



HB 1464
Vehicle Laws – Vehicle Data – Ownership and Use
Environment and Transportation Committee
Position: Favorable with Amendment

Maryland AGC, the Maryland Chapter of the Associated General Contractors of America, provides professional education, business development, and advocacy for commercial construction companies and vendors. AGC of America is the nation's largest and oldest trade association for the construction industry. Maryland AGC supports HB 1464 with an amendment set forth below and respectfully urges the Committee to give the bill a favorable report as amended.

HB 1464 is intended to establish ownership of data related to the operation of vehicles that have as data collection capability and to put restrictions on access to such data by anyone other than the owner of the vehicle. While it does not appear to be related to the use of a vehicle miles traveled tax as a means to fund Maryland's transportation infrastructure program, the bill would have this effect.

VMT or some variant represents the best technology to date to address the problem that steadily increasing fuel efficiency poses for a transportation system built on motor vehicle fuel taxes. Maryland, like most states, depends on motor vehicle fuel taxes to fund our highway and transit construction programs. At current gas tax levels, Maryland's highway and transit construction program is underfunded. Moreover, the rate of adoption for hybrid, electric, and perhaps even hydrogen vehicles, whose owners pay little or no fuel tax, is projected to expand over the next several decades. Moreover, climate change is expected to accelerate the adoption of electric vehicles as one way to reduce CO² emissions.

The decline in motor fuel prices since Maryland revised its motor vehicle fuel tax structure has had a negative impact on Maryland's motor fuel tax revenues. And this occurs at the same time that lower gas prices encourage more driving. A mileage-based system would avoid this mismatch of revenues and highway maintenance costs. In short, VMT is a necessary – perhaps the only realistic option – to fund highway and transit construction in the future.

Without intending to, HB 1464 addresses vehicle miles traveled by including in §22-421(a)(4) vehicle route and vehicle location in its definition of "protected data." Any VMT technology would inevitably record information of this type as an unavoidable part of recording miles traveled. Indeed, the data would be essential to applying a lower VMT tax rate to Marylanders living in rural areas, a necessary concession to the longer distances they travel compared to urban residents.

The VMT issue can be addressed by an amendment to §22-421(c) adding to the permitted use of vehicle data "data retrieved by or distributed to an agency of state government as part of a vehicle miles traveled tax program adopted under statute." Such an amendment will allow a future General Assembly to consider and adopt a VMT tax without running afoul of the terms of HB 1464.

Accordingly, we respectfully urge the Committee to adopt the amendment set forth above and, as amended, to give HB 1464 a favorable report.

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