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Tim Smith

February 29, 2024

Senator Guy Guzzone, Chair  
Senate Budget and Taxation Committee  
3 West, Miller Senate Office Building  
Annapolis, MD 21401

**RE: SB 1065 – FAVORABLE W/ AMENDMENTS – Motor Vehicles – Registration – Annual Surcharge**

Dear Chair Guzzone and Members of the Committee:

The Maryland Asphalt Association (MAA) is comprised of 19 producer members representing more than 48 production facilities, 25 contractor members, 25 consulting engineer firms, and 41 other associate members. MAA works proactively with regulatory agencies to represent the interests of the asphalt industry both in the writing and interpretation of state and federal regulations that may affect our members. We also advocate for adequate state and federal funding for Maryland's multimodal transportation system.

Senate Bill 1065 adds an annual surcharge of \$100 for all plug-in or fuel cell electric vehicles, which will then be adjusted for inflation annually after September 30, 2025. The fees collected must only be used to fund the purchase of zero-emission or alternative-fuel buses and zero-emission or hybrid state vehicles.

MAA appreciates the introduction of this bill, as it reflects the work and recommendations made by the Maryland Commission on Transportation Revenue and Infrastructure Needs, however, respectfully we ask that the proceeds from this annual surcharge be put into the Transportation Trust Fund, with no additional limitations or guidelines on how they are spent. The transportation budget has reached an all-time low and these deficits are crippling to our industry, our local businesses, and most importantly, the economy of Maryland. The Commission was charged with looking into additional revenue streams for transportation projects and charging EV drivers was one of those recommendations. But this bill carves out the fee on EVs to be used only for purchasing new EVs. That is not going to help our transportation infrastructure as a whole.

We appreciate you taking the time to consider our request for a **FAVORABLE WITH AMENDMENTS** report on Senate Bill 1065.

Sincerely,



Tim Smith. P.E.  
President  
Maryland Asphalt Association