HOUR;**

28 **(5) IS POWERED ENTIRELY BY ELECTRICITY, PRODUCED BY**
29 **COMBINING HYDROGEN AND OXYGEN, THAT RUNS THE MOTOR;**

30 **(6) HAS AN OPERATING RANGE OF AT LEAST 100 MILES; AND**

31 **(7) PRODUCES ONLY WATER VAPOR AND HEAT AS**

1 **BY-PRODUCTS.**

2 13–815.

3 (a) In this section, “excise tax” means the tax imposed under § 13–809 of this
4 subtitle.

5 (b) This section applies only to [a]:

6 **(1) A plug-in electric drive vehicle that:**

7 [(1)] **(I)** Has not been modified from original manufacturer specifications;

8 [(2)] **(II)** Is acquired for use or lease by the taxpayer and not for resale;

9 [(3)] **(III)** Has a total purchase price not exceeding \$60,000;

10 [(4)] **(IV)** Has a battery capacity of at least 5.0 kilowatt-hours; and

11 [(5)] **(V)** Is purchased new and titled for the first time on or after July 1,
12 2017, but before July 1, 2020; AND

13 **(2) A FUEL CELL ELECTRIC VEHICLE THAT:**

14 **(I) HAS NOT BEEN MODIFIED FROM ORIGINAL MANUFACTURER**
15 **SPECIFICATIONS; AND**

16 **(II) IS ACQUIRED FOR USE OR LEASE BY THE TAXPAYER AND**
17 **NOT FOR RESALE.**

18 (c) Subject to available funding, a credit is allowed against the excise tax imposed
19 for a plug-in electric drive vehicle **OR FUEL CELL ELECTRIC VEHICLE.**

20 (d) **(1) [The] FOR A PLUG-IN ELECTRIC DRIVE VEHICLE, THE** credit
21 allowed under this section may not exceed the lesser of:

22 [(1)] **(I)** The product of \$100 times the number of kilowatt-hours of
23 battery capacity of the vehicle; or

24 [(2)] **(II)** \$3,000.

25 **(2) FOR A FUEL CELL ELECTRIC VEHICLE, THE CREDIT ALLOWED**
26 **UNDER THIS SECTION MAY NOT EXCEED \$3,000.**

27 (e) The credit allowed under this section is limited to the acquisition of:

1 (1) One vehicle per individual; and

2 (2) 10 vehicles per business entity.

3 (f) A credit may not be claimed under this section:

4 (1) For a vehicle unless the vehicle is registered in the State; or

5 (2) Unless the manufacturer has already conformed to any applicable State
6 or federal laws or regulations governing clean-fuel vehicle or electric vehicle purchases
7 applicable during the calendar year in which the vehicle is titled.

8 (g) The Motor Vehicle Administration shall administer the credit under this
9 section.

10 **Chapter 400 of the Acts of 2011, as amended by Chapters 64 and 65 of the Acts of**
11 **2013 and Chapter 378 of the Acts of 2015**

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
13 That:

14 (a) (1) In this section[, “electric] **THE FOLLOWING WORDS HAVE THE**
15 **MEANINGS INDICATED.**

16 (2) **“ELECTRIC vehicle” or “EV” means any mode of electric drive**
17 **transportation that is not operated on rails.**

18 (3) **“FUEL CELL ELECTRIC VEHICLE” OR “FCEV” HAS THE MEANING**
19 **STATED IN § 11–125.1 OF THE TRANSPORTATION ARTICLE.**

20 (b) There is a Maryland [Electric] **ZERO EMISSION Vehicle Infrastructure**
21 **Council.**

22 (c) The Council consists of the following members:

23 (1) One member of the Senate of Maryland, appointed by the President of
24 the Senate;

25 (2) Two members of the House of Delegates, appointed by the Speaker of
26 the House;

27 (3) The Secretary of Transportation or the Secretary’s designee;

28 (4) The Secretary of Planning or the Secretary’s designee;

1 (5) The Secretary of the Environment or the Secretary's designee;

