Department of Legislative Services

Maryland General Assembly 2025 Session

FISCAL AND POLICY NOTE First Reader

House Bill 1039 (Delegate Allen)

Environment and Transportation

Department of Agriculture - Public Electric Vehicle Supply Equipment - Registration, Regulation, and Oversight

This bill requires public electric vehicle supply equipment (equipment available to the public for a fee) to be registered with the Secretary of Agriculture. The bill establishes authority/responsibilities of the Secretary to regulate the equipment, including requiring the establishment of reliability/reporting standards and consumer standards, in consultation with the Public Service Commission (PSC). **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: Special fund revenues and expenditures increase correspondingly by \$636,500 in FY 2026; future years reflect annualization and inflation. General fund expenditures increase *significantly* beginning in FY 2026 (potentially by more than \$3.0 million in FY 2026 and \$1.0 million annually thereafter, as discussed below). General fund revenues increase relatively minimally, as discussed below.

(in dollars)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
GF Revenue	-	-	-	-	-
SF Revenue	\$636,500	\$172,900	\$180,300	\$188,300	\$196,200
GF Expenditure	-	-	-	-	-
SF Expenditure	\$636,500	\$172,900	\$180,300	\$188,300	\$196,200
Net Effect	(-)	(-)	(-)	(-)	(-)

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

Local Effect: Any costs incurred by local governments are assumed to be absorbed within existing resources, as discussed below. Revenues are not directly affected.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary:

Registration with the Secretary of Agriculture

The bill requires an owner of public electric vehicle supply equipment to register the equipment with the Secretary of Agriculture, annually renew the registration, and pay registration/renewal fees. The Secretary must set the registration and renewal fees at an amount that covers the cost of registering and renewing registrations of public electric vehicle supply equipment (with the fees deposited into the Weights and Measures Fund). The Secretary must issue a registrant a certificate of registration to display on each piece of equipment owned by the registrant.

"Public electric vehicle supply equipment" means electric vehicle supply equipment that (1) is available to and accessible by the public to charge an electric vehicle for a fee and (2) may be available to the public only during a specific period of time.

Public electric vehicle supply equipment that is not registered may not be used to charge a vehicle:

- on or after October 1, 2026, for equipment placed in service before October 1, 2025; or
- on or after January 1, 2026, for equipment placed in service on or after October 1, 2025.

The Maryland Department of Agriculture (MDA) may not require registration of public electric vehicle supply equipment, or enforce the provisions of the bill, until those dates.

The registration/renewal requirements do not apply to:

- private electric vehicle supply equipment (equipment available to and accessible by only the owner of the equipment and not the public);
- shared private electric vehicle supply equipment (equipment for which a fee is not charged and that is available to and accessible by only employees, tenants, and visitors of the owner of the equipment and individuals residing in a multifamily dwelling at which the owner has installed electric vehicle supply equipment); or
- electric vehicle supply equipment registered with the Comptroller or PSC.

Application of Existing Provisions

Existing provisions – that establish the authority of the Secretary (and MDA's Weights and Measures Program) to regulate weights and measures and establish existing registration requirements for weights and measures – apply to public electric vehicle supply equipment under the bill, unless otherwise provided. Provisions authorizing the Secretary to impose civil penalties instead of pursuing criminal charges against a person who violates State law provisions governing weights and measures (Title 11 of the Agriculture Article) do not apply to violations of the bill's provisions.

Weight and Measure Testing and Standards

The Secretary must (1) establish a program to test the weight and measure of electric vehicle supply equipment registered under the bill and (2) ensure the equipment conforms to standards established by the National Institute of Standards and Technology (NIST) Handbook 44.

Reliability and Reporting Standards and Consumer Standards

The Secretary, in consultation with PSC, must establish specified reliability and reporting standards (*e.g.*, standards and/or reporting related to power output, ports/connectors, hours of operation, fee amounts, payment methods, uptime, electric vehicle network to which the equipment belongs) and consumer standards (*e.g.*, standards related to payment/language options, information made available to the public, labeling requirements for equipment, employee training/certification, minimum hours of operation) for public electric vehicle supply equipment.

