

Letter HB0774 Motor Vehicles - Certificate of Titl

Uploaded by: Chad Faison

Position: FAV



February 20, 2024

Hon. Marc Korman
Chair, House Environment & Transportation
Committee
251 Taylor House Office Building
Annapolis, MD 21401

Hon. Regina Boyce
Vice-Chair, House Environment &
Transportation Committee
251 Taylor House Office Building
Annapolis, MD 21401

Re: HB 774 Motor Vehicles - Certificate of Title Fees - Zero-Emission Plug-In Electric Drive Vehicles

Support

Dear Chair Korman:

I am writing to express the American Council of Engineering Companies/MD's (ACEC/MD) support for the proposal to raise title fees for Zero-Emission Plug-In Electric Drive Vehicles (ZEVs) to \$200 in Maryland. As advocates for sustainable infrastructure development and responsible transportation funding, we believe this measure is crucial for the long-term vitality of our transportation systems and environmental sustainability.

The transportation trust fund plays a pivotal role in ensuring the maintenance, improvement, and expansion of Maryland's transportation infrastructure. However, as we continue to witness the increasing adoption of ZEVs, it is imperative that our funding mechanisms adapt to these changes. While ZEVs offer numerous environmental benefits, they also present unique challenges regarding their contribution to infrastructure wear and tear and the related funding requirements.

Raising title fees for ZEVs to \$200 represents a fair and equitable approach to ensure that all vehicles contribute proportionately to the upkeep of our transportation infrastructure. This adjustment not only reflects the actual usage of roads and bridges by ZEVs but also provides a necessary influx of funding to the transportation trust fund, allowing for essential maintenance and development projects to proceed without undue financial strain.

Respectfully yours,

A handwritten signature in black ink that reads "Chad R." followed by a horizontal line.

Chad Faison
Executive Director, ACEC/MD

HB 774 MDCC Motor Vehicles - Certificate of Title

Uploaded by: Hannah Allen

Position: FAV



MARYLAND
Chamber of Commerce

LEGISLATIVE POSITION:

FAVORABLE

**Motor Vehicles - Certificate of Title Fees - Zero-Emission Plug-In Electric Drive Vehicles
House Bill 774**

Environment and Transportation Committee

Thursday, February 22, 2024

Dear Chairman Korman and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce (Maryland Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 6,800 members and federated partners working to develop and promote strong public policy that ensures sustained economic recovery and growth for Maryland businesses, employees, and families.

House Bill 774 alters the fee for the issuance of title for zero-emission plug-in electric vehicles to \$200.

The increased adoption of electric vehicles has resulted in a loss of revenue from the gas tax to the Transportation Trust Fund (TTF), which helps maintain our state's roads and infrastructure. Implementing a fee on electric vehicles helps ensure that electric vehicle owners contribute their fair share to fund road maintenance and infrastructure improvements.

While electric vehicles are generally more fuel-efficient than traditional vehicles, they are not without their costs to society, such as wear and tear on roads and the requirement for the installation of charging infrastructure. Over 30 states have added a surcharge on electric vehicles to compensate for lost revenue. Maryland should join the bulk of the nation and add a fee on electric vehicles to ensure the solvency of Maryland's TTF.

For these reasons, the Maryland Chamber of Commerce respectfully requests a **favorable report** on **HB 774**.

MDCHAMBER.ORG

60 West Street, Suite 100, Annapolis 21401 | 410-269-0642

HB 774_MTBMA_FAV.pdf

Uploaded by: Michael Sakata

Position: FAV



February 22, 2024

Delegate Marc Korman, Chair
House Environment and Transportation Committee
251 House Office Building
Annapolis, MD 21401

RE: HB 774 – FAVORABLE – Motor Vehicles – Certificate of Title Fees – Zero-Emission Plug-In Electric Drive Vehicles

Dear Chair Korman and Members of the Committee:

The Maryland Transportation Builders and Materials Association (“MTBMA”) has been and continues to serve as the voice for Maryland’s construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland’s multimodal transportation system.

