

**Department of Legislative Services**  
 Maryland General Assembly  
 2022 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

House Bill 507 (Delegates Proctor and Korman)  
 Environment and Transportation

**Environment - Electric Vehicle Charging Infrastructure - Environmental Justice Considerations**

This bill requires any unit of State government that develops, or administers public funding to develop, electric vehicle (EV) charging infrastructure to use environmental justice guidelines when selecting communities for the development of such infrastructure.

**Fiscal Summary**

**State Effect:** Transportation Trust Fund (TTF) expenditures increase by \$100,000 in FY 2023 only for contractual costs to develop environmental justice guidelines. Other affected State agencies can likely implement the bill with existing resources, as discussed below. State revenues are not affected.

| (in dollars)   | FY 2023     | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
|----------------|-------------|---------|---------|---------|---------|
| Revenues       | \$0         | \$0     | \$0     | \$0     | \$0     |
| SF Expenditure | 100,000     | 0       | 0       | 0       | 0       |
| Net Effect     | (\$100,000) | \$0     | \$0     | \$0     | \$0     |

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** None. The bill does not directly affect local finances.

**Small Business Effect:** None.

**Analysis**

**Current Law:** “Environmental justice guidelines” is not a defined in statute, including in the Environment or Transportation Articles.

The Maryland Zero Emission Electric Vehicle Infrastructure Council (ZEEVIC) is charged with formulating an action plan to successfully integrate EVs into the State's transportation network. The council was originally established in statute pursuant to Chapters 400 and 401 of 2011, and has since been extended, renamed, and given related but differing requirements. Most recently, Chapter 118 of 2020 extended, from June 30, 2020, to June 30, 2026, the termination date for ZEEVIC and established new interim and final reporting deadlines. The ZEEVIC 2021 Annual Report is available [here](#).

The federal Infrastructure Investment and Jobs Act (IIJA), which was enacted in November 2021, allocates \$7.5 billion in federal funding for EV charging infrastructure. IIJA creates two new federal EV charging station programs that are intended to establish a national network of 500,000 EV chargers by 2030. The Maryland Department of Transportation (MDOT) has responded to the U.S. Department of Transportation Federal Highway Administration's request for information on the development of guidance for EV charging infrastructure deployment. According to MDOT, the department is developing the *Maryland Zero-Emission Vehicle Infrastructure Plan* for deployment of EV infrastructure in Maryland in response to these newly approved federal resources. MDOT advises that equitable deployment of infrastructure is one of the key considerations and strategies intended to be developed as part of the plan.

The Maryland Energy Administration (MEA) administers the Electric Vehicle Recharging Equipment Rebate Program, which was reestablished through fiscal 2023 by Chapter 670 of 2021. The program provides funding assistance for costs incurred acquiring and/or installing qualified EV supply equipment, *i.e.*, charging stations. According to MEA, the program is currently administered on a first-come, first-served basis.

**State Expenditures:** TTF expenditures increase by \$100,000 in fiscal 2023 only for MDOT to hire a consultant to research and draft environmental justice guidelines, conduct any necessary engagement and coordination with partner agencies and initiatives, and finalize the guidelines. MDOT staff can oversee and manage the consultant contract using existing staff. To the extent MDOT can make use of existing environmental justice tools (described below), costs may be less.

Based on responses from a limited survey of potentially affected State agencies, it is anticipated that most agencies can implement the bill with existing resources. However, there are operational impacts, which are described below, and the bill could have a meaningful impact on State agencies depending on the intent and scope of the bill's requirements. For example, the Department of General Services (DGS) anticipates that it can implement the bill with existing resources. However, this estimate is based on an understanding that the bill's requirements largely do not apply to DGS since DGS is only involved in installing EV charging infrastructure that is exclusively used for State fleet vehicles. It is unclear whether the bill's requirements apply to the installation of such

charging stations, however, since State funding is used to install them. The University System of Maryland is similarly unsure how the bill applies to any EV charging infrastructure installed on its campuses.

Since there are no established environmental justice guidelines in Maryland, the Maryland Department of the Environment (MDE) and MEA both anticipate using federal environmental justice standards to implement the bill's requirement. Both mentioned the U.S. Environmental Protection Agency's (EPA) EJScreen tool, and MDE also advises that the U.S. Department of Energy maintains an Energy Zones Mapping Tool that can support environmental justice analyses. MDE does not have any current plans to use or administer public funding or install EV charging infrastructure, so the bill has no immediate impact on that department. (As noted above, if these tools are sufficient for MDOT's use, costs to MDOT may be less.)

MEA can use EPA's EJScreen tool to use environmental justice guidelines when selecting applicants for its Electric Vehicle Supply Equipment Rebate Program, but notes that this means the administration must change how applications are accepted and processed. Instead of continuing to implement the rebate program on a first-come, first-served basis, MEA must establish a competitive application process in order to evaluate environmental justice guidelines when processing rebate applications. This delays the rate at which applicants receive rebates and may affect which recipients receive rebates. However, it does not affect the overall finances of the rebate program.

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### **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** Judiciary (Administrative Office of the Courts); Baltimore City Community College; University of Maryland Medical System; Morgan State University; Department of Budget and Management; Maryland Department of the Environment; Department of General Services; Maryland Department of Transportation; Maryland Energy Administration; Maryland Zero Emission Electric Vehicle Infrastructure Council; U.S. Department of Transportation; Department of Legislative Services

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