



February 4, 2025

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

RE: HB 216 – UNFAVORABLE – Electric Vehicles – Repeal of Excise Tax Credit and Establishment of Rebate Program

Dear Chair Korman and Members of the Committee:

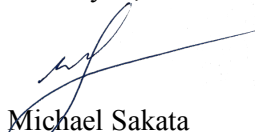
The Maryland Transportation Builders and Materials Association (“MTBMA”) has been and continues to serve as the voice for Maryland’s construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of Maryland's transportation construction and materials industry 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.

HB 216 seeks to repeal the existing electric vehicle excise tax credit and establish the Electric Vehicle Rebate Program. The bill would provide rebates to eligible buyers of zero-emission plug-in electric drive vehicles, fuel cell electric vehicles, and certain electric motorcycles. The total purchase price of a vehicle would not be reduced by the amount of the rebate, and the program would be limited to available funding. The bill would also transfer funds from the Strategic Energy Investment Fund to the Transportation Trust Fund to offset the cost of the rebates.

While we appreciate that the rebates will not come out of the Transportation Trust Fund, MTBMA still opposes this legislation because it establishes a policy framework that prioritizes electric vehicles over gas-combustion vehicles, creating an imbalance in how transportation infrastructure is funded and maintained. While MTBMA acknowledges the importance of promoting sustainable transportation, it is critical to consider the practical implications of shifting incentives toward EVs without addressing their disproportionate impact on roads and bridges. Due to their significantly greater weight, EVs contribute to accelerated wear and tear on infrastructure, increasing the need for frequent maintenance and placing additional strain on the state’s transportation system. Furthermore, since EV owners do not contribute to fuel taxes, which serve as a primary funding source for road maintenance, this shift in incentives could exacerbate existing funding gaps. Encouraging sustainability is important, but it must be pursued in a way that ensures all road users contribute equitably to the costs of maintaining Maryland’s transportation infrastructure.

We appreciate you taking the time to consider our request for an **UNFAVORABLE** report on House Bill 216.

Thank you,



Michael Sakata
President and CEO
Maryland Transportation Builders and Materials Association