House Bill 774 adds a fee of \$200 for zero-emission plug-in electric drive vehicles. For many years, MTBMA has argued that electric vehicles don’t pay their fair share in Maryland—by not paying motor fuel tax, which assists with funding and maintaining our roads, but still using those roads putting significant wear and tear on them. This places a significant burden on our crumbling infrastructure. We desperately need an influx of revenue into the Transportation Trust Fund to ensure safe and reliable roads in Maryland. We appreciate the sponsors introducing this legislation to finally create fairness amongst all vehicle users in Maryland, while providing that additional funding we need. Moreover, it reflects one of the recommendations given by the Maryland Commission on Transportation Revenue and Infrastructure Needs, of which we are a member of, which aims to seek additional revenue options for transportation projects.

We appreciate you taking the time to consider our request for a **FAVORABLE** report on House Bill 774.

Thank you,

A handwritten signature in blue ink, appearing to read 'Michael Sakata', is written over a faint, light blue circular watermark or background.

Michael Sakata
President and CEO
Maryland Transportation Builders and Materials Association

HB 774_MAA_FAV.pdf

Uploaded by: Tim Smith

Position: FAV

CHAIRMAN:
Jeff Graf
VICE CHAIRMAN
David Slaughter

MARYLAND ASPHALT ASSOCIATION



TREASURER:
Paul Bramble
SECRETARY:
Curtis Hall
PRESIDENT:
Tim Smith

February 22, 2024

Delegate Marc Korman, Chair
House Environment and Transportation Committee
251 House Office Building
Annapolis, MD 21401

RE: HB 774 – FAVORABLE – Motor Vehicles – Certificate of Title Fees – Zero-Emission Plug-In Electric Drive Vehicles

Dear Chair Korman and Members of the Committee:

The Maryland Asphalt Association (MAA) is comprised of 19 producer members representing more than 48 production facilities, 25 contractor members, 25 consulting engineer firms and 41 other associate members. MAA works proactively 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.

House Bill 774 adds a fee of \$200 for zero-emission plug-in electric drive vehicles. For many years, MAA has argued that electric vehicles don't pay their fair share in Maryland—by not paying motor fuel tax, which assists with funding and maintaining our roads, but still using those roads putting significant wear and tear on them. This places a significant burden on our crumbling infrastructure. We desperately need an influx of revenue into the Transportation Trust Fund to ensure safe and reliable roads in Maryland. We appreciate the sponsors introducing this legislation to finally create fairness amongst all vehicle users in Maryland, while providing that additional funding we need. Moreover, it reflects one of the recommendations given by the Maryland Commission on Transportation Revenue and Infrastructure Needs, which aims to seek additional revenue options for transportation projects.

We appreciate you taking the time to consider our request for a **FAVORABLE** report on House Bill 774.

Sincerely,

Tim E. Smith, P.E.
President
Maryland Asphalt Association

Ext. Comm. - Testimony - 2024 - Maryland HB 774 -

Uploaded by: Joshua Fisher

Position: UNF



February 20, 2024

The Honorable Marc Korman
Chair, House Environment and Transportation Committee
Room 251, House Office Building
Annapolis, Maryland 21401

HB 774: Motor Vehicles - Certificate of Title Fees - Zero-Emission Plug-In Electric Drive Vehicles
Position: Unfavorable

Dear Chair Korman:

The Alliance for Automotive Innovation¹ (Auto Innovators) appreciates the opportunity to provide the following comments on HB 774 as your committee considers the State's road funding needs and the appropriate taxation of electric vehicles (EVs). We request an unfavorable report on HB 774 and recommend the committee consider HB 913 as an alternative.

Maryland EVs sales comprised 11% percent of new vehicles sales through the first three quarters of 2023². This includes battery electric, plug-in electric, and fuel cell models. Automakers are investing heavily in EV manufacturing and battery production in the United States. Globally, automakers have committed to investing \$1.2 TRILLION dollars³ on electrification through 2030.

There will be 150 models⁴ of electric vehicles for sale in the U.S. market by 2026, up from roughly 111 models today. Our members recognize the pressure this transition – along with the continued rise in MPG ratings of traditional gas/diesel powered vehicles and the increased costs of highway construction generally – places upon state road infrastructure budgets that have historically been funded through state and federal gas tax revenues.

To address this concern, policymakers across the country have been forced to consider avenues outside of a gas tax to recoup revenues that otherwise would have been collected. The three potential revenue streams most commonly identified are: a flat annual registration fee on electric vehicles (EV); a tax based on the number of vehicle miles traveled (VMT) by an EV; or a tax based on the number of kilowatts of electricity (kWh) used to charge an EV.

