MML_FAV_SB 277
Uploaded by: Donoho, Candace
Position: FAV

Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

February 11, 2020

Committee: Senate Finance

Bill: SB 277 – Clean Cars Act of 2020 – Extension, Funding, and Reporting

Position: Support

Reason for Position:

The Maryland Municipal League supports SB 277. This bill extends and alters the Electric Vehicle Recharging Equipment Rebate Program and vehicle excise tax credit for the purchase of electric vehicles, repeals the limitation on the maximum total purchase price of certain vehicles, and alters the amount required to be transferred each year from the Maryland Strategic Energy Investment Fund to the Transportation Trust Fund.

As electric vehicles gain popularity, more and more vehicle recharging stations are being installed all over the state. Many of these recharging stations are located within municipalities. The League appreciates the extension of the current program and the increase in funding to assist with the installation costs of these stations.

For these reasons, the League supports SB 277 and respectfully requests that the committee report the bill favorably.

FOR MORE INFORMATION CONTACT:

Scott A. Hancock	Executive Director
Candace L. Donoho	Government Relations Specialist
Bill Jorch	Manager, Government Relations & Research
Justin Fiore	Manager, Government Relations

ZEEVIC_FAV_SB0277
Uploaded by: ELEC VEHICLE INFRASTRUCTURE COUNCIL, MD ZERO EMISSION
Position: FAV

MARYLAND
ZERO EMISSION
Electric Vehicle Infrastructure Council

February 11, 2020

The Honorable Delores G. Kelley, Chair
Senate Finance Committee
Miller Senate Office Building
Annapolis, MD 21401

The Honorable Kumar P. Barve, Chair
House Environment and Transportation Committee
House Office Building
Annapolis, MD 21401

Re: SB 277 & HB 359 – Clean Cars Act of 2020 – Extension, Funding, and Reporting

Dear Chairs Kelley and Barve:

The Zero Emission Electric Vehicle Infrastructure Council ("ZEEVIC" or "Council") has reviewed the contents of SB 277 and HB 359 and determined that these bills are intended to achieve an outcome that is consistent with the mission of ZEEVIC and the State's goals for electric vehicle ("EV") promotion and proliferation.

ZEEVIC was established through legislation introduced in 2011 as part of a package of bills to promote EVs in the State of Maryland. ZEEVIC's mission is to: evaluate incentives for the ownership of EVs and the purchase of EV charging equipment; develop recommendations for a statewide infrastructure plan; and, propose policies to promote the successful integration of EVs into Maryland's communities and the transportation system.

As introduced, SB 277 and HB 359 would extend and alter the Electric Vehicle Recharging Equipment Rebate Program ("Rebate") and vehicle excise tax credit for the purchase of certain electric vehicles ("Credit"). The Rebate and Credit have been essential mechanisms to help achieve Maryland's transportation electrification goals. ZEEVIC understands that policymakers are considering alterations and would encourage a full consideration of stakeholder concerns to ensure that both mechanisms continue to support the achievement of Maryland's EV goals.

Respectfully,

Kevin George Miller
Chair, Legislative Workgroup
ZEEVIC

Governors office_fav_SB277
Uploaded by: Palmer, Mathew
Position: FAV

STATE OF MARYLAND
OFFICE OF THE GOVERNOR

LARRY HOGAN
GOVERNOR

STATE HOUSE
100 STATE CIRCLE
ANNAPOLIS, MARYLAND 21401-1925
(410) 974-3901
(TOLL FREE) 1-800-811-8336

TTY USERS CALL VIA MD RELAY

Senate Bill 277 – Clean Cars Act of 2020

SUPPORT (w/ Amendment)

Senate Finance Committee
February 11, 2020

Testimony By: Mathew Palmer, Deputy Legislative Officer

Explanation:

The purpose of the proposed legislation is to increase the penetration of consumer highway vehicles which run on electricity and produce zero harmful air emissions which contribute to climate change. Such technologies include more typical hybrid electric and all electric plug-in vehicles, but also hydrogen fuel cell vehicles which are in the early stages of penetrating Maryland's automotive market. Under the proposed legislation consumers of these vehicles may utilize a $3,000 tax credit on purchases of all such vehicles, and a rebate on the purchase electric vehicle recharging stations. The legislation also promotes other green transportation technologies which help to reduce harmful air emissions.

The Maryland Energy Administration's ("MEA") rebate program is almost uniformly oversubscribed, which is why the proposed legislation would increase the cap on annual Strategic Energy Investment Fund ("SEIF") spending for these MEA rebates by $600,000. In further recognition of this good policy and the growing demand which the rebate program incentives, the proposed legislation extends the authorization for this MEA program by three years.

In order to offset the lost revenue resulting from the $3,000 excise tax credits discussed above, the proposed legislation mandates an annual $12,000,000 transfer of SEIF dollars to the Maryland Motor Vehicle Administration ("MVA"), which administers the excise tax credit program. However, the proposed legislation also creates an innovative funding mechanism for this cost increase by tapping into Alternative Compliance Payments ("ACP") paid into the SEIF by utilities who are unable to meet their Renewable Portfolio Standard ("RPS") mandates. The Administration believes that ACPs will increase under the new RPS goals set forth in the Clean Energy Jobs Act, and the proposed legislation should funnel these excess resources into ZEVs which help to reduce the harmful air emissions from Maryland's vehicles contributing to climate change.

The Administration offers a housekeeping amendment:
on Page 5 Lines 3 - 5 "[" and "]" should be stricken.

Justification:
The initial changes to Page 5 Lines 3-5 were erroneous and unintentional.

