

Larry Hogan Governor Boyd K. Rutherford Lt. Governor Gregory Slater Secretary

March 5, 2020

The Honorable Kumar P. Barve Chairman, House Environment and Transportation Committee 251 House Office Building Annapolis MD 21401

Re: Letter of Information – House Bill 1233 – State Vehicle Fleet – Conversion to Zero-Emission Electric Vehicles

Dear Chairman Barve and Committee Members:

The Maryland Department of Transportation (MDOT) takes no position on House Bill 1233 but offers the following information for the Committee's consideration.

House Bill 1233 would prohibit all State agencies, including MDOT, from entering into a contract for the purchase or lease of fleet vehicles unless they are zero-emission electric vehicles.

MDOT supports the long-term goal of replacing the State's light-duty vehicle (LDV) fleet with zero-emission vehicles (ZEVs), but the timeline proposed in House Bill 1233 is difficult to achieve. Currently, light-duty ZEVs are significantly more expensive than conventional fuel vehicles. The State purchases approximately 400 LDVs per year (41 percent are sedans; 59 percent are light-duty trucks). The current average price difference between a ZEV and conventionally powered vehicle is nearly \$10,000. Due to the limited operating budgets of State agencies and the limited ZEV model options, it would be difficult to achieve the legislation's stated goal of 100 percent ZEV purchases beginning in Fiscal Year 2022.

In addition, the sudden shift in procurement policy in Fiscal Year 2022 required by House Bill 1233 does not factor in the cost, planning, or construction challenges associated with the infrastructure required for widespread ZEV adoption. The State must invest in electric vehicle supply equipment (EVSE) to ensure the proper charging of the fleet as it transitions.

The MDOT is also concerned with the lack of clarity or specificity in House Bill 1233 as it relates to the definition of the State Vehicle Fleet. The State of Maryland, including MDOT, maintains a vast fleet of light-duty, heavy-duty, and off-road vehicles. Many of these vehicles, such as dump trucks, snow removal equipment, and emergency response vehicles are not available in zero-emission electric models. These vehicles are also critical to maintaining the safety and security of Maryland's transportation infrastructure. The State must maintain flexibility to purchase the vehicles needed for our essential operations.

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Per recommendations from the Maryland Commission on Climate Change and the Zero Emission and Electric Vehicle Infrastructure Council, Maryland State agencies, including MDOT, MDE, DGS, DBM, MEA, and others, are currently working on a plan to responsibly accelerate the turnover of the State light-duty vehicle fleet to ZEVs.

The Maryland Department of Transportation respectfully requests the Committee consider this information when deliberating House Bill 1233.

Respectfully submitted,

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