

Letter HB0913 - Motor Vehicles -Registration - Ann

Uploaded by: Chad Faison

Position: FAV



February 20, 2024

Hon. Marc Korman
Chair, House Environment & Transportation
Committee
251 Taylor House Office Building
Annapolis, MD 21401

Hon. Regina Boyce
Vice-Chair, House Environment &
Transportation Committee
251 Taylor House Office Building
Annapolis, MD 21401

Re: HB 913 - Motor Vehicles – Registration – Annual Surcharge

Support

Dear Chair Korman:

I am writing to express the American Council of Engineering Companies/MD's (ACEC/MD) support for the proposal to charge Maryland motor vehicle owners an annual surcharge per vehicle requiring the proceeds collected from the surcharge to be deposited into the Transportation Trust Fund (TTF).

As advocates for sustainable infrastructure development and responsible transportation funding, we believe this measure is crucial for the long-term vitality of our transportation systems and environmental sustainability. With the projected shortfall in transportation funding over the coming years, it's imperative that we develop additional funding sources to ensure the safety and reliability of Maryland's transportation sectors. This bill helps provide a necessary influx of funding to the TTF, allowing for essential maintenance and development projects to proceed without undue financial strain.

Respectfully yours,

A handwritten signature in black ink that reads "Chad R." followed by a horizontal line.

Chad Faison
Executive Director, ACEC/MD

DFH EV Fees Testimony LH.pdf

Uploaded by: David Fraser-Hidalgo

Position: FAV

DAVID FRASER-HIDALGO
Legislative District 15
Montgomery County

Environment and Transportation Committee

Chair
Motor Vehicle and Transportation
Subcommittee



The Maryland House of Delegates
6 Bladen Street, Room 223
Annapolis, Maryland 21401
410-841-3186 · 301-858-3186
800-492-7122 Ext. 3186
David.Fraser.Hidalgo@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Delegate Marc A. Korman
Chairman, House Environment and Transportation Committee
House Office Building – Room 251
Annapolis, MD 21401

Mr. Chairman,

I am writing in favor of HB 913 – Motor Vehicles – Registration – Annual Surcharge.

The Transportation Trust Fund (TTF) funds the Maryland Department of Transportation (MDOT). This allows the state to provide various government services including the Maryland Transit Administration and the Motor Vehicle Administration.¹ Primary sources of funds for the TTF include motor fuel taxes and motor vehicle fees. When MDOT’s operations require more funding than the TTF has to offer, the Department begins using General Revenue to offset these shortfalls.² With the widespread adoption of electric vehicles (EVs) and more efficient internal combustion engine (ICE) vehicles in Maryland, the fuel tax revenue has been on a downward trend. As of January 31, 2024, 95,233 EVs have been registered in the state.³ Just over 10 years ago, there were only 609 EVs in MD.⁴

HB 913 requires the owner of a fuel cell electric vehicle to pay a certain annual surcharge in addition to the annual registration fee. Vehicles with internal combustion engines are also subject to the surcharge because unlike EVs, ICE vehicles continue to emit greenhouse gasses into our atmosphere. According to the U.S. Department of Energy, there are approximately 4.4 million gasoline-powered vehicles in the state.⁵ Since a typical passenger vehicle emits about 4.6 metric tons of carbon dioxide per year, this would amount to over 20 million metric tons of carbon dioxide per year, not to mention, emissions of

¹ “Transportation Trust Fund,” Maryland Department of Transportation (MDOT), 2020, <https://www.mdot.maryland.gov/tso/Pages/Index.aspx?PageId=85>.

² “Development of the Consolidated Transportation Program (CTP),” Maryland Department of Transportation, September 13, 2023, https://mdot.maryland.gov/OPCP/TRAIN_Meeting_1.pdf.

³ “Electric Vehicles,” Maryland Department of Transportation (MDOT), January 31, 2024, <https://www.mdot.maryland.gov/tso/pages/Index.aspx?PageId=34>.

⁴ Meredith Devereux, “Number of Electric Vehicles Continues to Grow in Maryland,” Maryland Department of Transportation, April 18, 2023, <https://news.mdot.maryland.gov/number-of-electric-vehicles-continues-to-grow-in-maryland/>.