General Motors_FAV_SB 277
Uploaded by: Roberts, Whitney
Position: FAV

GENERAL MOTORS

Whitney Roberts, Policy Lead
Advanced Vehicle Commercialization Policy
Environment, Energy & Safety Policy

General Motors Global Headquarters
MC: 482-C30-C76
300 Renaissance Center
Detroit, MI 48265-3000

February 10, 2020

Honorable Delores G. Kelley
Chair, Finance Committee
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

Subject: GM Support for SB 277, Clean Cars Act of 2020

Dear Chair Kelley -

General Motors LLC (GM) commends Governor Hogan and the SB 277 bill sponsors for their efforts to encourage the growth of the electric vehicle (EV) market in Maryland. The state's ambitious goals for the electrification of transportation can only be achieved through the concerted efforts of all key stakeholders across the state. GM supports the intent of this bill to promote the state's ongoing efforts to grow EV adoption across the state though the $3,000 flat credit for each vehicle purchased and $1.8 million in rebates on Electric Vehicle Service Equipment.

GM commends Maryland's commitment to the strategic transition of transportation to electrification, and all efforts by the Governor, the Legislature, and state agencies, to enable this transition through expanded incentives and the continued support of Maryland's Electric Vehicle Infrastructure Council through this legislation.

Sincerely,

Whitney Roberts

Whitney Roberts, Policy Lead
Advanced Vehicle Commercialization Policy
Whitney.Roberts@gm.com
(586) 767-9725

MDOT_TSO_INFO_SB0277
Uploaded by: TSO, MDOT
Position: FAV

February 11, 2020

The Honorable Delores Kelley
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, MD 21401

Re: Letter of Support – Senate Bill 277 – Clean Cars Act of 2020 – Extension, Funding, and Reporting

Dear Chair Kelley and Committee Members:

The Maryland Department of Transportation (MDOT) supports Senate Bill 277 and offers the following information for the Committee's consideration.

The Zero Emission Electric Vehicle Infrastructure Council (ZEEVIC) has been vital in promoting Maryland's overall effort in the continued development, advancement, and adoption of electric vehicles (EVs) as well as the installation of critical electric vehicle supply equipment (EVSE).

Maryland has a goal of 60,000 zero emission vehicle (ZEV) registrations in the State by 2020 and 300,000 by 2025. These goals represent a key component of ensuring that Maryland meets our greenhouse gas (GHG) emission reduction goal of 40% from 2006 levels by 2030.

Since 2011, ZEEVIC has worked to remove barriers to EV usage in Maryland through the development of infrastructure action plans, permitting standards, and state incentives for the purchase of EVs and EVSE. This work has resulted in record EV registrations. As of December 2019, EV registrations totaled 23,433 – a significant increase from 8,405 registrations in December 2016.

We will look to continue the State's strong momentum to reach these important goals.
The current ZEEVIC is comprised of a diverse group of stakeholders, all with vested interest in realizing our EV goals. Members include elected officials, electric vehicle manufacturers, environmental advocates, state agency representatives, EVSE manufacturers, electric utilities, members of the public, and Maryland academic institutions.

These pivotal efforts have resulted in the honor of Maryland being designated as a top tier, or Tier 1, EV State by the Electric Vehicle Coalition, second only to California.

Respectfully submitted,

Jeff Tosi
Director of Government Affairs
Maryland Department of Transportation
410-841-2850

Erdman_FWA_ SB 277
Uploaded by: Erdman, Robert
Position: FWA

SB 277 Clean Cars Act of 2020

Position: Support with Amendments

February 11, 2020

The Honorable Delores G. Kelley, Chair
Senate Finance Committee
Miller Senate Office Building
Annapolis, MD 21401

Honorable Chair Kelley and Members of the Senate Finance Committee:

My name is Robert Erdman and I am a resident of Montgomery County. I am writing to you **in support** of Senate Bill 277 Clean Cars Act of 2020 with **Amendments**.

We have two electric vehicles, a 2013 Chevy Volt and a 2013 Tesla Model S. I'm also the treasurer of the Electric Vehicle Association of greater Washington DC (EVADC), an all-volunteer non-profit dedicated to educating the public about Electric Vehicles in the Maryland, DC and Northern Virginia areas. Recently our Association passed a new milestone. Our members have cumulatively driven over 4,000,000 electric miles!

The SB 277 Clean Cars Act of 2020 is important because it increases the funding for incentives to buy ZEVs (Zero Emission Vehicles). Maryland has a goal to reach 300,000 ZEVs by 2025. The Transportation sector is now the largest contributor to GHGs (Green House Gasses), the increase of which is at the root of Climate Change.

Amendment #1 – Increase the funding

Problem: The funding is not keeping up with the number of new EVs. Last years (FY 2020) funding of $6M was gone on the first day of the fiscal year to cover the backlog from the year before. Anyone who bought a new EV after July 2019 will not receive their refund until July 2020.
https://electrek.co/2019/07/08/maryland-ev-tax-credit-funding/

The Clean Cars Act of 2020 contains an increase in the EV incentive funding to $12M. At $3K per ZEV that is only enough for 4,000 ZEVs. Note that 7,515 ZEVs were added in FY 2019 alone. The expectation is for at least 10,000 ZEVs in FY 2021.

The backlog from this fiscal year is projected to be around $12M, so it too will be gone as soon as the next fiscal year starts.

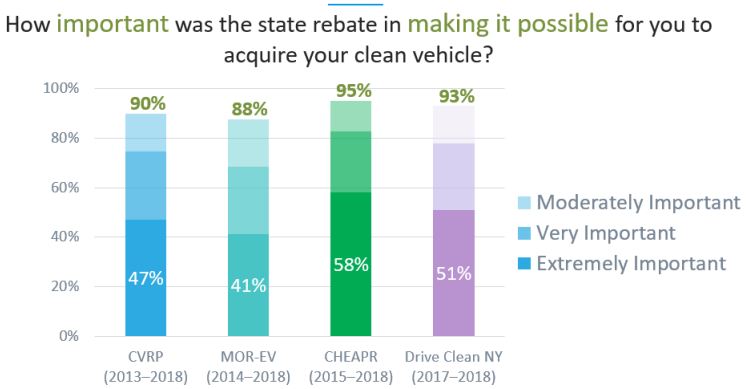
Funding must be increased to $29M to cover $12M for the expected FY 2020 backlog and $17M for new sales in FY 2021. If funding is difficult to get perhaps Maryland could follow our neighbors in NJ and DC and wave the excise tax for ZEVs.

