

February 29th, 2024

Delegate Vanessa Atterbeary, Chair House Ways and Means Committee 131 House Office Building Annapolis, MD 21401

RE: HB 1280 – <u>FAVORABLE</u> – Sales and Use Tax – Electricity to Charge Electric Vehicles – Transportation Trust Fund

Dear Chair Atterbeary 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 1280 would allocate revenue generated from the sales and use tax on electricity used to charge electric vehicles (EVs) to the Transportation Trust Fund.

MTBMA strongly supports this legislation because the Transportation Trust Fund is currently facing a significant funding shortfall, and we must take proactive steps to address this issue. HB 1280 represents a practical solution to this shortfall to provide the much-needed resources for essential transportation projects. Moreover, this bill aligns with the principle that EVs should contribute to the TTF, considering they do not pay the motor fuel tax, yet still rely on the roads and infrastructure. By enacting this legislation, we can ensure the continued operation and enhancement of Maryland's transportation network.

We appreciate you taking the time to consider our request for a FAVORABLE report on HB 1280.

Thank you,

Michael Sakata President and CEO

Maryland Transportation Builders and Materials Association