⁵ “Alternative Fuels Data Center: Vehicle Registration Counts by State,” U.S. Department of Energy, 2022, <https://afdc.energy.gov/vehicle-registration>.

other pollutants such as nitrogen oxides (NO_x) and sulfur oxides (SO_x) and inhalable particulate matters like PM_{2.5} and PM₁₀.⁶

The proceeds collected from the surcharge would be deposited into the Transportation Trust Fund, where it'll be utilized to meet transportation service and infrastructure needs. Additionally, this bill would require the Motor Vehicle Administration (MVA) to refuse to register or renew the registration of a motor vehicle for failure to pay the surcharge.

Several states have adopted annual fees to account for the loss in revenue for transportation infrastructure. Most notably, West Virginia established the Alternative Fuel Vehicle Fee in 2022, requiring owners of electric vehicles to pay an annual fee of \$200.⁷ Similarly, Pennsylvania's legislature is working on a bill that would require electric vehicle owners to pay a yearly flat fee.⁸ Fees have already been enforced across the country, ranging from \$105 to \$213.7 in states such as Missouri, California, North Carolina, and Georgia.⁹

As we continue to transition to EVs, it is important to address the depletion of fuel tax revenue. Without sufficient funds, MDOT lacks enough resources to effectively maintain our roads and clean our highways. By requiring an annual surcharge on all vehicles in Maryland, we can ensure everyone is paying their fair share to repair our roads and environment.

⁶ "Greenhouse Gas Emissions from a Typical Passenger Vehicle," United States Environmental Protection Agency, August 28, 2023, <https://www.epa.gov/greenvehicles/greenhouse-gas-emissions-typical-passenger-vehicle#typical-passenger>.

⁷ "West Virginia Laws and Incentives," Alternative Fuels Data Center: West Virginia Laws and Incentives, 2022, <https://afdc.energy.gov/laws/all?state=WV>.

⁸ Peter Hall, "Pennsylvania House Considers Road Use Fee for EV Owners," Pennsylvania Capital-Star, December 12, 2023, <https://penncapital-star.com/energy-environment/pennsylvania-house-considers-road-use-fee-for-ev-owners/>.

⁹ Benjamin Jaros and Adam Hoffer, "How Are Electric Vehicles Taxed in Your State?," Tax Foundation, December 20, 2023, <https://taxfoundation.org/data/all/state/electric-vehicles-ev-taxes-state/>.

Ext. Comm. - Testimony - 2024 - Maryland HB 913 -

Uploaded by: Joshua Fisher

Position: FAV



February 20, 2024

The Honorable Marc Korman
Chair, House Environment and Transportation Committee
Room 251, House Office Building
Annapolis, Maryland 21401

**HB 913: Motor Vehicles – Registration – Annual Surcharge
Position: Favorable**

Dear Chair Korman:

The Alliance for Automotive Innovation¹ (Auto Innovators) appreciates the opportunity to provide the following comments on HB 913 as your committee considers the State’s road funding needs and the appropriate taxation of electric vehicles (EVs).

Maryland EVs sales comprised 11% percent of new vehicles sales through the first three quarters of 2023². This includes battery electric, plug-in electric, and fuel cell models. Automakers are investing heavily in EV manufacturing and battery production in the United States. Globally, automakers have committed to investing \$1.2 TRILLION dollars³ on electrification through 2030.

There will be 150 models⁴ of electric vehicles for sale in the U.S. market by 2026, up from roughly 111 models today. Our members recognize the pressure this transition – along with the continued rise in MPG ratings of traditional gas/diesel powered vehicles and the increased costs of highway construction generally – places upon state road infrastructure budgets that have historically been funded through state and federal gas tax revenues.

To address this concern, policymakers across the country have been forced to consider avenues outside of a gas tax to recoup revenues that otherwise would have been collected. The three potential revenue streams most commonly identified are: a flat annual registration fee on electric vehicles (EV); a tax based on the number of vehicle miles traveled (VMT) by an EV; or a tax based on the number of kilowatts of electricity (kWh) used to charge an EV.

