

Larry Hogan, Governor Boyd K. Rutherford, Lt. Governor Mary Beth Tung, Director

TO: Members, House Economic Matters Committee

FROM: Mary Beth Tung – Director, MEA **SUBJECT:** HB0044 - Clean Cars Act of 2021

DATE: March 30, 2921

MEA POSITION: FWA

Summary

In its current posture, House Bill 44 is similar to the MEA Departmental bill, SB 152. MEA recommends that HB 44 be further amended to fully adopt the provisions of SB 152. This will produce a substantially similar effect, but allow MEA greater flexibility in its programming in a time of financial constraint while reducing negative impacts on current MEA programs.

HB 44 reinstates a statutory mandate for an Electric Vehicle Recharging Equipment Rebate Program within MEA. This is not needed, as MEA has continued to operate that program even after the previous mandate sunset at the end of FY20.

There is a significant backlog of applications for electric vehicle excise tax rebates, an estimated ~\$7.5 million worth. Like HB 44, the language of SB 152 allows Maryland to keep its promise to those purchasers, but spreads the financial burden over the course of two fiscal years. This again reduces the impact on current MEA programs, including those focus on low- and moderate-income individuals..

Lastly, the course suggested by MEA, which included language in both SB 152 as well as the first reader of HB 44, which would provide flexibility for MEA to advance clean car initiatives while not hampering other climate and energy goals or programs.

For these reasons, MEA urges the Committee to adopt the amendments suggested by MEA, and to issue a **favorable report as amended** for HB 44.