Incentives Matter!

From the Center for Sustainable Energy's surveys of new EV Buyers:

CVRP = California Clean Vehicle Rebate Program
MOR-EV = Massachusetts Offers Rebates for Electric Vehicles
CHEAPR = Connecticut Hydrogen and Electric Automobile Purchase Rebate

Money Matters: Rebates Remain Important to All



From the Center for Sustainable Energy's surveys of new EV Buyers

Maryland needs a Reliable Incentive!

- Citizens need to believe that they will get the excise tax refund in a timely manner.
- Dealers don't want to promote an incentive that will be paid late.

There is a "ZEV Premium" which makes the Total Cost of Ownership look expensive. Although EVs have less maintenance and fueling costs the up-front cost is relatively high. This state incentive and any available Federal incentive help cover the extra cost.

At the Washington Auto Show at the Nissan pavilion I asked which ICE was most similar to the Leaf, I was told the Nissan Kicks, which has an MSRP of $18,870. The 2020 Leaf's MSRP is $31,600. Here are some other comparisons:

MSRP for VW Golf EV	$31,895	MSRP for Kia Niro EV	$38,500	MSRP for Hyundai Kona SEL EV	$36,490
MSRP for VW Golf Gas	$21,845	MSRP for Kia Niro Gas	$23,490	MSRP for Hyundai Kona SEL Gas	$20,400
ZEV Premium:	**$10,050**	**ZEV Premium:**	**$15,010**	**ZEV Premium:**	**$16,090**
ZEV Premium Percent	46%	ZEV Premium Percent	64%	ZEV Premium Percent	79%
Range in miles	123	Range in miles	239	Range in miles	258

Amendment #2 – Keep or remove the $63K cap for both FCEV and BEV

This bill changes the current law to remove the $63,000 cap for FCEV (Hydrogen **F**uel **C**ell **E**lectric **V**ehicles) but not other ZEVs. I assume the reasoning is allow expensive new FCEV models to get a start.

There are a few new and existing EVs that will be affected by the price cap in FY 2021. If the price cap is removed for FCEV, then it should also be removed for BEVs.

New Electric Vehicles expected in FY 2021:

Rivian R1T Truck – MSRP starting at $69,000. This is the first EV truck! We want to enlarge the tent and get a new class of EV driver.

Polestar 2 – The suggested MSRP is right at $63,000. Any additions and it will be over the limit.

Mercedes EQC SUV – The suggested MSRP is $67,900.

Existing Electric Vehicles

Tesla Model S, Tesla Model X – Starting at $79,990 and $84.990. If someone wants to buy a Model S or Model X, there is no longer a federal or state incentive. I have a friend who would have bought a new Tesla Model S if there was an incentive. Instead he has decided to just keep his current gas car.

Audi e-tron – At an MSRP of $74,800 it is too expensive to qualify for the state incentive. An incentive would also help Audi dealers sell their relatively new and unknown Audi e-tron.

Jaguar i-Pace – At an MSRP starting at $69, is too expensive to qualify for the state incentive. An incentive would also help Jaguar dealers sell their relatively new and unknown i-Pace.

In summary, I support SB 277 with Amendments.

Amendment #1: Increase the funding from $12M to $29M so that there is no backlog of buyers waiting for their Incentive.

Amendment #2: If the $63,000 price cap is removed for FCEV it should also be removed for BEV to allow the new offerings to get a start.

