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January 26th, 2022

Delegate Kumar Barve, Chair Environment and Transportation Committee 251 House Office Building Annapolis, MD 21401

RE: HB 60 - Environment - New Motor Vehicles - Pollution Fee - NO POSITION

Dear Chair Barve and Members of the Committee:

The Maryland Asphalt Association is comprised of 18 producer members representing more than 47 production facilities, 24 contractor members, 24 consulting engineer firms and 41 other associate members. We proactively work with regulatory agencies to represent the interests of the asphalt industry both in the writing and interpretation of state and federal regulations that may affect our members. We also advocate for adequate state and federal funding for Maryland's multimodal transportation system.

We submit this testimony without a position, but rather as an inquiry and a request for this piece of legislation. House Bill 60 would establish a pollution fee on new motor vehicles sold or registered in the State. This fee would only apply to vehicles with an EPA carbon dioxide pollution rating equal to or higher than the minimum pollution level. The money collected would then be used to provide rebates for purchasers of electric vehicles, transit and school buses and to expand the infrastructure for electric vehicles.

Before the Association is able to take a position, we seek additional information and clarity. We'd like to know why all new vehicles are not subjected to this fee. All vehicles use the roads, highways, and bridges in this State and we have serious concerns that electric and hybrid vehicles are not paying their fair share to maintain a road system desperately in need of updates. We recognize the need for electric vehicles to help combat climate change and we take no issue with them as a whole. The motor fuel tax put into place in 2013 to fund these road projects does not apply to electric vehicles for obvious reasons. Now the legislature is seeking to implement yet another fee that will exclude them. Additionally, we'd like to know why this fee is not being put into the Transportation Trust Fund ("TTF"). The TTF is consistently underfunded and our roads need help. Please look into whether all vehicles can be included in this bill to ensure an equal playing field for all Maryland drivers.

We appreciate you taking the time to address this legislation and we look forward to learning more so we can determine how it may impact our members and the residents of Maryland.

Thank you,

Marshall Klinefelter

President

Maryland Asphalt Association