

SENATE BILL 1065

R4

4lr3457

By: **Senator Guzzone**

Introduced and read first time: February 2, 2024

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 1, 2024

CHAPTER _____

1 AN ACT concerning

2 **Motor Vehicles – Registration – Annual Surcharge**

3 FOR the purpose of requiring the ~~owner of a motor vehicle~~ owners of certain motor vehicles
4 to pay a certain annual surcharge in addition to the annual registration fee;
5 authorizing the surcharge to be paid in installment payments; requiring the proceeds
6 collected from the surcharge to be deposited into the Transportation Trust Fund ~~and,~~
7 ~~under certain circumstances, to be used for certain purposes~~; requiring the Motor
8 Vehicle Administration to refuse to register or renew or transfer the registration of
9 a motor vehicle for failure to pay the surcharge or installments; and generally
10 relating to annual surcharges on motor vehicle registrations.

11 BY repealing and reenacting, without amendments,
12 Article – Transportation
13 Section 11–125.1 and 11–145.1
14 Annotated Code of Maryland
15 (2020 Replacement Volume and 2023 Supplement)

16 BY adding to
17 Article – Transportation
18 Section 13–956
19 Annotated Code of Maryland
20 (2020 Replacement Volume and 2023 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
22 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



Article – Transportation

1

2 11–125.1.

3 “Fuel cell electric vehicle” means a motor vehicle that:

4 (1) Is made by a manufacturer;

5 (2) Is manufactured primarily for use on public streets, roads, and
6 highways;

7 (3) Is rated at not more than 8,500 pounds unloaded gross weight;

8 (4) Has a maximum speed capability of at least 55 miles per hour;

9 (5) Is powered entirely by electricity, produced by combining hydrogen and
10 oxygen, that runs the motor;

11 (6) Has an operating range of at least 100 miles; and

12 (7) Produces only water vapor and heat as by-products.

13 11–145.1.

14 (a) “Plug-in electric drive vehicle” means a motor vehicle that:

15 (1) Is made by a manufacturer;

16 (2) Is manufactured primarily for use on public streets, roads, and
17 highways;

18 (3) Is rated at not more than 8,500 pounds unloaded gross vehicle weight;

19 (4) Has a maximum speed capability of at least 55 miles per hour; and

20 (5) Is propelled to a significant extent by an electric motor that draws
21 electricity from a battery that:22 (i) Has a capacity of not less than 4 kilowatt-hours for 4-wheeled
23 motor vehicles and not less than 2.5 kilowatt-hours for 2-wheeled or 3-wheeled motor
24 vehicles; and25 (ii) Is capable of being recharged from an external source of
26 electricity.

(b) "Plug-in electric drive vehicle" includes a qualifying vehicle that has been modified from original manufacturer specifications.

13-956.

(A) IN ADDITION TO THE REGISTRATION FEE OTHERWISE REQUIRED BY THIS TITLE, THE OWNER OF A MOTOR VEHICLE SHALL PAY AN ANNUAL SURCHARGE:

~~(1) ON OR BEFORE SEPTEMBER 30, 2025, OF \$100 FOR EACH PLUG-IN ELECTRIC DRIVE VEHICLE OR FUEL CELL ELECTRIC VEHICLE; AND~~

(1) ON OR BEFORE SEPTEMBER 30, 2025, OF:

(I) \$150 FOR EACH ZERO-EMISSION VEHICLE, AS DEFINED IN § 23-206.4 OF THIS ARTICLE; AND

(II) \$122.50 FOR EACH PLUG-IN ELECTRIC DRIVE VEHICLE THAT IS NOT A ZERO-EMISSION VEHICLE; AND

(2) AFTER SEPTEMBER 30, 2025, AT A RATE BASED ON THE AMOUNTS ESTABLISHED UNDER ITEM (1) OF THIS SUBSECTION ADJUSTED FOR INFLATION AS DETERMINED ANNUALLY BY THE ADMINISTRATION.

(B) A SURCHARGE ASSESSED UNDER THIS SECTION MAY BE PAID:

(1) AT THE TIME THE ANNUAL REGISTRATION FEE IS PAID; OR

(2) IN INSTALLMENTS THROUGHOUT THE REGISTRATION PERIOD AS DETERMINED BY THE ADMINISTRATION.

(C) THE PROCEEDS COLLECTED FROM THE SURCHARGE ASSESSED ON PLUG-IN ELECTRIC DRIVE VEHICLES OR FUEL CELL ELECTRIC VEHICLES UNDER SUBSECTION (A)(1) OF THIS SECTION SHALL BE:

~~(1) DEPOSITED~~ DEPOSITED INTO THE TRANSPORTATION TRUST FUND;~~AND~~

~~(2) USED ONLY TO FUND THE PURCHASE OF:~~

~~(I) ZERO-EMISSION OR ALTERNATIVE FUEL BUSES AS REQUIRED UNDER § 7-406 OF THIS ARTICLE; AND~~

~~(II) ZERO-EMISSION OR HYBRID VEHICLES IN THE STATE VEHICLE FLEET AS REQUIRED UNDER § 14-418 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.~~

1 **(D) IF A PERSON THAT OWNS A MOTOR VEHICLE THAT IS ASSESSED THE**
 2 **SURCHARGE FAILS TO PAY THE SURCHARGE OR INSTALLMENTS, THE**
 3 **ADMINISTRATION SHALL REFUSE TO REGISTER OR RENEW OR TRANSFER THE**
 4 **REGISTRATION OF THE MOTOR VEHICLE.**

5 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1,
 6 2024, the Motor Vehicle Administration, in conjunction with the Comptroller, shall report
 7 to the Senate Education, Energy, and the Environment Committee and the House
 8 Environment and Transportation Committee, in accordance with § 2-1257 of the State
 9 Government Article, on recommendations regarding the feasibility of automatically
 10 reducing the electric vehicle surcharge for low-income residents.

11 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
 12 October 1, 2024.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.