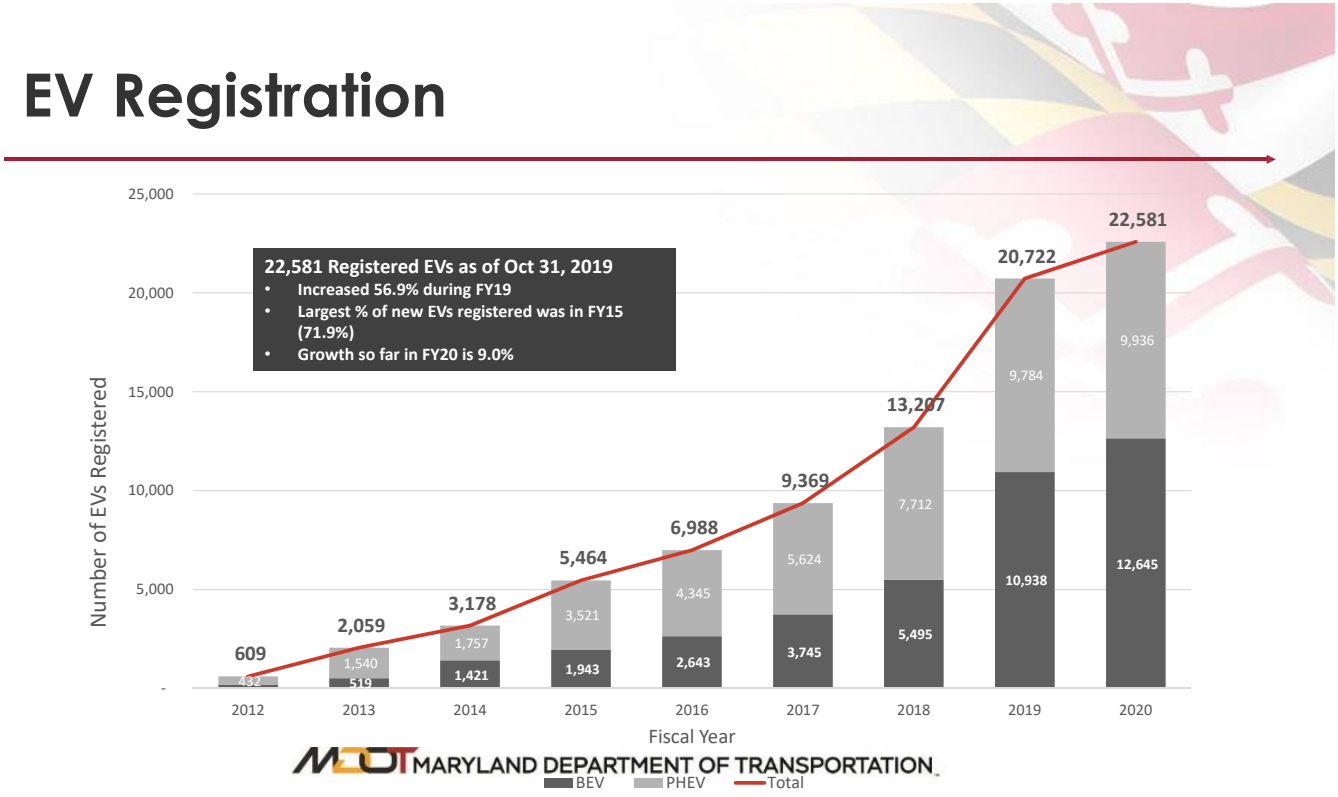
Sincerely,

Robert S. Erdman
7628 Laurel Leaf Dr.
Potomac, MD 20854

Appendix 1

7,515 EVs were added in FY 2019. This would require $22,545,000 if each buyer received $3,000. The funding for FY 2021 must be increased!

Note that this chart only shows the first 4 months of FY 2020.



LATE - Tesla_FWA_SB277
Uploaded by: Kahn, Zachary
Position: FWA

Recd 2/14/20

TESTIMONY REGARDING SB 277

being heard by the Maryland Senate Finance Committee
on Tuesday, February 11, 2020 at 1:00 PM

Dear Chair Kelley, and Members of the Committees:

Thank you for the opportunity to provide input on SB 277 which would extend and increase the funding for the Electric Vehicle Recharging Equipment Rebate Program and extend and alter the vehicle excise tax credit for the purchase of certain electric vehicles. Tesla has long been supportive of the Rebate Program and the excise tax program, and applauds the increased funding amounts in this bill, but we do have a number of concerns with the bill in its current form.

Tesla's mission is to accelerate the world's transition to sustainable energy through the deployment of electric vehicles and sustainable energy storage solutions and solar energy systems. Tesla is the only domestic mass market automobile manufacturer that exclusively builds and sells electric vehicles. To date we have sold over 900,000 EVs globally. This experience gives us unique insight into what it takes to sell electric vehicles at volume and which policy mechanisms are most effective in motivating customer adoption.

The state of Maryland has set an ambitious goal of having 60,000 ZEVs on the road by 2020 and 300,000 ZEVs on the road by 2025. In order to meet this goal, consumer incentives like tax credits and rebates are needed to bridge the gap in price that still exists for new battery electric vehicles coming to market and competing with traditional internal combustion engine cars, the largest source of greenhouse gas emissions in Maryland and the United States. We are excited to see the incentives in the program extended for three years and appreciate the additional funding that is dedicated to the program in this bill.

Although Tesla is supportive of this measure's intent, we have two issues that we would like to raise with the current language. First, we disagree with the removal of the price cap solely for fuel cell electric vehicles. Tesla agrees that it is in the best interest of the state to get as many electric vehicles out on the roads as soon as possible, regardless of the price of the vehicle. Every gallon of gas that any household avoids combusting by virtue of buying an electric vehicle instead of a conventional vehicle is equally beneficial in terms of advancing the state's policy goals and should be encouraged. Further, with new electric product lines being introduced seemingly every month, we expect to see many more zero emission SUVs and pick-up trucks coming to market in the next 12-18 months, including Tesla's Model Y. SUVs and pick-up trucks are among the most popular vehicles on the road and are generally more emissive than sedans. These newer models will likely be expensive initially and close to the current cap in price. As such it will be important to create a program that includes electric alternatives to customers that are specifically looking to buy this type of vehicle.

Second, the current definition of plug-in electric drive vehicles is also problematic as it includes plug-in hybrid vehicles which have up to 95% of their range powered by a fossil fuel engine. The current definition of electric vehicle those vehicles that have a battery system as small as 5 kilowatt hours (kWh). Assuming an efficiency of 3 miles of range per kWh of energy, this means that under the current definition, a vehicle that only gets 15 miles of all-electric range would receive the same tax credit as a pure electric vehicle that gets 200 miles of all-electric range. This is unreasonable especially given that the relatively higher up-front cost of an electric vehicle is almost entirely attributable to the cost of batteries. To better target the tax credit, Tesla recommends modifying the definition of electric vehicle for purposes of eligibility for the proposed rebate such that qualifying vehicles must have a minimum range of 200 miles. This will ensure that the state is only incenting vehicles that can be the sole vehicle for a family and are more consistent with the objective of eliminating reliance on fossil fuels from ground transportation.

Tesla appreciates the opportunity to submit this testimony. While we strongly support the extension of and increased funding for the EV tax credit, we would encourage the Senate to remove the price caps (or raise them for both electric and fuel cell vehicles) and to limit the eligible vehicles to only zero emission vehicles.

Thank you for the opportunity to provide this testimony.

