

Larry Hogan Governor Boyd K. Rutherford Lt. Governor James F. Ports, Jr. Secretary

March 30, 2022

The Honorable Guy Guzzone Chairman, Senate Budget and Taxation Committee 3 West Miller Senate Office Building Annapolis, MD 21401

Re: Letter of Information – House Bill 94 – State Vehicle Fleet – Conversion to Zero– Emission Passenger Cars and Other Light–Duty Vehicles

Dear Chairman Guzzone and Committee Members:

The Maryland Department of Transportation (MDOT) takes no position on House Bill 94 but offers the following information for the Committee's consideration.

House Bill 94 would require that passenger cars and other light–duty vehicles purchased for the State vehicle fleet be zero-emission vehicles (ZEV), subject to the availability of funding, with 100 percent of passenger vehicles being ZEV by 2031 and 100 percent of light-duty vehicles being ZEV by 2036.

The MDOT supports the goal of replacing the State's light-duty vehicle (LDV) fleet with ZEVs but the timeline proposed in House Bill 94 may be difficult to achieve. Approximately 1,500 vehicles in the MDOT's fleet may be affected by the purchase requirements and schedule outlined in this bill. The MDOT owns approximately 390 Passenger cars (sedans) that would be candidates for replacement with a ZEV model starting in FY2023. Approximately 680 SUVs and light-duty pickups, and over 400 vans and mini-vans could also be classified as light duty vehicles as defined in House Bill 94, and could be candidates for replacement with ZEV models starting in FY2028. Currently, light-duty ZEVs are more expensive than conventional fuel vehicles. The conversion of the passenger and light-duty fleet to electric will depend on the availability of ZEVs on State contracts, which is dependant on the supply of these vehicles by manufacturers and other aspects of the State's procurement process. This, along with the nationwide competition of other governments, is expected to stress the supply chain and delivery schedules further. Due to the limited operating budgets of State agencies and the limited ZEV model options, it may be difficult to achieve the legislation's stated goal of full 100 percent ZEV conversion for passenger and light-duty vehicles in the timeline specified in House Bill 94.

The deployment of ZEV infrastructure for the State's fleet is another factor to consider in the proposed transition outlined in House Bill 94. While MDOT is in the process of developing a Maryland ZEV Infrastructure Plan in response to the considerable opportunities and resources for Electric Vehicle Infrastructure made available through the Infrastructure Investment and Jobs Act (IIJA), the timeline set out in House Bill 94 may not be realistic given the complexities and challenges involved. The MDOT is committed to investing in electric vehicle supply equipement (EVSE) to ensure the proper charging of the State fleet as it transitions to ZEV vehicles.

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The Maryland Department of Transportation respectfully requests the Committee consider this information when deliberating House Bill 94.

Respectfully submitted,

Pilar Helm Director of Government Affairs Maryland Department of Transportation 410-865-1090