

# HOUSE BILL 406

Q5, R4

7lr0143  
CF SB 315

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By: **The Speaker (By Request – Administration) and Delegates Fraser-Hidalgo, Afzali, Anderton, Aumann, Beitzel, Carozza, Cassilly, Ciliberti, Clark, Cluster, Davis, Flanagan, Folden, Hornberger, S. Howard, Jacobs, Kipke, Kittleman, Krebs, Long, Malone, Mautz, McComas, McKay, McMillan, Metzgar, Miele, Otto, Reilly, Simonaire, Szeliga, Vogt, West, B. Wilson, and ~~Wivell~~ Wivell, Beidle, Jalisi, and McCray**

Introduced and read first time: January 26, 2017

Assigned to: Environment and Transportation

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 15, 2017

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Clean Cars Act of 2017**

3 FOR the purpose of extending and altering, for certain fiscal years, the Electric Vehicle  
4 Recharging Equipment Rebate Program and authorization to issue motor vehicle  
5 excise tax credits for certain qualified plug-in electric drive vehicles; increasing the  
6 total amount of rebates that the Maryland Energy Administration may issue each  
7 fiscal year; altering how the rebate is calculated; altering the type of qualified  
8 plug-in electric drive vehicle eligible for a certain motor vehicle excise tax credit;  
9 altering the calculation of a certain motor vehicle excise tax credit; extending and  
10 increasing, for certain fiscal years, the amount required to be transferred from the  
11 Strategic Energy Investment Fund to the Transportation Trust Fund to offset  
12 certain revenue reductions; extending and increasing, for certain fiscal years, the  
13 total amount of motor vehicle excise tax credits that may be issued; and generally  
14 relating to the Electric Vehicle Recharging Equipment Rebate Program and motor  
15 vehicle excise tax credits for certain qualified plug-in electric drive vehicles.

16 BY repealing and reenacting, with amendments,  
17 Article – State Government  
18 Section 9–2009  
19 Annotated Code of Maryland

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### 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.



1 (2014 Replacement Volume and 2016 Supplement)

2 BY repealing and reenacting, with amendments,  
3 Article – Transportation  
4 Section 13–815  
5 Annotated Code of Maryland  
6 (2012 Replacement Volume and 2016 Supplement)

7 BY repealing and reenacting, with amendments,  
8 Chapter 359 of the Acts of the General Assembly of 2014  
9 Section 2

10 BY repealing and reenacting, with amendments,  
11 Chapter 360 of the Acts of the General Assembly of 2014  
12 Section 2

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

15 **Article – State Government**

16 9–2009.

17 (a) (1) In this section the following words have the meanings indicated.

18 (2) “Electric vehicle recharging equipment rebate” means a rebate issued  
19 by the Administration under this section for the cost of qualified electric vehicle recharging  
20 equipment.

21 (3) “Qualified electric vehicle recharging equipment” means property in the  
22 State that is used for recharging motor vehicles propelled by electricity.

23 (4) “Retail service station dealer” has the meaning stated in § 10–101 of  
24 the Business Regulation Article.

25 (b) (1) There is an Electric Vehicle Recharging Equipment Rebate Program.

26 (2) The Administration shall administer the Program.

27 (c) (1) For fiscal years [2015 through 2017] **2018 THROUGH 2020**, subject to  
28 the provisions of this section, an individual, a business entity, or a unit of State or local  
29 government may apply to the Administration for an electric vehicle recharging equipment  
30 rebate for the costs of acquiring and installing qualified electric vehicle recharging  
31 equipment.

32 (2) For each fiscal year, the total amount of rebates issued by the  
33 Administration may not exceed [\$600,000] **\$1,200,000**.

1 (3) The Administration may allow an applicant to include reasonable  
2 installation costs in the cost of qualified electric vehicle recharging equipment for the  
3 purpose of calculating the amount of an electric vehicle recharging equipment rebate.

4 (d) Subject to subsection (e) of this section, the Administration may issue an  
5 electric vehicle recharging equipment rebate to:

6 (1) an individual in an amount equal to the lesser of:

7 (i) ~~[50%]~~ **40%** of the costs of acquiring and installing qualified  
8 electric vehicle recharging equipment; or

9 (ii) ~~[\$900]~~ **\$700**;

10 (2) except as provided in item (3) of this subsection, a business entity or  
11 unit of State or local government in an amount equal to the lesser of:

12 (i) ~~[50%]~~ **40%** of the costs of acquiring and installing qualified  
13 electric vehicle recharging equipment; or

14 (ii) ~~[\$5,000]~~ **\$4,000**; or

15 (3) a retail service station dealer in an amount equal to the lesser of:

16 (i) ~~[50%]~~ **40%** of the costs of acquiring and installing qualified  
17 electric vehicle recharging equipment; or

18 (ii) ~~[\$7,500]~~ **\$5,000**.