Zachary Kahn
Policy & Business Development
zkahn@tesla.com

AllianceAuto_FWA_SB277
Uploaded by: Kress, William
Position: FWA

February 11, 2020

The Honorable Delores Kelley
Chair, Senate Finance Committee
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

SB 277: Vehicle Laws - Clean Cars Act of 2020 – Extension, Funding, and Reporting
Position: Favorable with Amendments

Dear Chair Kelley:

The Alliance for Automotive Innovation[1] (Auto Innovators) supports SB 277, which seeks to extend and increase the vehicle excise tax credit for the purchase of zero emission vehicles (ZEVs). It is critical for states and automakers to work together with the spirit that **"More is Better"** to develop policies that will encourage ZEV adoption. That is why we support the 100% increase in funding for the Clean Cars Program and the removal of the purchase price cap for fuel cell electric vehicles (FCEVs), and we applaud the state's previous efforts to ensure funding for electric vehicles.

Industry Efforts to Promote EVs
Auto Innovators represents the manufacturers producing nearly 99 percent of cars and light trucks sold in the U.S. and is focused on creating a safe and transformative path for sustainable industry growth. The automotive industry is undergoing a significant technological shift, including electrification, connected vehicle technologies, and changes to ownership models. Auto Innovators' member companies are committed to the transition to electric vehicles, and our member companies have invested billions of dollars in vehicle electrification.

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[1] Formed in 2020, the Alliance for Automotive Innovation is the singular, authoritative and respected voice of the automotive industry. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents the manufacturers producing nearly 99 percent of cars and light trucks sold in the U.S. The newly established organization, a combination of the Association of Global Automakers and the Alliance of Automobile Manufacturers, is directly involved in regulatory and policy matters impacting the light-duty vehicle market across the country. Members include motor vehicle manufacturers, original equipment suppliers, technology and other automotive-related companies and trade associations. The Alliance for Automotive Innovation is headquartered in Washington, DC, with offices in Detroit, MI and Sacramento, CA. For more information, visit our website http://www.autosinnovate.org.

1050 K Street, NW
Suite 650
Washington, DC 20001

AutosInnovate.org

Our companies are actively planning the best ways to develop, promote, and integrate electric vehicles as part of their portfolios. This includes offering over 41 electric-drive models, and many more electrified models are on their way over the next few years.

Maryland's EV Market

Maryland set a goal of 60,000 ZEVs on the road by 2020 and 300,000 ZEVs on the road by 2025. Through 2019, approximately 24,000 ZEVs have been sold, leaving the state well short of its goals. In order to provide consumers with the most options for energy-efficient, safer, environmentally friendly and affordable vehicles, the industry needs supportive markets as consumer demand has not yet matched sales ambitions set by policymakers. The best way to build these markets is through increasing consumer incentives and building out charging and refueling infrastructure. SB 277 is a step in the right direction, but much more work needs to be done.

We applaud the removal of purchase price caps for FCEVs and urge the removal of the price cap on plug-in electric drive vehicles. A large percentage of EVs are leased, an increasingly preferred method for consumers to access new technology. Many of those vehicles would become ensnarled in a price cap, while the true cost to the purchaser through the term of the contract (e.g., total of all payments) would roughly be equivalent to 50% of the purchase price. Further, this arbitrary cap would eliminate many of the expected new EVs in the coming years, including pickups, SUVs and other more capable vehicles, necessary to grow the market and expand options that meet our customers' needs, to the extent they exceed the price cap. To meet the state's longer-term climate and electrification goals, all electric vehicles, regardless of price, must succeed. In order to reach the state's near-term ZEV goals, it is important to make sure we are encouraging the full breadth of electrified products to maximize customer adoption. Discouraging the purchase of these vehicles, based on their price and particularly at this early stage of market adoption, is not consistent with these goals.

We also recommend the removal of language enacted in the 2019 Clean Cars legislation. As enacted, the added provision in HB 1246 (2019) that states *"a person may not sell hydrogen as motor fuel in the state if the hydrogen was produced by natural gas reforming"* would effectively ban the sale of hydrogen fuel in the state of Maryland. **A ban on the sale of hydrogen fuel is an effective ban on the sale of fuel cell electric vehicles.**[2] This provision does not reflect the commitment the state of Maryland has made to build a sustainable electric vehicle market.

We support fully the state of Maryland's efforts to promote ZEV adoption through funding for electric vehicle purchase and infrastructure incentives – actions necessary and critical to the state's environmental goals and increasing consumer interest in EVs – but we do not want these efforts to be hamstrung by the barriers identified above.

Thank you for your consideration of Auto Innovators' position. Please do not hesitate to contact me at jfisher@autosinnovate.org or 202-326-5562, should I be able to provide any additional information.

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[2] As it stands, other market barriers, like bridge and tunnel restrictions continue to impede the ability to sell and operate fuel cell electric vehicles in Maryland, and we request action to address this concern quickly.

Sincerely,

Josh Fisher
Director, State Affairs
Alliance for Automotive Innovation

MD Sierra Club_FWA_SB277
Uploaded by: Tulkin, Josh
Position: FWA

SIERRA CLUB

Maryland Chapter
7338 Baltimore Avenue, Suite 102
College Park, MD 20740-3211

Committee: **Finance**
Testimony on: **SB 277 - "Clean Cars Act of 2020"**
Position: **Support with Amendments**
Hearing Date: **February, 11, 2020**

The Sierra Club urges the General Assembly to act aggressively to reduce greenhouse gas emissions from the transportation sector, the state's largest source of these emissions. Gasoline-powered vehicles on our roadways account for 70%. Electrification of the transportation sector, including reliance on electric vehicles, is essential in order to substantially reduce these emissions. Therefore, we are supportive of growing the state's incentives for electric vehicles (EVs), as contemplated by this bill. However, the bill requires at least two important amendments.