While automakers were once among the loudest to protest additional registration fees placed upon EV owners, we have now come to believe that such fees are the most responsible path for states to follow. Much attention has been given to pilot programs to study ways to implement both VMT and

¹ From the manufacturers producing most vehicles sold in the U.S. to autonomous vehicle innovators to equipment suppliers, battery producers and semiconductor makers – Alliance for Automotive Innovation represents the full auto industry, a sector supporting 10 million American jobs and five percent of the economy. Active in Washington, D.C. and all 50 states, the association is committed to a cleaner, safer and smarter personal transportation future.

www.autosinnovate.org.

² <https://www.autosinnovate.org/posts/papers-reports/get-connected-q3-2023>

³ <https://www.autosinnovate.org/posts/communications/The%20Future%20Is%20Electric%20Infographic>

⁴ <https://www.autonews.com/white-paper/here-are-nearly-150-evs-plug-hybrids-headed-us-dealerships-through-2026>

kWh taxes. From a state's perspective, however, increased registration fees on EVs could be accomplished with little added administrative costs. It would also represent the fastest way to begin collecting revenue, and likely prove to be the most stable source of revenue year-to-year. That is not to say there are not policy considerations around an EV fee that deserve heed – including: challenges for consumers facing a new fee that must be paid all at once, as opposed to modest payments throughout the year like the gas tax; and the limitations to collect road usage revenue from out-of-state drivers who are utilizing the State's roadways – but these can be mitigated through thoughtful policy development. Despite these drawbacks, EV fees will prove to be the most appropriate resolution to the funding problems faced by the State, given the challenges with implementing both VMT and kWh taxes.

While we do not suggest EV owners should get a free ride, we are very sensitive to a public perception that EV owners are being punished with new taxes and fees that drivers of traditional vehicles do not pay, and the possibility that such perception could holdback sales of this growing technology.

We think HB 913 strikes the right balance and request a favorable report.

Thank you for your consideration of our position. For more information, please contact our local representative, Bill Kress, at (410) 375-8548.

Sincerely,

A handwritten signature in black ink that reads "Josh Fisher". The signature is written in a cursive style with a prominent loop at the end of the last name.

Josh Fisher
Senior Director
Alliance for Automotive Innovation.

HB 913 Breiner Written Testimony Motor Vehicles_Re

Uploaded by: Joyce Breiner

Position: FAV



Testimony to the House Environment and Transportation Committee
HB 913 Motor Vehicles - Registration – Annual Surcharge
Position: Favorable

February 19, 2024

The Honorable Marc Korman, Chair
Room 251, House Office Building, Annapolis, MD 21401

Honorable Chair Korman and Members of the House Environment and Transportation Committee:

I have been an Electric Vehicle (EV) owner since 2011 having experience with five EV makes/models. For over a decade I have been a part of and observing EV adoption in Maryland and across the United States. As such, I know it is important for me and fellow EV owners to pay a *fair share* of road taxes.

That said, the question becomes “What is my fair share?”

My understanding is that HB 913 proposes to add an annual registration surcharge of \$100 for EV/PHEV and \$75 for all other vehicles. I also understand that the Transportation Revenue and Infrastructure Needs (TRAIN) commission was established to look into issues such as this and other questions but their recommendation report will not be delivered until the end of 2024. Meanwhile the multi-billion dollar shortfall in the Transportation Trust Fund (TTF) looms.

I am in favor of this bill because it ensures all vehicle owners across the state share in addressing the pressing issues of the TTF shortfall while addressing the position that EVs don't pay gas taxes espoused by opponents of EVs. Given that the current gas tax approach rewards drivers of high MPG gas cars and higher MPG cars are seen as a good thing, so should drivers of EVs be rewarded as well. EVs have the highest MPG equivalents on the road today while eliminating tailpipe emissions at the same time, an undeniable public health benefit. This added benefit needs to count for something.

HB913's approach could be a bridge, dealing with the TTF issue in the short term while allowing time for the TRAIN commission complete their analysis and make recommendations based on real data.

Increased consumer demand for EVs has the EV adoption train leaving the station, now let's see the TRAIN commission arrive with a final report before additional changes are made to title and registration fees or new fees are legislated for EVs and gasoline vehicles alike.