2 (6) The Secretary of [Business and Economic Development] **COMMERCE**
3 or the Secretary's designee;

4 (7) The Executive Director of the Technical Staff of the Maryland Public
5 Service Commission or the Executive Director's designee;

6 (8) The Director of the Maryland Energy Administration or the Director's
7 designee; and

8 (9) The following members appointed by the Governor:

9 (i) One representative of an institution of higher education in the
10 State with expertise in energy, transportation, or the environment;

11 (ii) Two representatives of the Maryland Association of Counties,
12 including:

13 1. A representative who resides in a rural region of the State;
14 and

15 2. A representative who resides in an urban or suburban
16 region of the State;

17 (iii) Two representatives of the Maryland Municipal League,
18 including:

19 1. A representative who resides in a rural region of the State;
20 and

21 2. A representative who resides in an urban or suburban
22 region of the State;

23 (iv) One representative of the [Baltimore Electric Vehicle Initiative]
24 **BUSINESS COMMUNITY**;

25 (v) [Two representatives of electric companies] **ONE**
26 **REPRESENTATIVE OF AN ELECTRIC COMPANY** in the State;

27 (vi) One representative of an electric vehicle manufacturer;

28 (vii) One representative of a manufacturer of electric vehicle charging
29 stations;

30 (viii) One representative of fleet vehicle operators;

- 1 (ix) One representative of electrical workers;
- 2 (x) One representative of the environmental community;
- 3 (xi) One public member with expertise in energy or transportation
4 policy;
- 5 (xii) One representative of the Maryland Automobile Dealers
6 Association; [and]
- 7 (xiii) One representative of the retail electric supplier community;

8 **(XIV) ONE REPRESENTATIVE OF MANUFACTURERS OF FUEL CELL**
9 **ELECTRIC VEHICLE INFRASTRUCTURE EQUIPMENT; AND**

10 **(XV) ONE REPRESENTATIVE OF MANUFACTURERS OF FUEL CELL**
11 **ELECTRIC VEHICLES.**

12 (d) The Governor shall designate the chair or cochairs of the Council.

13 (e) The Department of Transportation shall provide staff support to the Council
14 with the assistance of the Maryland Energy Administration and Maryland Public Service
15 Commission.

16 (f) A member of the Council:

17 (1) May not receive compensation as a member of the Council; but

18 (2) Is entitled to reimbursement of expenses under the Standard State
19 Travel Regulations, as provided in the State budget.

20 (g) The Council shall:

21 (1) Develop an action plan to facilitate the successful integration of **FUEL**
22 **CELL** electric vehicles into the State's transportation network;

23 (2) Assist in developing and coordinating statewide standards for
24 streamlined permitting and installation of [residential and] commercial [EV charging
25 stations and supply equipment] **HYDROGEN REFUELING AND SUPPLY EQUIPMENT FOR**
26 **FUEL CELL ELECTRIC VEHICLES;**

27 (3) Develop a recommendation for a statewide [charging] **HYDROGEN**
28 **FUEL CELL** infrastructure plan, including placement opportunities for public [charging]
29 **HYDROGEN REFUELING** stations;

30 (4) Increase consumer awareness and demand for [electric] **ZERO**

1 **EMISSION** vehicles through public outreach;

2 (5) Make recommendations regarding monetary and nonmonetary
3 incentives to support [electric] **ZERO EMISSION** vehicle ownership and maximize private
4 sector investment in [electric] **ZERO EMISSION** vehicles;

5 (6) Develop targeted policies to support fleet purchases of [electric] **ZERO**
6 **EMISSION** vehicles;

7 (7) Develop [charging solutions for existing and future multidwelling
8 units] **MODEL PROCUREMENT PRACTICES FOR LIGHT-DUTY VEHICLES THAT**
9 **INCLUDE AN EVALUATION OF THE VEHICLE LIFECYCLE COSTS INCLUSIVE OF**
10 **ESTIMATED FUEL COST OVER THE ANTICIPATED LIFE OF THE VEHICLE;**