First, we request that the additional three years of tax credits not be paid from the Strategic Energy Investment Fund (SEIF) and, instead, be funded from elsewhere in the budget. SEIF is a critical program in responding to the climate crisis in the electricity sector. As evidenced by passage of the Clean Energy Jobs Act, the state is moving away from fossil-fuel generated electricity to clean (typically, wind and solar) energy. As this occurs, it is important to prioritize support for workers and communities affected by this transition. Consistent with our General Assembly advocacy this year, we strongly request that the General Assembly's primary work on SEIF be focused on establishing a fossil fuel workforce and community transition account, funded by SEIF, to support workers and communities facing the closure of fossil fuel power generators. This bill does not propose to establish such an account.

Second, the tax credit for hydrogen fuel cell vehicles should be eliminated, which was our position on this issue in the 2019 legislative session. Plug-in EVs are and always will be cheaper, cleaner, and safer; giving tax credits for fuel cell cars takes needed money away from plug-in EVs. If, however, fuel cell cars continue to retain tax-credit eligibility, we oppose expanding this eligibility by allowing credits for cars costing more than $63,000. This limitation was enacted last year in the Clean Cars Act of 2019 to promote equity (and we note that the bill would not delete the $63,000 cap on plug-in EVs' tax-credit eligibility – fuel cell cars should not receive a special allowance in this regard).

Otherwise, we support the proposed three-year extension of the excise tax credit for purchase of plug-in EVs (through fiscal year 2023), as well as the three-year extension of rebates for EV recharging equipment. In this regard, we suggest the total amount designated for excise tax credits during the three-year extension be increased from $12 million to $24 million, as proposed in HB1223 (also entitled the "Clean Cars Act of 2020").

We urge the committee to explore the reasoning for the proposed alteration to the allowable use of certain SEIF moneys that currently must be used to benefit low income state residents. In particular, we are concerned that the bill, in one respect, would expand the targeting to include moderate income persons.

Lastly, we support extending the life of the Maryland Electric Vehicle Infrastructure Council by three years. However, we prefer the extension proposed this year in HB232, which is for six years.

Lindsey Mendelson, Transportation Lead
Lindsely.Mendelson@mdsierra.org

Josh Tulkin, Chapter Director
Josh.Tulkin@mdsierra.org

Verchinski_FWA_ SB277
Uploaded by: Verchinski, Paul
Position: FWA

SB277, Clean Cars Act of 2020-Extension, Funding, and Reporting
Senate Finance Committee
PAUL VERCHINSKI, 5475 Sleeping Dog Lane, Columbia, MD 21045
Zero Emissions Electric Vehicle Infrastructure Council (ZEEVIC): "Public" member
Position: FAVORABLE WITH AMENDMENTS

As the Public member of the ZEEVIC , I hear from the Public often. Since July, 2019, electric vehicle (EV) owners keep asking - where is my state EV rebate? I have to tell them that the money appropriated ran out. $12 million proposed in this bill for the excise tax will basically retroactively fund EVs bought thru June, 2020 and not thru June 2021. I would suggest that at least $30 million be appropriated (Amendment No. 1). The General Assembly wanted 60,000 EVs in the state by 2020 in its charge to the ZEEVIC We currently have about 23,000. At the current rate with out incentives, we will not reach the 60,000 EVs nor will we reach the 300,000 EVs by 2025. Both of these EV goals are assumed to be reached in the draft Green House Gas Reduction Plan (GHGRP) proposed by Governor Hogan

A way to make the money go farther is to eliminate funding for "plug-in electric drive vehicle" referenced in 13-815 (b))(1) (Amendment No. 2) and only have rebates for all battery electric vehicles (BEV). Plug-in EVs have minimal range on electricity and should not get a $3,000 rebate. BEVs now have 200 to 300 mile range and car companies like General Motors are no longer producing these hybrid cars or only with minimal range on electricity. Our goal, particularly under the GHGRP, is to reduce CO2 emissions. This is best accomplished by BEVs.

Currently, all EV rebates must be for cars costing $63,000 or less. Hydrogen fuel cell electric vehicles are proposed to get a rebate for all these cars with no cap on cost. Again, in order to stretch the excise tax funding, the $63,000 cost for a new car cap should be maintained in 13-815(b)(2)(iii) (Amendment No. 3)

Finally, ZEEVIC will be terminated on June 30, 2020 unless it is extended. As proposed in this bill, ZEEVIC will terminate on June 30, 2023. I would suggest that since the 300,000 EV requirement is for 2025 for the ZEEVIC and for the GHGRP, that the ZEEVIC be extended to June 30,2026 in order to fulfill its mandate. (Amendment No, 4)

State policy is to have 300,000 electric vehicles in Maryland by 2025 and a 40% decrease in Greenhouse gases. The transportation sector is now the largest source of Greenhouse Gases in Maryland.

Please report out SB277 favorably with these suggested Amendments.

Wilson_FWA_ SB277
Uploaded by: Wilson, Scott
Position: FWA

Testimony to the Senate Finance Committee
SB 277 Clean Cars Act of 2020 – Extension, Funding, and Reporting
Position: Favorable With Amendments

11 February 2020

Senate Finance Committee
3 East, Miller Senate Office Building
Annapolis, MD 21401

Honorable Chair Kelley and Members of the Senate Finance Committee,

My name is Scott Wilson, and I currently drive an all-electric 2017 Chevy Bolt EV and 2013 Nissan Leaf. I serve on the Maryland Zero Emission Electric Vehicle Infrastructure Council (ZEEVIC), and I'm also Vice President of the Electric Vehicle Association of Greater Washington DC (EVADC). I support passage of SB 277 with amendments.