¹ From the manufacturers producing most vehicles sold in the U.S. to autonomous vehicle innovators to equipment suppliers, battery producers and semiconductor makers – Alliance for Automotive Innovation represents the full auto industry, a sector supporting 10 million American jobs and five percent of the economy. Active in Washington, D.C. and all 50 states, the association is committed to a cleaner, safer and smarter personal transportation future.

www.autosinnovate.org.

² <https://www.autosinnovate.org/posts/papers-reports/get-connected-q3-2023>

³ <https://www.autosinnovate.org/posts/communications/The%20Future%20Is%20Electric%20Infographic>

⁴ <https://www.autonews.com/white-paper/here-are-nearly-150-evs-plug-hybrids-headed-us-dealerships-through-2026>

While automakers were once among the loudest to protest additional registration fees placed upon EV owners, we have now come to believe that such fees are the most responsible path for states to follow. Much attention has been given to pilot programs to study ways to implement both VMT and kWh taxes. From a state's perspective, however, increased registration fees on EVs could be accomplished with little added administrative costs. It would also represent the fastest way to begin collecting revenue, and likely prove to be the most stable source of revenue year-to-year. That is not to say there are not policy considerations around an EV fee that deserve heed – including: challenges for consumers facing a new fee that must be paid all at once, as opposed to modest payments throughout the year like the gas tax; and the limitations to collect road usage revenue from out-of-state drivers who are utilizing the State's roadways – but these can be mitigated through thoughtful policy development. Despite these drawbacks, EV fees will prove to be the most appropriate resolution to the funding problems faced by the State, given the challenges with implementing both VMT and kWh taxes.

While we do not suggest EV owners should get a free ride, we are very sensitive to a public perception that EV owners are being punished with new taxes and fees that drivers of traditional vehicles do not pay, and the possibility that such perception could holdback sales of this growing technology.

We think HB 913 provides a better alternative to assess fees on EV drivers and therefore request an unfavorable report on HB 774.

Thank you for your consideration of our position. For more information, please contact our local representative, Bill Kress, at (410) 375-8548.

Sincerely,

A handwritten signature in black ink that reads "Josh Fisher". The signature is written in a cursive, slightly slanted style.

Josh Fisher
Senior Director
Alliance for Automotive Innovation.

HB 774 Breiner Written Testimony Motor Vehicles_Ce

Uploaded by: Joyce Breiner

Position: UNF



Testimony to the House Environment and Transportation Committee
HB 774 Motor Vehicles - Certificate of Title Fees - Zero-Emission Plug-In Electric Drive Vehicles
Position: Unfavorable

February 17, 2024

The Honorable Marc Korman, Chair
Room 251, House Office Building, Annapolis, MD 21401

Honorable Chair Korman and Members of the House Environment and Transportation Committee:

I have been an Electric Vehicle (EV) owner since 2011 having experience with five EV makes/models. For over a decade I have been a part of and observing EV adoption in Maryland and across the United States. As such, I know it is important for me and fellow EV owners to pay a *fair share* of road taxes.

That said, the question becomes "What is my fair share?"

My understanding is that HB 774 proposes to arbitrarily double the title fee imposed just for EVs and does not specify how the increased funds would be directed. I also understand that the Transportation Revenue and Infrastructure Needs (TRAIN) commission was established to look into issues such as this and other questions but their recommendation report will not be delivered until the end of 2024. Meanwhile the multi-billion dollar shortfall in the Transportation Trust Fund (TTF) looms.

I urge the committee to let the TRAIN commission complete their analysis on this issue and similar topics so well considered recommendations based on real data can be taken into account instead of picking a fee amount arbitrarily.

Increased consumer demand for EVs has the EV adoption train leaving the station, now let's see the TRAIN commission arrive with a final report before any changes are made to title fees for EVs and gasoline vehicles alike.