The reliability standards must establish the method for calculating uptime and require at least 97% uptime. "Uptime" means the availability and consistency of electric vehicle supply equipment to successfully dispense electricity as designed, measured as a percentage of both hours and days of a year.

The owner of electric vehicle supply equipment may designate a third party to comply with the reliability and reporting standards. The Secretary may establish and impose a civil penalty for a violation of the reliability and reporting standards against an owner of electric vehicle supply equipment that is constructed or purchased with public funds, after providing notice of and opportunity to cure the violation. Penalties are paid into the general fund.

The Secretary must prohibit the owner of public vehicle supply equipment from requiring a subscription or membership in order for a consumer to use the equipment but may authorize an owner to offer services on a subscription or membership basis.

Inspections, Decommissioning, Regulations, and Reporting

The Secretary must:

- develop procedures for inspecting public electric vehicle supply equipment when a complaint is received;
- establish a process for the decommissioning of public electric vehicle supply equipment;
- adopt regulations to implement the bill that (1) to the extent practicable, are consistent with the National Electric Vehicle Infrastructure (NEVI) Formula Program and the existing provisions of Title 11 that establish the Secretary's authority to regulate weights and measures and establish existing registration requirements for weights and measures and (2) include the reliability and reporting standards and consumer standards; and
- by July 1 of each year, beginning in 2026, compile information reported under the reliability and reporting standards during the previous calendar year and provide a single report to the Comptroller, PSC, and the General Assembly.

The bill also requires, in an uncodified provision, that MDA, in consultation with PSC, adopt regulations to implement the bill by December 1, 2025.

Current Law:

Electric Vehicle Supply Equipment Workgroup

Chapters 452 and 453 of 2024 established the Electric Vehicle Supply Equipment Workgroup to (1) develop a framework for reliability and reporting standards for electric vehicle charging stations; (2) study and make recommendations regarding which government entities have responsibility for ensuring accountability regarding electric vehicle charging stations; and (3) make recommendations regarding adopting and implementing specified regulations establishing standards for electric vehicle supply equipment and charging stations. The workgroup was required to report its framework and recommendations by November 1, 2024.

Weights and Measures Program

MDA's Weights and Measures Program, on behalf of the Secretary of Agriculture and pursuant to Title 11 of the Agriculture Article, inspects and certifies the accuracy of measuring and weighing devices in the State to ensure the fairness and equity of all commercial transactions involving determination of quantity.

Generally, unless registered with the Secretary, a weight and measure may not be used or possessed for current use for (1) buying or selling any commodity or object; (2) hire or award; (3) computing any charge or payment for services rendered on the basis of weight and measurement; or (4) determining any weight and measure for a charge. A registration must be renewed annually and registration/renewal fees (established in statute, varying by type of weight and measure) must be paid.

The Secretary must inspect and test every weight and measure commercially used in determining (1) the weight, measurement, or count of any commodity sold, offered or exposed for sale, on the basis of weight, measure, or count; (2) any charge or payment for services rendered on the basis of weight, measure, or count; and (3) weight, measurement, or count when a charge is made for the determination. The specifications, tolerances, and other technical requirements for commercial weighing and measuring devices must be those adopted by the National Conference on Weights and Measures and included in the NIST Handbook 44, as amended.

The Secretary is authorized to investigate any complaint of any violation of State law governing weights and measures, as well as to conduct any investigation on the Secretary's own initiative.

The Secretary is also authorized to adopt regulations relating to registration of persons engaged in the maintenance and repair of weighing and measuring devices. MDA regulations include a certification program intended to allow owners of commercially used weighing and measuring devices to immediately place into service devices installed, serviced, or repaired by a service technician or service agency registered with the department.