An ongoing problem with the plug-in electric vehicle excise tax credit is that, **due to demand**, funding runs out too early in the fiscal year. The result is that, while on paper the tax credit is available, as a practical matter car buyers are immediately placed on a waiting list, to await replenishing the credit in the next legislative session. Once those in line are made whole, there is a narrow window of a few months when the credit is available as originally intended, then funding runs out and the cycle repeats. Thus an effective tool for car dealers to sell more plug-in electric vehicles is de facto neutered.

There are two good solutions, both of which should be pursued as amendments.

Amendment #1: **Pay off the backlog, then increase the funding for the credit**. The projected backlog in this cycle is $12M. The funding for the next cycle should be closer to $25M, thus the funding in SB 277 should be $37M. At $3000 per car, the credit would increase plug-in vehicle registrations by about 8300, making a total of 33,300 registrations, which is closer (though still far from) Maryland's greenhouse gas reduction inspired goal of 300,000 by 2025. The next legislative session should then consider waiving the excise tax credit for new plug-in electric vehicle purchases, in the manner currently done in New Jersey. Studies have shown that waiving the excise tax *for only four successive years followed by resumption*, would put Maryland on a trajectory to attain its stated electric vehicle target, and the forgone tax revenue would be made back in 10 years.

Amendment #2: **More narrowly focus the credit to more effectively utilize limited funds.** The allowable battery capacity for the excise tax credit should be raised from 5 kWh to 30 kWh. The effect would be to focus the credit where it most effectively addresses GHG emission by excluding plug-in hybrid vehicles and including only fully electric vehicles. This would also better align the effect of the excise tax credit with the electric vehicle goals in Gov. Hogan's Greenhouse Gas Reduction Plan.

Thank you for your time,

Scott Wilson

The Electric Vehicle Association of Greater Washington DC

evadc.org

2020

Electric Vehicle Information Sheet

All Electric	Base Price (USD)[1]	Net Price (USD)[2]	Range (mi)[3]	Batt. (kWh)	Power (kW)[4]	0-60 (sec)	QC (kW)[5]	MPG equiv[3]	Fuel / Mo.[6]
Chevy Bolt	$36,620	$34,745	259	66	150	6.5	50	118	$46
Fiat 500e	$33,460	$25,960	84	24	83	8.9	N/A	112	$50
Harley LiveWire	$29,799	$27,299	95*	15.5	78	3.0*	20^	95*	——
Honda Clarity Elec.	$36,620	(lease only)	89	25.5	120	——	25^	114	$50
Hyundai Ioniq Elec.	$32,000^	$24,500^	170	38.3	100	9.5	75	133	$42
Hyundai Kona Elec.	$37,190	$29,690	258	64	150	6.4	75^	120	$46
Kia Niro EV	$38,500	$31,000	239	64	150	7.8	77	112	$50
Kia Soul EV	$35,000^	$27,500^	243	64	201	7.6	77	114	$50
MINI Electric	$29,900	$22,400	110	32.6	135	6.9	50	——	——
Nissan LEAF S	$31,600	$24,100	150	40	110	7.4	50	112	$50
S Plus	$38,200	$30,700	226	62	160	6.4	100	108	$50
VW e-Golf	$31,895	$24,395	123	35.8	100	8.5	50	113	$50
Zero SR/F	$19,495	$17,545	109*	14.4	82	3.3^	N/A	——	——
Average U.S. Gasoline Car Price		$35,000							
Audi e-tron	$74,800	$67,300	204	95	265	5.5	150	74	75
BMW i3	$44,450	$36,950	153	42.2	125	7.2	50	113	$50
Ford Mustang Mach-E	$50,600	$43,100	230*	76	142	6.1	150	——	——
Jaguar I-Pace	$69,850	$62,350	234	90	294	4.5	50	76	$71
Polestar 2	$63,000	$55,500	275	78	300	4.7	150	——	——
Porsche Taycan 4S	$103,800	$96,300	170^	79.2	390	3.8	270	70^	——
Turbo	$150,900	$143,400	201	93.4	500	3.0	270	69	$79
Rivian R1S 135	$82,500^	$75,000^	310*	135	562^	3.0*	160^	——	——
Rivian R1T 135	$79,000^	$71,500^	300*	135	562^	3.0*	160^	——	——
Tesla Cybertruck Dual	$49,900	$49,900	300*	120^	515^	4.5*	250^	——	——
Tesla Model 3 Std.	$35,000	$35,000	220	50	211	5.6	100	131	$42
Std. Plus	$39,990	$39,990	250	54	211	5.3	100	141	$38
Long Range AWD	$48,990	$48,990	322	75	335	4.4	250	121	$46
Tesla Model Y Long	$48,000	$48,000	300*	75^	211^	5.5	——	——	——
Tesla Model S	$79,990	$79,990	373	100	398	3.7	200	111	$50
Tesla Model X	$84,990	$84,990	328	100	398	4.4	200	96	$58
Tesla Roadster	$200,000	$200,000	620	200^	——	1.9	350^	——	——
Volvo XC40 Recharge	$55,000^	$47,500^	200*	78*	300	4.7	150	——	——

All Electric


Roadster


Cybertruck


Rivian R1T

EVA/DC meets the 3rd Wednesday of every month. See evadc.org/meeting.

Home Charging

Typically costs **4 ¢ / mile**. (3 mi / kWh, 12 ¢ / kWh)

Charge using an **ordinary 120V outlet**.
Dedicated circuit recommended.