19 (e) An electric vehicle recharging equipment rebate issued under this section is  
20 limited to the acquisition of one recharging system per individual.

21 (f) (1) The Administration may adopt regulations to carry out this section.

22 (2) The regulations adopted under this subsection may include:

23 (i) further limitations on the maximum amount of an electric vehicle  
24 recharging equipment rebate that may be claimed by an applicant under subsection (d) of  
25 this section;

26 (ii) a requirement that an applicant demonstrate compliance with a  
27 State, local, or federal law that applies to the installation or operation of the qualified  
28 electric vehicle recharging equipment; and

1 (iii) any additional application and qualification requirements  
2 deemed appropriate by the Administration.

### 3 Article – Transportation

4 13–815.

5 (a) In this section, “excise tax” means the tax imposed under § 13–809 of this  
6 subtitle.

7 (b) This section applies only to a plug-in electric drive vehicle that:

8 (1) Has not been modified from original manufacturer specifications;

9 (2) Is acquired for use or lease by the taxpayer and not for resale; [and]

10 **(3) HAS A TOTAL PURCHASE PRICE NOT EXCEEDING \$60,000;**

11 **(4) HAS A BATTERY CAPACITY OF AT LEAST 5.0 KILOWATT-HOURS;**

12 **AND**

13 **[(3)] (5)** Is purchased new and titled for the first time on or after July 1,  
14 **[2014] 2017**, but before July 1, **[2017] 2020**.

15 (c) Subject to available funding, a credit is allowed against the excise tax imposed  
16 for a plug-in electric drive vehicle.

17 (d) The credit allowed under this section may not exceed the lesser of:

18 (1) The product of **[\$125] \$100** times the number of kilowatt-hours of  
19 battery capacity of the vehicle; or

20 (2) \$3,000.

21 (e) The credit allowed under this section is limited to the acquisition of:

22 (1) One vehicle per individual; and

23 (2) 10 vehicles per business entity.

24 (f) A credit may not be claimed under this section:

25 (1) For a vehicle unless the vehicle is registered in the State; or

1 (2) Unless the manufacturer has already conformed to any applicable State  
 2 or federal laws or regulations governing clean-fuel vehicle or electric vehicle purchases  
 3 applicable during the calendar year in which the vehicle is titled.

4 (g) The Motor Vehicle Administration shall administer the credit under this  
 5 section.

6 **Chapter 359 of the Acts of 2014**

7 SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
 8 provision of law, for fiscal years 2015, 2016, [and] 2017, **2018, 2019, AND 2020**,  
 9 respectively, the lesser of [\$1,287,000] ~~\$2,400,000~~ **\$3,000,000** or the actual total amount  
 10 of credits allowed against the excise tax shall be transferred from the Strategic Energy  
 11 Investment Fund established under § 9-20B-05 of the State Government Article to the  
 12 Transportation Trust Fund to offset a reduction in revenues from the vehicle excise tax  
 13 credit for qualified plug-in electric drive vehicles under § 13-815 of the Transportation  
 14 Article, as enacted by this Act. The total amount of credits allowed against the excise tax  
 15 may not exceed [\$1,800,000] ~~\$2,400,000~~ **\$3,000,000** during the course of any fiscal year.

16 **Chapter 360 of the Acts of 2014**

17 SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
 18 provision of law, for fiscal years 2015, 2016, [and] 2017, **2018, 2019, AND 2020**,  
 19 respectively, the lesser of [\$1,287,000] ~~\$2,400,000~~ **\$3,000,000** or the actual total amount  
 20 of credits allowed against the excise tax shall be transferred from the Strategic Energy  
 21 Investment Fund established under § 9-20B-05 of the State Government Article to the  
 22 Transportation Trust Fund to offset a reduction in revenues from the vehicle excise tax  
 23 credit for qualified plug-in electric drive vehicles under § 13-815 of the Transportation  
 24 Article, as enacted by this Act. The total amount of credits allowed against the excise tax  
 25 may not exceed [\$1,800,000] ~~\$2,400,000~~ **\$3,000,000** during the course of any fiscal year.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
 27 1, 2017.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.