Respectfully,

Joyce K. Breiner, CC-P®



HB 913_MTBMA_FWA.pdf

Uploaded by: Michael Sakata

Position: FWA



February 22, 2024

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

RE: HB 913 – FAVORABLE W/ AMENDMENTS – Motor Vehicles – Registration – Annual Surcharge

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 the transportation construction and materials industry in Maryland 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 913 adds an annual surcharge for motor vehicle owners—\$100 for electric vehicles and \$75 for all other vehicles, which is then adjusted for inflation annually after September 30, 2025. The proceeds collected will be distributed separately. Those from electric vehicles must be used only to fund the purchase of zero-emission or alternative-fuel buses and zero-emission or hybrid state vehicles and those collected from internal combustion engine (ICE) vehicles will be deposited into the Transportation Trust Fund.

MTMBA 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 there are some concerning aspects to this bill that we respectfully ask to be amended. First, all proceeds from the annual surcharge need to go 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.

Second, by charging a fee on ICE vehicles, those drivers are now being double-taxed, as they already pay a tax on motor fuel. The point of charging a fee on EVs was to ensure they pay their fair share, since they also use and drive on the roads. Respectfully, we ask that this is removed from the bill. If these two critical changes are not made, we unfortunately cannot support this bill.

We appreciate you taking the time to consider our request for a **FAVORABLE WITH AMENDMENTS** report on House Bill 913.

Thank you,

A handwritten signature in blue ink, appearing to read 'Michael Sakata', with a long horizontal flourish extending to the right.

Michael Sakata
President and CEO
Maryland Transportation Builders and Materials Association

HB 913_MAA_FWA.pdf

Uploaded by: Tim Smith

Position: FWA

CHAIRMAN:
Jeff Graf
VICE CHAIRMAN
David Slaughter

MARYLAND ASPHALT ASSOCIATION



TREASURER:
Paul Bramble
SECRETARY:
Curtis Hall
PRESIDENT:
Tim Smith

February 22, 2024

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

RE: HB 913 – FAVORABLE W/ AMENDMENTS – Motor Vehicles – Registration – Annual Surcharge

Dear Chair Korman 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.

House Bill 913 adds an annual surcharge for motor vehicle owners—\$100 for electric vehicles and \$75 for all other vehicles, which is then adjusted for inflation annually after September 30, 2025. The proceeds collected will be distributed separately. Those from electric vehicles must be used only to fund the purchase of zero-emission or alternative-fuel buses and zero-emission or hybrid state vehicles and those collected from internal combustion engine (ICE) vehicles will be deposited into the Transportation Trust Fund.

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 there are some concerning aspects to this bill that we respectfully ask to be amended. First, all proceeds from the annual surcharge need to go 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.

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CHAIRMAN:
Jeff Graf
VICE CHAIRMAN
David Slaughter

MARYLAND ASPHALT ASSOCIATION



TREASURER:
Paul Bramble
SECRETARY:
Curtis Hall
PRESIDENT:
Tim Smith

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We appreciate you taking the time to consider our request for a **FAVORABLE WITH AMENDMENTS** report on House Bill 913.

Sincerely,

A handwritten signature in cursive script that reads "Tim Smith".

Tim E. Smith. P.E.
President
Maryland Asphalt Association

HB0913 -- Motor Vehicles – Registration – Annual S

Uploaded by: Brian Levine

Position: UNF



**House Bill 913 -- *Motor Vehicles – Registration – Annual Surcharge*
House Environment and Transportation Committee
February 22, 2024
Oppose**

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, opposes HB0913 -- *Motor Vehicles – Registration – Annual Surcharge*.

House Bill 913 requires the owner of a motor vehicle to pay an annual surcharge of \$100 for each plug-in electric vehicle or fuel cell vehicle and \$75 for every other motor vehicle in addition to the annual registration fee.

The Montgomery County Chamber of Commerce is amenable to creating new revenue sources for the Transportation Trust Fund (TTF). It is an economic imperative that the TTF is funded and able to meet the transportation needs of Maryland and fund vital projects around the State. In recent years, MCCC supported the legislature's efforts to increase the motor fuel tax.