Install a home 240V charging station for faster charging at home. $400-$1000 + installation

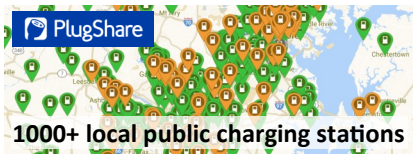

240V Home Charging Station

Public Charging

Cost varies, free - 49 ¢ / kWh

SemaConnect chargepoint blink eVgo

240V Public Charging Station




480V DC Fast Charger

Level 1: 120V AC (regular outlet)
Reclaim 5 miles per hour charging

Level 2: 240V AC (J1772 / dryer plug)
Reclaim 15-60 miles per hour charging

Fast Charge: 480V DC
Reclaim 50-200 miles in 30 minutes

EVA/DC is providing the following for informational purposes only. We do not endorse or recommend any specific vehicle manufacturer or distributor. Information subject to change.

1. Base price before tax incentives, destination.
2. Net price after federal tax credit. State credits may still apply. Consult tax advisor.
3. EPA combined city/highway, except as noted
4. Total motor power. 1 kW = 1.34 hp
5. DC Quick / Fast Charge max rate
6. EPA, 15000 miles/year, 12¢ / kWh

* Source: Vehicle Manufacturer
^ Estimate

The Electric Vehicle Association of Greater Washington DC

evadc.org

Electric Vehicle Information Sheet


Fusion


Ioniq


Sonata


MINI


Mitsubishi Outlander


Subaru Crosstek


RAV4


330e


530e


745e


Land Rover P400e


Cavenne E-Hybrid


Panamera 4 E-Hybrid


Volvo V60


Volvo S60


Volvo S90


Volvo XC60


Volvo XC90

Plug-in Hybrid Electric	Base Price (USD)[1]	Net Price (USD)[2]	Range (mi)[3]	Batt. (kWh)	0-60 (sec)	MPG equiv[3]	Fuel / Mo.[6]
Chrysler Pacifica hyb.	$39,995	$32,495	32+gas	16	7.4	82	$83
Ford Fusion Plug-In	$35,000	$30,391	26+gas	9	8.0	103	$63
Honda Clarity PHEV	$33,400	$25,900	48+gas	17	7.7	110	$58
Hyundai Ioniq PHEV	$26,500	$21,957	29+gas	8.9	8.9	119	$54
Hyundai Sonata PHEV	$31,400	$26,481	28+gas	9.8	7.6	99	$67
Kia Niro PHEV	$28,500	$23,957	26+gas	8.9	9.0	105	$58
Kia Optima Plug-In	$36,090	$31,171	28+gas	9.8	9.1	101	$67
MINI Cooper S E Countr.	$36,900	$32,900	17+gas	10	6.7	73	$108
Mitsubishi Outlander	$36,295	$30,459	22+gas	12	9.2	74	$100
Subaru Crosstek Hyb.	$35,145	$30,645	17+gas	8.8	8.3	90	$79
Toyota Prius Prime	$27,750	$23,250	25+gas	8.8	10.5	133	$50
Toyota RAV4 Prime	$36,500^	$29,000^	39*+gas	16^	5.8*	90*	——
Average U.S. Gasoline Car Price		$35,000					
BMW 330e	$45,000^	$39,164^	30^+gas	12^	5.6	——	——
BMW 530e	$53,900	$48,064	21+gas	12	5.9	69	$113
BMW 745e xDrive	$95,550	$89,714	16+gas	12	4.9	56	$150
BMW i3 Range Extender	$48,300	$40,800	126+gas	42.2	8.0	100	$58
BMW i8	$147,500	$141,831	17+gas	11.6	4.2	69	$121
BMW X3 xDrive30e	$48,550^	$42,714^	20*+gas	12^	6.3	——	——
BMW X5 xDrive45e	$70,000^	$62,500	40^+gas	24	5.5^	56	$138
Karma Revero GT	$135,000	$127,500	61+gas	28	4.5	70	$92
Land Rover Sport P400e	$79,000	$71,913	19+gas	13	6.3	42	$175
Mercedes C350e	$48,895	$45,394	8+gas	6.2	5.8	51	$121
Mercedes GLC350e	$50,650	$46,190	10+gas	8.7	6.2	56	$138
Mercedes GLE550e	$66,700	$62,240	8+gas	8.8	5.3	43	$163
Mercedes S560e	$109,750	$103,750	20+gas	13.5^	4.7	65^	$125^
Porsche Cayenne	$81,100	$74,430	14+gas	14.1	4.7	47	$154
Porsche Panamera	$103,800	$97,130	14+gas	14.1	4.4	51	$154
Volvo S60 T8	$56,045	$51,043	22+gas	10.4	4.3	69	$104
Volvo S90 T8	$63,845	$58,843	21+gas	10.4	4.8	60	$113
Volvo V60 T8	$67,300	$62,298	22+gas	10.4	4.3	69	$104
Volvo XC60 T8	$54,595	$49,593	19+gas	10.4	4.9	57	$125
Volvo XC90 T8	$67,000	$61,998	18+gas	10.4	5.9	55	$125

PHEV—Plug-in Hybrid Electric Vehicle (Electric & Gas) - All these hybrids have a plug.


Pacifica minivan


Honda Clarity PHEV


Kia Niro


Kia Optima


Prius Prime


i3


i8


X3


X5


Karma


Mercedes C350e


Mercedes S560e


Mercedes GLC350e


Mercedes GLE550e

Incentives

Federal Tax Credits
Vehicle: up to **$7500**
EVSE: up to **$1000**

DC:	EV Supply Equipment (EVSE) Tax Credit - 50% of cost up to **$1000** Excise tax exemption. Reduced vehicle registration fee of $36
Maryland:	Excise Tax Credit, $100/kWh Battery, max **$3000** on EVs priced ≤$60K EV Supply Equipment (EVSE) Tax Credit - 40% of cost, max $700 High Occupancy Vehicle (HOV) Lane Exemption through Oct. 2022
Virginia:	Reduced personal property tax in Arlington and Loudon counties Discounted electricity rates for off-peak residential EV charging

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