Instead of pursuing criminal charges provided in the Agriculture Article, the Secretary may impose on any person who violates Title 11 a civil penalty of (1) up to \$500, for a first violation; (2) up to \$1,000, for a second violation; and (3) up to \$2,000, for a third or subsequent violation.

General Penalties for Violations of the Agriculture Article

Under Title 12 of the Agriculture Article, a person who violates any provision of the Agriculture Article is guilty of a misdemeanor and on conviction is subject to a fine of up to \$500 and/or imprisonment for up to three months, with costs imposed in the discretion of the court. For a second or subsequent offense, a person is subject to a fine of up to \$1,000 and/or imprisonment for up to one year, with costs imposed in the discretion of the court. A second or subsequent violation is one that has occurred within two years of any prior violation and that arises out of a separate set of circumstances.

Uptime Standards for Electric Company Electric Vehicle Charging Networks

Chapter 569 of 2023 requires an electric company operating an electric vehicle charging network to maintain uptime standards for each charging station in accordance with (1) federal NEVI standards or requirements or (2) alternative uptime standards and requirements approved by PSC. An electric company that operates an electric vehicle charging network or station must submit specified charging station uptime and other data to PSC on a quarterly basis.

State Revenues:

Special Funds

Special fund (Weights and Measures Fund) revenues increase annually beginning in fiscal 2026, by amounts corresponding with the special fund expenditure amounts discussed below, including by \$636,500 in fiscal 2026. This estimate assumes:

- the bill's authorization for the Secretary to set fees "at an amount that will cover the cost of registering and renewing the registration of the public electric vehicle supply equipment" can be interpreted to include the costs of inspecting and testing the registered equipment (the costs identified below as special fund expenditures) as costs that are integral to registration/renewal of the equipment as an accurate weight and measure; and
- revenues from the fees set by the Secretary equal the costs of inspecting and testing the equipment.

The Department of Legislative Services (DLS) notes that the Budget Reconciliation and Financing Act of 2025 (House Bill 352/Senate Bill 321), as introduced, repeals the weights and measures registration fees established in statute for various types of weights and measures (which currently do not including fees for electric vehicle supply equipment) and authorizes the Secretary to set reasonable fees for registering each weight and measure used for commercial purposes (which would allow the Secretary to set a fee applicable to electric vehicle supply equipment).

General Funds

General fund revenues increase by an indeterminate, but assumed to be relatively minimal, amount to the extent civil penalties are collected pursuant to the bill for violations of the reliability and reporting standards by an owner of public electric vehicle supply equipment that is constructed or purchased with public funds.

Any application of existing criminal penalty provisions is not expected to materially affect general fund revenues.

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State Expenditures:

Special Funds – Weight and Measure Inspections/Testing

Special fund expenditures increase by approximately \$636,500 in fiscal 2026, which accounts for a 90-day start-up delay. This estimate reflects costs for MDA to (1) hire two compliance inspectors to augment existing compliance staff to conduct weight and measure inspections and testing of public electric vehicle charging equipment and respond to any complaints and (2) purchase specialized equipment needed for the testing. It includes salaries, fringe benefits, one-time start-up costs (including vehicles), and ongoing operating expenses. This estimate:

- assumes, as discussed above under State Revenues, that the bill's authorization for the Secretary to set fees "at an amount that will cover the cost of registering and renewing the registration of the public electric vehicle supply equipment" can be interpreted to include the costs of inspecting and testing the registered equipment as costs that are integral to registration/renewal of the equipment as an accurate weight and measure; otherwise, general funds are needed to cover these costs;
- assumes that processing of registrations and renewals for public electric vehicle supply equipment can be absorbed by existing administrative staff (MDA has not indicated a need for additional administrative staff for this purpose; however, to the extent additional administrative staff are needed, special fund expenditures increase further);
- assumes that these inspection and testing costs are costs of the bill (since the bill requires regulation of public electric vehicle supply equipment), despite MDA's indication that the department currently has the authority (and intention, once it receives sufficient funding) to regulate public electric vehicle supply equipment like any other weight and measure; and
- is partially based on DLS's best efforts to disaggregate certain costs that MDA provided to DLS combined with the costs discussed below for implementing the reliability and reporting standards and consumer standards.

