

March 14, 2025

House Appropriations Committee House Economic Matters Committee House Environment and Transportation Committee House Ways and Means Committee Senate Budget and Taxation Committee Senate Education, Energy, and the Environment Committee Senate Finance Committee

Re: Zero Emission Electric Vehicle Infrastructure Council (ZEEVIC) Position Statements – Second letter of the 2025 legislative session

Dear Members of the General Assembly:

Maryland's Zero Emission Electric Vehicle Infrastructure Council (ZEEVIC) has reviewed the 2025 legislation below and respectfully offers the following position statements. This is the second letter of position statements ZEEVIC has prepared for the 2025 Session.

About ZEEVIC

The Maryland General Assembly established ZEEVIC (originally the Electric Vehicle Infrastructure Council, or EVIC) via legislation in 2011 and expanded it in 2019 and 2024. ZEEVIC's mission is to evaluate zero emission vehicle (ZEV) ownership and charging station incentives; develop recommendations for a statewide infrastructure plan; and propose policies to promote the successful integration of EVs into Maryland's communities and transportation system. ZEEVIC's responsibilities are directly related to helping Maryland meet its greenhouse gas emissions reduction goals and support its transition to a clean transportation economy.

ZEEVIC is an independent council and each statement of position below represents a consensus viewpoint of ZEEVIC's diverse stakeholder membership. They do not represent the positions of the Moore-Miller Administration, state agencies or other individual ZEEVIC members.

ZEEVIC supports the following bills:

 <u>HB 0897</u>: Maryland Department of Transportation – Electric Vehicle Charging Infrastructure Expansion – Plans and Programs. This bill requires the Maryland Department of Transportation, in consultation with the Maryland Energy Administration, to estimate the amount of EV charging infrastructure needed to achieve Maryland's greenhouse gas (GHG) emission reduction goals, and further, to develop plans and programs to increase EV charging infrastructure. <u>Comment</u>: Maryland's goal to reduce statewide GHG emissions by 60% from 2006 levels by 2031 serves as a valuable marker for the State's policy direction but is insufficient on its own to ensure the goal is met. The transportation sector accounts for more GHG emissions than any other sector in Maryland. If Maryland is to meet its climate goals, it is therefore imperative that the state keep pace with deployment of EV charging infrastructure. This bill will be helpful for Maryland to meet its climate goals by ensuring that Maryland identifies, plans for, and implements programs to deploy EV chargers at the scale and location needed.

• <u>HB 1088</u> / <u>SB 0882</u>: **Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act).** This bill imposes a fee on the commercial, non-farm transportation of coal in Maryland and provides that the revenues shall fund a new Fossil Fuel Mitigation Fund. The Fund shall be used for activities and programs that reduce GHG emissions which may include EVs, electric school buses, and EV charging equipment.

<u>Comment</u>: By establishing a new and ongoing funding stream which can be used for EV infrastructure and related programs, this bill will help ensure continued funding for such initiatives which are critical for Maryland to achieve its climate goals. Some of these programs, like MEA's EV charging rebate program, have been underfunded and oversubscribed in prior years, so this bill may help improve the availability and continuity of these incentives.

• <u>HB 1176</u>: Motor Vehicles – Plug-In Electric Drive Vehicles in HOV Lane – Termination Date. Maryland currently allows an EV driver to pay for a permit that allows their EV to use HOV lanes. This program is scheduled to end September 30, 2025. This bill extends this program by five years and establishes a new end date of September 30, 2030.

<u>Comment</u>: Allowing EV drivers to use HOV lanes helps encourage EV adoption at little to no cost to taxpayers. Although Maryland EV sales crossed the 10% threshold for the first time in 2024, EV adoption remains far short of the pace needed to achieve Maryland's climate goals and other policies such as the Advanced Clean Cars II rule. As such, the State continues to have a need to incentivize and support EV adoption. Extending the HOV privilege for another five years is a small but positive step towards that goal.

 <u>HB 1273</u>: Maryland Strategic Energy Investment Fund and Customer-Sited Solar Program – Alterations. This bill modifies elements of the Strategic Energy Investment Fund (SEIF) and Customer-Sited Solar Program. The relevant provisions for ZEEVIC include allowing the SEIF to provide loans and grants for transportation electrification; and an expanded focus for these programs to support electrification in addition to their current focus on energy efficiency and conservation.

