

February 21, 2023

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

RE: Letter of Support – House Bill 550 – Maryland Energy Administration – Energy Programs – Modifications (Clean Transportation and Energy Act)

Dear Chair Barve and Committee Members:

The Maryland Department of Transportation (MDOT) supports House Bill 550, as an additional effort to promote the adoption of electric vehicles (EVs) and the deployment of electrical vehicle supply equipment (EVSEs).

House Bill 550 extends the Electric Vehicle Recharging Equipment Program (Program) through fiscal year (FY) 2026 and repeals the limitations on the total amount of rebates that the Maryland Energy Administration (MEA) may issue each fiscal year (FY). It prioritizes loans and grants from the Strategic Energy Investment Fund (SEIF) to benefit low-income and environmental justice communities. Additionally, House Bill 550 alters the definition of “grant” for purposes of the Medium-Duty and Heavy-Duty Zero-Emission Vehicle (MHD ZEV) Grant Program to cover up to 100% of the incremental costs for qualified medium- and heavy-duty zero emissions vehicles (ZEVs) over the cost of fossil fuel vehicles.

The Electric Vehicle Recharging Equipment Program, administered through the MEA, is an effective tool in supporting the installation and deployment of EVSEs, with funds frequently depleted before end of the fiscal year. House Bill 550 will ensure that there is reliable program funding through FY 2026. Since June 30, 2020, Maryland has seen an increase of nearly 150% in the number of EVs registered within the State. With over 64,000 EVs currently registered, EVs now make-up over 1% of all registered vehicles. With most charging taking place at home or at work, this funding will provide incentives for individuals and companies to install EVSE. Additionally, House Bill 550 complements and supports Maryland’s National Electric Vehicle Infrastructure (NEVI) Program, which will allocate funds to create a convenient, affordable, reliable, and equitable national network of EVSEs.

With on-road transportation accounting for over one-third of the greenhouse gas (GHG) emissions in Maryland, the MDOT has worked closely with MEA and other key partners to identify strategies and opportunities to reduce emissions from the transportation sector, including the electrification of medium- and heavy-duty vehicles. The MHD ZEV Grant Program will provide a meaningful incentive for companies interested in incorporating ZEVs into their fleets.

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For these reasons, the Maryland Department of Transportation respectfully requests the Committee grant House Bill 550 a favorable report.

Respectfully submitted,

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Acting Secretary
Maryland Department of Transportation
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