



February 15, 2024

Delegate Marc Korman, Chair
House Environment and Transportation Committee
Room 251, House Office Building
Annapolis, MD 21401

RE: HB 689 – UNFAVORABLE – Electric Vehicles – Repeal of Excise Tax Credit and Establishment of Rebate Program

Dear Chair Korman and Members of the Committee:

The Maryland Transportation Builders and Materials Association (“MTBMA”) has been and continues to serve as the voice for Maryland’s construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of Maryland's transportation construction and materials industry by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland’s multimodal transportation system.

House Bill 689 repeals the electric vehicle excise tax credit and establishes the Electric Vehicle Rebate Program. This bill provides rebates to individuals meeting income requirements when purchasing EVs and is administered through the Motor Vehicle Administration.

MTBMA opposes this legislation because it sets a precedent of giving preferential treatment to EVs over gas-combustion vehicles. While MTBMA recognizes the importance of promoting sustainable transportation options, it is also important to consider the practical implications of doing so, particularly regarding roads and infrastructure. EVs have a substantially heavier weight than gas-combustion vehicles, exerting greater wear and tear on our roads and bridges, which necessitates more frequent maintenance. These impacts will place a strain on our transportation systems without addressing the issue of EV users not paying their fair share in taxes. While encouraging sustainability is important, it must be done in a manner that ensures fairness for all road users.

We appreciate you taking the time to consider our request for an **UNFAVORABLE** report on House Bill 689.

Thank you,

Michael Sakata
President and CEO
Maryland Transportation Builders and Materials Association