

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 714

(Delegate McMillan, *et al.*)

Environment and Transportation

Judicial Proceedings

Vehicle Laws - HOV Lanes - Plug-In Electric Drive and Hybrid Vehicles

This bill extends the termination date, from September 30, 2018, to September 30, 2022, for the authorization of (1) plug-in electric drive vehicles to use *all* high-occupancy vehicle (HOV) lanes regardless of the number of passengers and (2) qualified hybrid vehicles to use an HOV lane along the portion of U.S. Route 50 between Interstate 95/Interstate 495 and U.S. Route 301 regardless of the number of passengers. The authorization for the Motor Vehicle Administration (MVA) to charge a fee (not to exceed \$20) for issuing a permit is also extended. By January 1 of each year, MVA and the State Highway Administration (SHA) must report to the Governor and the General Assembly on the effect of the use of both plug-in electric drive vehicle and qualified hybrid vehicle permits issued on the operation of HOV lanes in Maryland.

Fiscal Summary

State Effect: Although the bill extends the current authorization for MVA to charge a fee for issuance of the HOV permits, MVA indicates that it does not currently charge a fee and that it does not intend to charge a fee under the bill. To the extent that MVA charges a fee, Transportation Trust Fund revenues increase accordingly. MVA and SHA can continue to report as required with existing resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: A “qualified hybrid vehicle” means an automobile that (1) meets all applicable regulatory requirements; (2) meets the current vehicle exhaust standard set under the federal Tier 2 program for gasoline-powered passenger cars under specified federal regulations; and (3) can draw propulsion energy from both gasoline or diesel fuel and a rechargeable energy storage system.

Whenever SHA designates a portion of a highway as an HOV lane, the HOV lane may be used at all times by specified plug-in electric drive vehicles that have obtained a permit from MVA as required, regardless of the number of passengers in the vehicle.

MVA, SHA, and the Department of State Police must design a permit to designate a vehicle as a plug-in electric drive vehicle authorized to use an HOV lane. MVA may charge a fee (not to exceed \$20) for issuing the permit. On the recommendation of SHA, MVA is authorized to limit the number of permits issued to ensure HOV lane operations are not degraded to an unacceptable level.

As of January 2018, MVA advises there were 86,233 hybrid vehicles and 11,906 plug-in electric drive vehicles registered in Maryland. In addition, the number of plug-in electric drive vehicles with the HOV decal was 2,566, which represents about 22% of all plug-in electric drive vehicles registered in the State.

The authorization for plug-in electric drive vehicles to use HOV lanes is temporary. It was first established by Chapters 491 and 492 of 2010 for plug-in vehicles, with a termination date of September 30, 2013. However, Chapters 64 and 65 of 2013 modified the authorization to apply to plug-in electric drive vehicles and extended the original termination date through September 30, 2017, among other things. Chapter 734 of 2016 again extended the termination date for the authorization for plug-in electric drive vehicles to use HOV lanes through September 30, 2018. In addition, Chapter 734 also allowed qualified hybrid vehicles to use an HOV lane on specified portions of U.S. Route 50 regardless of the number of passengers, under specified circumstances, through September 30, 2018.

Additional Information

Prior Introductions: None.

Cross File: SB 751 (Senator Simonaire) - Judicial Proceedings.

Information Source(s): Department of State Police; Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - February 21, 2018
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