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

March 30, 2021

The Honorable Delores G. Kelley Chair, Senate Finance Committee 3 East Miller Senate Office Building Annapolis MD 21401

Re: Letter of Information – House Bill 44 – Clean Cars Act of 2021 – Extension, Funding, and Reporting

Dear Chair Kelley and Committee Members:

The Maryland Department of Transportation (MDOT) takes no position on House Bill 44 but offers the following information for the Committee's consideration.

House Bill 44 extends the Electric Vehicle Recharging Equipment Rebate Program through 2023, increases the amount of rebates that the Maryland Energy Administration (MEA) may issue, and requires the transferring of funds from the Maryland Strategic Energy Investment Fund to the Transportation Trust Fund to offset revenue reduction relating to electric vehicles.

The Zero Emission Electric Vehicle Infrastructure Council (ZEEVIC) has been vital in promoting Maryland's overall effort in the continued development, advancement, and adoption of electric vehicles (EVs), as well as the installation of critical electric vehicle supply equipment (EVSE).

Maryland has a goal of 300,000 zero emission vehicle (ZEV) registrations in the State by 2025. This goal represents a key component of ensuring that Maryland meets our greenhouse gas (GHG) emission reduction goal of 40% from 2006 levels by 2030. The vehicle excise tax credit and the Recharging Equipment Rebate Program have both been instrumental in supporting this goal.

Since 2011, ZEEVIC has worked to remove barriers to EV usage in Maryland through the development of infrastructure action plans, permitting standards, and state incentives for the purchase of EVs and EVSE. This work has resulted in record EV registrations – as of March 2021, EV registrations totaled 30,345, which is a significant increase from 8,405 registrations in December 2016; however, this represents only about half of one percent of all the passenger cars in Maryland. Ending the incentive for EV purchases in 2020, after the 30,345 registrations, does not account for the continued higher cost of EV vehicles over traditional combustion engines.

These pivotal efforts have resulted in the honor of Maryland being designated as a top tier, or Tier 1, EV State by the Electric Vehicle Coalition, second only to California. The Maryland Department of Transportation respectfully requests the Committee consider this information when deliberating House Bill 44.

Respectfully submitted,

Melissa Einhorn State Legislative Officer Maryland Department of Transportation 410-865-1102