ROCKVILLE: 240-777-6550 ANNAPOLIS: 240-777-8270

HB 550 DATE: February 23, 2023

SPONSOR: The Speaker (By Request – Administration) and

Delegate Fraser-Hidalgo, et al.

ASSIGNED TO: Environment and Transportation Committee

CONTACT PERSON: Garrett Fitzgerald (garrett.fitzgerald@montgomerycountymd.gov)

POSITION: Favorable (Department of Environmental Protection)

Maryland Energy Administration – Energy Programs – Modifications (Clean Transportation and Energy Act)

Electric vehicles (EVs) powered by a clean, renewable energy grid will play a critical role in achieving our State climate goals. Transitioning to an EV requires the purchase of the vehicle itself, along with infrastructure to charge the vehicle. Reducing costs associated with charging equipment will help to accelerate EV adoption. This bill will extend the Electric Vehicle Recharging Equipment Rebate Program through fiscal year 2026, and removes the annual funding cap, which will help to address high existing demand for this program.

This bill would also adjust the Medium-Duty and Heavy-Duty Zero-Emission Vehicle Grant Program, and allow Strategic Energy Investment Fund resources to be used to support zero-emission vehicle efforts. Transforming the medium- and heavy-duty vehicle market to zero-emission models has the potential to improve air quality along with helping to achieve our climate goals. These important investments will help to catalyze this relatively nascent market.

The bill also expands eligible uses of compliance fees collected from utilities that fail to meet annual Renewable Portfolio Standard requirements. The importance of this expansion is less clear, but we appreciate that the bill directs the Administration to prioritize financial support to benefit low-income communities and environmental justice communities.

We respectfully request that the Environment and Transportation Committee issue a favorable report on House Bill 550.