



**Bill:** **House Bill 1496– Building Code – Construction and Significant Renovation of Housing Units – Electric Vehicle Parking Spaces**

**Committee:** **Environment and Transportation**

**Date:** **March 12, 2025**

**Position:** **Unfavorable**

The Apartment and Office Building Association (AOBA) of Metropolitan Washington is a non-profit trade association representing the owners and managers of more than 23 million square feet of commercial office space and 133,000 apartment rental units in Montgomery and Prince George's counties. AOBA submits the following testimony in opposition to House Bill 1496.

House Bill 1496 requires the construction of new multifamily residential buildings with separate garages, carports, or driveways for each residential unit to include certain parking spaces for electric vehicle charging. The bill applies to significant renovations with separate garages, carports, or driveways, defined as housing units that include electric panel upgrades that increase the panel's capacity or parking upgrades that involve repaving or trenching in or around the parking space. Communities making these renovations to the community must include one EVSE-installed parking space capable of providing at least level 2 charging and one EV-ready parking space. If the significant renovation of housing units includes or will include on-site, off-street, and common-use parking, then it must also include, for every 25 residential units, at least one common EVSE-installed parking space.

AOBA supports efforts to expand electric vehicle charging capacity throughout the State. However, AOBA members are concerned about the cost of adding EV charging stations to existing housing units that undergo significant renovations. The bill defines significant renovations as any renovation that includes electric panel upgrades that increase the capacity of the panel or parking upgrades that involve trenching in or around parking spaces.

While electric panel upgrades may increase capacity to meet new appliance or building system requirements, the new capacity may not be sufficient for a level 2 EV charging station. Thus, this bill could require significantly higher capital investments than housing providers had intended when

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deciding to make such upgrades. These costs come at a time when the rental housing industry is already under significant strain due to increased operating expenses, such as utilities, labor, and insurance; increased delinquencies due to the pandemic; and new legal mandates, such as the Building Energy Performance Standards and restrictive rent regulations in Montgomery and Prince George's Counties.

The Maryland Energy Administration (MEA) report analyzes the potential cost estimates for a Level 2 (LV2) charging station for different multifamily building types.<sup>1</sup> The report concludes that it cost \$1.4 billion to install LV2 chargers for 10% of parking spaces. That figure increases substantially as more parking spaces are being retrofitted with chargers. Adding L2 Chargers to 50% of parking spaces will cost housing providers \$7.4 billion for multifamily developments. These figures are significant even with financial assistance from the public sector, and other cost saving measures still is exorbitant for AOBA members. Moreover, MEA would have to allocate \$660 million to meet the demand for multifamily communities to make installations.

At the federal level, the current administration is eliminating the electric vehicle tax credit which allows purchasers to receive up to \$7,500 for eligible vehicles.<sup>2</sup> The administration has also imposed or threatened to impose costly tariffs that will raise the cost of vehicles.<sup>3</sup> Lastly, the federal layoffs and associated decline in spending will have a ripple effect throughout the state's economy that is already impacting the state's budget. This combination of factors will reduce demand for electric vehicles.

For these reasons, AOBA urges an unfavorable report on House Bill 1496. For more information, please contact Hugo Cantu at [hcantu@aoba-metro.org](mailto:hcantu@aoba-metro.org)

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<sup>1</sup> <https://energy.maryland.gov/Reports/Multifamily%20Residential%20EV%20Study.pdf>

<sup>2</sup> <https://apnews.com/article/climate-trump-electric-vehicles-pollution-standards-ae3a35faa376630e494765175aee2c28>

<sup>3</sup> <https://www.reuters.com/business/autos-transportation/automakers-warn-that-trump-tariffs-will-hike-some-vehicle-prices-by-much-25-2025-03-04/>