However, MCCC does not support the annual surcharge proposed in House Bill 913. This bill creates an expensive and onerous new cost on motor vehicles, whether they are electric or gas powered, that is an administrative burden a very expensive for Maryland's drivers. The expense of owning a motor vehicle, especially for low- and middle-income drivers, would make transportation prohibitively expensive.

MCCC contends that making car ownership so expensive is anti-competitive and would stifle economic activity. MCCC acknowledges that to better and more effectively capitalize the TTF calls for difficult decisions that will ultimately may make driving more expensive, but Marylanders cannot afford the high costs proposed by House Bill 913.

For these reasons, the Montgomery County Chamber of Commerce opposes House Bill 913 and respectfully requests an unfavorable report.

The Montgomery County Chamber of Commerce, on behalf of our nearly 500 members, advocates for growth in business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and a proud Montgomery County Green Certified Business.

*Brian Levine | Vice President of Government Affairs
Montgomery County Chamber of Commerce
51 Monroe Street | Suite 1800
Rockville, Maryland 20850
301-738-0015 | www.mcccmd.com*

Wilson HB 913 UNFV.pdf

Uploaded by: Scott Wilson

Position: UNF

Testimony to the House Environment and Transportation Committee
HB 913 Motor Vehicles - Certificate of Title Fees - Zero—Emission Plug-In Electric
Drive Vehicles
Position: Unfavorable

19 February 2024

The Honorable Marc Korman, Chair
Room 251, House Office Building, Annapolis, MD 21401

Honorable Chair Korman and Members of the House Environment and Transportation Committee:

My name is Scott Wilson, and I currently drive a 2017 Chevy Bolt EV and a 2013 Nissan Leaf. I serve on the Maryland Zero Emission Electric Vehicle Infrastructure Council, and I'm also Vice President of the Electric Vehicle Association of Greater Washington DC. The following remarks are entirely on my behalf.

As an EV driver, I want nothing more than to pay my fair share in road taxes. I don't like potholes any more than the next guy. And, given the gravity of the TTF shortfall, I'm very willing to join with all other Maryland drivers and pay a \$75 annual surcharge. However, rather than charge an extra arbitrary \$25 for EV owners, we should first examine the findings of the Maryland Commission on Transportation Revenue and Infrastructure Needs (TRAIN).

Testimony at TRAIN has shown that the real cause of declining TTF revenue is primarily the decrease in gasoline purchases due to increasing Corporate Average Fuel Economy (CAFE) standards in the wider fleet. CAFE standards will continue to rise, raising a fair question about whether, for example, hybrids like the Toyota Prius have been "paying their fair share".

We now have a forum to hash out thoughtful, policy-driven options to improve TTF funding. TRAIN took testimony last year and will make final recommendations at the end of this year. The Interim Report last January recommended only that the General Assembly consider options to collect revenue for the TTF, which I support. We should let TRAIN finish its work by allowing it to take the time to consider a broad range of funding options, most of which are already being used or piloted in other states. The General Assembly should base TTF revenue policy on the TRAIN conclusions.

In fact, there is a solution that is both fair and which would permanently solve TTF funding: implementing a Road Usage Charge (RUC) also known as a Vehicle Mile Tax (VMT). A VMT is the fairest solution since it would charge vehicles in direct proportion

to their road use. The more you drive, the more you pay, the less you drive, the less you pay, which is the way gas cars are taxed now. A VMT would also enable charging by weight, thus genuinely accounting for road wear and tear. Rather than charging EV's an extra \$25 annually, we should use the situation as an opportunity to explore, informed by TRAIN, a pilot VMT system, eventually going live for EVs and finally for all cars.

There are many ways to implement a VMT which include robust and verifiable privacy protections, and we can learn from the states that are already doing so. Oregon¹, Utah², Virginia³, and even deep red Oklahoma⁴ all have active or pilot VMT programs. Washington, California, Nevada, Colorado, Minnesota, Pennsylvania, North Carolina, New Jersey, Delaware, Hawaii, and Maine all have VMT pilots. 20 other states, including Maryland⁵, are researching VMT programs through multi-state consortia. The National Conference of State Legislatures⁶ has shown that VMT programs are affordable, effective, and privacy-protecting. The TRAIN Commission has taken testimony⁷ which included VMT and has stated it will consider VMT in 2024.