Respectfully,

Joyce K. Breiner, CC-P®



Wilson HB 774 UNFV.pdf

Uploaded by: Scott Wilson

Position: UNF

Testimony to the House Environment and Transportation Committee
HB 774 Motor Vehicles - Certificate of Title Fees - Zero—Emission Plug-In Electric
Drive Vehicles

Position: Unfavorable

19 February 2024

The Honorable Marc Korman, Chair
Room 251, House Office Building, Annapolis, MD 21401

Honorable Chair Korman and Members of the House Environment and Transportation Committee:

My name is Scott Wilson, and I currently drive a 2017 Chevy Bolt EV and a 2013 Nissan Leaf. I serve on the Maryland Zero Emission Electric Vehicle Infrastructure Council, and I'm also Vice President of the Electric Vehicle Association of Greater Washington DC. The following remarks are entirely on my behalf.

As an EV driver, I want nothing more than to pay my fair share in road taxes. I don't like potholes any more than the next guy. However, this bill would add an arbitrary amount, \$100, to the title fee for EVs. Why \$100? Why not \$50, \$75 or \$150? Where is that number coming from? Arbitrary flat EV fees are based on an "estimate" of how much TTF revenue EVs are avoiding. That estimate uses flawed logic since it compares the EV with gas cars getting average mileage. EVs, however, get anything but average mileage. Our Bolt is the worst of our two cars, getting an effective mpg of 120 miles/gallon. If Maryland adopts a flat fee, it should thus reflect the avoided gas tax revenue of a ballpark 100 mpg vehicle.

Another problem with flat EV fees is the penalty for low-mile drivers, who are often elderly or low-income. Imagine someone driving 50 miles per week, and their neighbor driving 1000 miles per week in a much heavier car. Should both be required to pay equal amounts into the TTF?

The real issue with declining TTF revenue is the decrease in gasoline purchases due to increasing Corporate Average Fuel Economy (CAFE) standards in the wider fleet. CAFE standards will continue to rise, raising a fair question about whether hybrids like the Toyota Prius have been "paying their fair share".

We now have a forum to hash out thoughtful, policy-driven options to improve TTF funding. The Maryland Commission on Transportation Revenue and Infrastructure Needs (TRAIN) took testimony last year and will make final recommendations at the end of this year. The Interim Report last January recommended only that the General

Assembly consider options to collect revenue for the TTF, which I support. We should let TRAIN finish its work by allowing it to take the time to consider a broad range of funding options, most of which are already being used or piloted in other states. The General Assembly should base TTF revenue policy on the TRAIN conclusions.

In fact, there is a solution that is both fair and which would permanently solve TTF funding: implementing a Road Usage Charge (RUC) also known as a Vehicle Mile Tax (VMT). A VMT is the fairest solution, since it would charge vehicles in direct proportion to their road use. The more you drive, the more you pay, the less you drive, the less you pay, which is the way gas cars are taxed now. A VMT would also enable charging by weight, thus genuinely accounting for wear and tear on the roads.

There are many ways to implement a VMT which include robust and verifiable privacy protections, and we can learn from the states that are already doing so. Oregon¹, Utah², Virginia³, and even deep red Oklahoma⁴ all have active or pilot VMT programs. Washington, California, Nevada, Colorado, Minnesota, Pennsylvania, North Carolina, New Jersey, Delaware, Hawaii, and Maine all have VMT pilots. 20 other states, including Maryland⁵, are researching VMT programs through multi-state consortia. The National Conference of State Legislatures⁶ has shown that VMT programs are affordable, effective, and privacy-protecting. The TRAIN Commission has taken testimony⁷ which included VMT and has stated it will consider VMT in 2024.

As an EV driver, I want nothing more than to pay my fair share. Let's not get in front of the TRAIN, let's wait for the TRAIN to come in.

Thank you for your time,

Scott Wilson

¹ <https://www.myorego.org/>

² <https://roadusagecharge.utah.gov/>

³ <https://www.dmv.virginia.gov/vehicles/taxes-fees/mileage-choice>

⁴ <https://www.fairmilesok.com/>

⁵ <https://tetcoalitionmbuf.org/>

⁶ <https://www.ncsl.org/resources/details/ncsl-road-usage-charges-summit-agenda-presentations-june-2022>

⁷ Ed Regan "2023 Outlook on Fuel Tax Sustainability" at [2:12:45](#) https://mgaleg.maryland.gov/mgawebsite/Committees/Media/false?cmte=tri&clip=APP_8_24_2023_meeting_1&ys=2023rs