Total FY 2026 Special Fund Expenditures	\$636,500
Operating Expenses	122,994
Specialized Equipment	400,000
Salaries and Fringe Benefits	\$113,506
Positions	2.0

Future year expenditures reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

General fund expenditures are expected to increase *significantly* for MDA's Weights and Measures Program to implement the bill's requirements related to the reliability and reporting standards and consumer standards. MDA has provided an estimate of costs totaling \$3.2 million in fiscal 2026, with ongoing costs of approximately \$1.0 million annually in future years; similar to the special fund expenditures estimate, these figures are partially based on DLS's best efforts to disaggregate certain costs that MDA provided to DLS in combined form. MDA's estimate accounts primarily for nine additional positions (including seven inspection staff and vehicles) and, in fiscal 2026, costs of approximately \$2.0 million to establish a website and database for registrants to report information under the reliability and reporting standards.

It is assumed these costs cannot be interpreted to be costs of registration/renewal of public electric vehicle supply equipment covered by the fees set by the Secretary to register the equipment as an accurate weight and measure, since these standards are separate from weight and measure standards and are not integral to the registration of the equipment as an accurate weight and measure. Therefore, the costs are assumed to be covered by general funds.

DLS agrees that costs increase significantly for MDA to implement the reliability and reporting standards and consumer standards; however, DLS has not been able to communicate with MDA Weights and Measures staff about the need for the number of positions MDA has identified or the source of the estimate for the cost of the website and database. It should be noted that all agencies considered by the Electric Vehicle Supply Equipment Workgroup for the role of implementing reliability and reporting standards provided relatively significant preliminary cost estimates to implement the standards, summarized on p. 32 of the workgroup's report. (MDA's estimate, however, has changed since those preliminary estimates.)

PSC can provide advice and recommendations to MDA in establishing the reliability and reporting standards and consumer standards with existing resources.

Any application of existing criminal penalty provisions is not expected to materially affect general fund expenditures.

State Agency Compliance Costs

Any additional costs incurred by State agencies – that own/operate electric vehicle supply equipment available to the public for a fee, now or in the future – to comply with standards under the bill (and to pay registration/renewal fees and any civil penalties incurred for violations of the reliability and reporting standards, to the extent State agencies/entities are subject to fees and civil penalties) are assumed to be absorbed within existing resources.

Local Fiscal Effect: Similar to State agencies, any additional costs incurred by local governments – that own/operate electric vehicle supply equipment available to the public for a fee, now or in the future – to comply with standards under the bill (and to pay registration/renewal fees and any civil penalties incurred for violations of the reliability and reporting standards, to the extent local governments are subject to fees and civil penalties) are assumed to be absorbed within existing resources.

Small Business Effect: Small businesses that own public electric vehicle supply equipment, and those that service the equipment, may be meaningfully affected. Owners of the equipment are subject to registration/renewal fees and may incur costs to meet the standards under the bill (weight and measure, reliability and reporting, and consumer standards) or to pay civil penalties if their equipment is constructed or purchased with public funds. Small businesses that service the equipment may benefit from additional demand for their services.

The Electric Vehicle Supply Equipment Workgroup's <u>report</u> (p. 4), and a Maryland Department of Transportation <u>dashboard</u> that tracks the number of charging stations in the State, indicate that there are more than 1,500 electric vehicle charging stations available to the public.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 913 (Senator Hettleman) - Education, Energy, and the Environment.

Information Source(s): Harford, Montgomery and Talbot counties; Maryland-National Capital Park and Planning Commission; City of College Park; Maryland Municipal League; Comptroller's Office; Judiciary (Administrative Office of the Courts); Maryland Department of Agriculture; Public Service Commission; Maryland Energy Administration; Maryland Department of Transportation; Department of Legislative Services

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