As an EV driver, I want nothing more than to pay my fair share. Let's not get in front of the TRAIN, let's wait for the TRAIN to come in.

Thank you for your time,

Scott Wilson

¹ <https://www.myorego.org/>

² <https://roadusagecharge.utah.gov/>

³ <https://www.dmv.virginia.gov/vehicles/taxes-fees/mileage-choice>

⁴ <https://www.fairmilesok.com/>

⁵ <https://tetcoalitionmbuf.org/>

⁶ <https://www.ncsl.org/resources/details/ncsl-road-usage-charges-summit-agenda-presentations-june-2022>

⁷ Ed Regan "2023 Outlook on Fuel Tax Sustainability" at [2:12:45 https://mgaleg.maryland.gov/mgawebsite/Committees/Media/false?cmte=tri&clip=APP_8_24_2023_meeting_1&ys=2023rs](https://mgaleg.maryland.gov/mgawebsite/Committees/Media/false?cmte=tri&clip=APP_8_24_2023_meeting_1&ys=2023rs)

HB0913.pdf

Uploaded by: Suzanne Duffy

Position: UNF

HB0913 is BAD because as a Maryland resident and car owner I DO NOT want to pay a surcharge on my car to fund your poor decision of government purchased electric buses and electric transportation fleets that will wind up in an electric vehicle junk yard heap. SAY NO.

Suzanne Price
AACo

HB0913 - MVA - Annual Registration Surcharge_LOI_F

Uploaded by: Pilar Helm

Position: INFO

February 22, 2024

The Honorable Marc Korman
Chair, House Environment and Transportation Committee
251 House Office Building
Annapolis MD 21401

RE: Letter of Information – House Bill 913 – Motor Vehicles – Registration – Annual Surcharge

Dear Chair Korman and Committee Members:

The Maryland Department of Transportation (MDOT) offers the following information for the Committee's consideration on House Bill 913.

The Commission on Transportation Revenue and Infrastructure Needs (TRAIN Commission) was established by Chapter 455, Acts of 2023, to review, evaluate, and make recommendations on the prioritization and funding of transportation projects. The TRAIN Commission's Interim Report included a recommendation specifically about the creation of a registration fee for electric and/or plug-in hybrid vehicles. The MDOT agrees with the TRAIN Commission's recommendation and looks forward to further discussions on this issue as the need to account for the loss of revenue to the Transportation Trust Fund is at a critical juncture.

House Bill 913 would add an annual surcharge to vehicle registrations in Maryland in the form of \$100 for plug-in electric drive (EV)/fuel cell electric (FCEV) vehicles and \$75 for every other type of vehicle subject to a registration fee. The fee would also be adjusted annually based on the inflation rate. This annual surcharge amount would be collected by the MDOT Motor Vehicle Administration (MVA), and the MVA would be required to provide the option of either a one-time payment or installments throughout the registration period. The funds collected are to be deposited into the TTF and the monies from EV/FCEV surcharges specifically are to be dedicated for the purchase of zero-emission buses and electric/hybrid vehicles for the State vehicle fleet.

Currently, Maryland vehicle owners must renew their registration on a biennial cycle with fees collected in a single payment. House Bill 913 permits the MVA to continue single payment collection or offer customers an option for installment payments. In order to offer installations, the MVA would have to implement some programming changes to create an accounts receivable operating system. Finally, the requirement that the proceeds from the surcharge on EV/FCEVs be used for the purchase of zero-emission and electric/hybrid vehicles may be problematic if it is directing TTF funds for purchase of vehicles for agencies other than MDOT.

The Maryland Department of Transportation respectfully requests the Committee consider this information when deliberating House Bill 913.

Respectfully submitted,

Christine E. Nizer
Administrator
Maryland Motor Vehicle Administration
410-787-7830

Pilar Helm
Director of Government Affairs
Maryland Department of Transportation
410-865-1090