11 (8) Encourage local and regional efforts to promote the use of electric
12 vehicles and attract federal funding for State and local EV programs;

13 (9) [Recommend policies that support EV charging from clean energy
14 sources] **ENCOURAGE LOCAL AND REGIONAL EFFORTS TO PROMOTE THE USE OF**
15 **FUEL CELL ELECTRIC VEHICLES AND ATTRACT FEDERAL FUNDING FOR STATE AND**
16 **LOCAL FCEV PROJECTS;**

17 (10) [Recommend a method of displaying pricing information at public
18 charging stations;

19 (11)] Establish performance measures for meeting [EV-related] **ZERO**
20 **EMISSION VEHICLE-RELATED** employment, infrastructure, and regulatory goals; and

21 [(12)] **(11)** Pursue other goals and objectives that promote the utilization of
22 [electric] **ZERO EMISSION** vehicles in the State.

23 (h) (1) On or before December 1, 2013, December 1, 2014, December 1, 2015,
24 December 1, 2016, December 1, 2017, [and] December 1, 2018, **AND DECEMBER 1, 2019,**
25 the Council shall submit interim reports of its work and recommendations to the Governor
26 and, [subject to] **IN ACCORDANCE WITH § 2-1246** of the State Government Article, **THE**
27 **SENATE FINANCE COMMITTEE, THE HOUSE ENVIRONMENT AND TRANSPORTATION**
28 **COMMITTEE, AND** the General Assembly.

29 (2) On or before June 30, 2020, the Council shall submit a final report of
30 its work and recommendations to the Governor and, [subject to] **IN ACCORDANCE WITH §**
31 **2-1246** of the State Government Article, **THE SENATE FINANCE COMMITTEE, THE**
32 **HOUSE ENVIRONMENT AND TRANSPORTATION COMMITTEE, AND** the General
33 Assembly.

34 **Chapter 401 of the Acts of 2011, as amended by Chapters 64 and 65 of the Acts of**

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That:

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(2) “**ELECTRIC** vehicle” or “**EV**” means any mode of electric drive transportation that is not operated on rails.

(3) “**FUEL CELL ELECTRIC VEHICLE**” OR “**FCEV**” HAS THE MEANING STATED IN § 11–125.1 OF THE TRANSPORTATION ARTICLE.

(b) There is a Maryland [Electric] **ZERO EMISSION** Vehicle Infrastructure Council.

(c) The Council consists of the following members:

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21 **HOUSE ENVIRONMENT AND TRANSPORTATION COMMITTEE, AND** the General
22 Assembly.

23 **Chapter 359 of the Acts of 2014, as amended by Chapters 362 and 363 of the Acts**
24 **of 2017**

25 SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding any other
26 provision of law, for fiscal [years 2018, 2019, and] **YEAR 2020**[, respectively,] the lesser of
27 **[\$2,400,000] \$6,000,000** or the actual total amount of credits allowed against the excise
28 tax shall be transferred from the Strategic Energy Investment Fund established under §
29 9–20B–05 of the State Government Article to the Transportation Trust Fund to offset a
30 reduction in revenues from the vehicle excise tax credit for qualified plug-in electric drive
31 vehicles **AND FUEL CELL ELECTRIC VEHICLES** under § 13–815 of the Transportation
32 Article, as enacted by this Act. [The] **FOR FISCAL YEAR 2020, THE** total amount of credits
33 allowed against the excise tax may not exceed **[\$3,000,000 during the course of any fiscal**
34 **year] \$6,000,000.**

35 **Chapter 360 of the Acts of 2014, as amended by Chapters 362 and 363 of the Acts**
36 **of 2017**

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6 reduction in revenues from the vehicle excise tax credit for qualified plug–in electric drive
7 vehicles **AND FUEL CELL ELECTRIC VEHICLES** under § 13–815 of the Transportation
8 Article, as enacted by this Act. [The] **FOR FISCAL YEAR 2020, THE** total amount of credits
9 allowed against the excise tax may not exceed [\$3,000,000 during the course of any fiscal
10 year] **\$6,000,000**.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
12 1, 2019.