<u>Comment</u>: By authorizing the SEIF to fund EV infrastructure and related programs, this bill will help ensure continued funding for such initiatives which are critical for Maryland

to achieve its climate goals. Some of these programs, like MEA's EV charging rebate program, have been underfunded and oversubscribed in prior years, so this bill may help improve the availability and continuity of these incentives. Additionally, the State's historic energy policy framework of reducing electricity consumption as a metric for energy efficiency is inadequate to also support the State's increasing focus on decarbonizing the grid and increasing electrification; this bill makes appropriate modifications to reflect this more expansive policy approach.

<u>HB 1457</u>: Alternative Fuel, Fuel-Efficient, and Electric Vehicles – Highway Use Fees. This bill provides for EVs and other fuel-efficient vehicles to pay into the Transportation Trust Fund (TTF) based on their miles traveled rather than through a flat registration fee. This approach to TTF funding reflects the same "user pays" principle the state has taken with gas-powered vehicles via the gasoline tax: drivers who drive more miles buy more gasoline and pay more gas tax than drivers who drive less.

<u>Comment</u>: For decades, the State has relied on the gas tax to help fund the TTF. Drivers of fully battery electric EVs (BEVs), plug-in hybrid EVs (PHEVs), and other low-emission vehicles buy little or no gasoline, and as a result pay little to no gas tax. These vehicles need to contribute their fair share for the state's transportation infrastructure. A usage-based approach to paying for the state's transportation infrastructure, such as the approach this bill takes, is more equitable than a flat vehicle registration fee, which penalizes drivers who drive less and rewards drivers who drive more. This bill will level the playing field and ensure that EVs and other low- or zero-emission vehicles pay their fair share into the TTF based on how much they drive.

 <u>HB 1496</u>: Building Code – Construction and Significant Renovation of Housing Units – Electric Vehicle Parking Spaces. This bill establishes EV-ready minimum requirements that increase over time for new construction or significant renovation of multifamily buildings.

<u>Comment</u>: It is far less expensive to plan, design, engineer, and install charging infrastructure at the time a building is being built than to retrofit existing construction. By establishing EV-ready requirements for specific types of buildings such as multifamily, this bill will help reduce barriers to charger installation and help enable more equitable charging access for Maryland households, because multifamily properties are underserved when it comes to EV charging.

ZEEVIC **opposes** the following bills:

 <u>HB 1008</u> / <u>SB 0557</u>: Vehicle-Miles-Traveled Tax and Associated Mandated Devices -Prohibition (Transportation Freedom Act of 2025). This bill prohibits the state and local jurisdictions from establishing a vehicle miles traveled (VMT) or other mileage-based program, even as part of a pilot program or study. <u>Comment</u>: For decades, the State has relied on the gas tax to help fund the Transportation Trust Fund (TTF). Drivers of fully battery electric EVs (BEVs), plug-in hybrid EVs (PHEVs), and other low-emission vehicles buy little or no gasoline, and as a result pay little to no gas tax. These vehicles need to contribute their fair share for the state's transportation infrastructure. A usage-based approach such as VMT to pay for the state's transportation infrastructure is more equitable than a flat vehicle registration fee, which penalizes drivers who drive less and rewards drivers who drive more. By prohibiting drivers from participating even in a voluntary VMT-style pilot program or study, this bill would perpetuate an uneven playing field for Maryland EVs and other low- or zeroemission vehicles by preventing them from paying their fair share into the TTF based on how much they drive.

 <u>SB 1020</u>: Environment – Advanced Clean Cars II Program – Application and Enforcement. The Advanced Clean Cars II (ACC II) Program, which Maryland adopted in 2023, requires automakers to deliver an increasing percentage of light-duty zeroemission or hybrid vehicles with each subsequent model year beginning with Model Year (MY) 2027. This bill prohibits the State from implementing the ACC II Program prior to MY 2031 and further prevents the State from enforcing the Program.

<u>Comment</u>: By delaying ACC II implementation and preventing enforcement of it, this bill would hinder ZEV adoption in Maryland and serve as a barrier to realizing the associated benefits. The ACC II Program is a pivotal linchpin for accelerating adoption of ZEVs in Maryland and reducing transportation-related greenhouse gas emissions and air pollutants.

Additional information about ZEEVIC's membership, mission, and goals are available in the attached handout.

Thank you for your consideration of ZEEVIC's statements of position. If you have questions or if I can provide further information, please feel free to email zeevic@mdot.maryland.gov.

Respectfully,

Josh Cohen Chair, Legislative Working Group ZEEVIC

Attachment