

HOUSE BILL 894

M5, C5

2lr0096

By: **Chair, Environment and Transportation Committee (By Request –
Departmental – Maryland Energy Administration)**

Introduced and read first time: February 7, 2022

Assigned to: Environment and Transportation and Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Transportation Electrification and Modernization (TEAM) Act**

3 FOR the purpose of altering the Electric Vehicle Recharging Equipment Rebate Program
4 by extending the duration of the Program, increasing the total amount of rebates
5 issued under the Program, repealing the authority to issue rebates to retail service
6 station dealers, limiting the issuance of rebates to one recharging system per
7 individual per address, and authorizing the Maryland Energy Administration to
8 offer additional benefits under certain circumstances; establishing the Medium- and
9 Heavy-Duty Zero Emission Vehicle Grant Program; establishing the Maryland Zero
10 Emission Vehicle Rebate Program; authorizing the use of the Maryland Strategic
11 Energy Investment Fund for the Maryland Zero Emission Vehicle Rebate Program;
12 altering the use of certain renewable energy portfolio standard compliance fees;
13 repealing provisions of law authorizing a credit against the excise tax imposed for a
14 plug-in electric drive vehicle or fuel cell electric vehicle; and generally relating to
15 electric vehicles, zero emission vehicles, and the Maryland Strategic Energy
16 Investment Fund.

17 BY repealing and reenacting, without amendments,
18 Article – Public Utilities
19 Section 7-701(s)
20 Annotated Code of Maryland
21 (2020 Replacement Volume and 2021 Supplement)

22 BY repealing and reenacting, with amendments,
23 Article – State Government
24 Section 9-2009 and 9-20B-05(f) and (i)
25 Annotated Code of Maryland
26 (2021 Replacement Volume)

27 BY adding to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – State Government
Section 9–2010, 9–2011, and 9–20B–01(g)
Annotated Code of Maryland
(2021 Replacement Volume)

BY repealing and reenacting, without amendments,
Article – State Government
Section 9–20B–01(a), (e), and (f) and 9–20B–05(a), (g), (h), and (j)(4)
Annotated Code of Maryland
(2021 Replacement Volume)

BY repealing and reenacting, without amendments,
Article – Transportation
Section 11–125.1, 11–136, and 11–145.1
Annotated Code of Maryland
(2020 Replacement Volume and 2021 Supplement)

BY repealing
Article – Transportation
Section 13–815
Annotated Code of Maryland
(2020 Replacement Volume and 2021 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Public Utilities

7–701.

(s) “Tier 1 renewable source” means one or more of the following types of energy sources:

(1) solar energy, including energy from photovoltaic technologies and solar water heating systems;

(2) wind;

(3) qualifying biomass;

(4) methane from the anaerobic decomposition of organic materials in a landfill or wastewater treatment plant;

(5) geothermal, including energy generated through geothermal exchange from or thermal energy avoided by, groundwater or a shallow ground source;

(6) ocean, including energy from waves, tides, currents, and thermal

1 differences;

2 (7) a fuel cell that produces electricity from a Tier 1 renewable source
3 under item (3) or (4) of this subsection;

4 (8) a small hydroelectric power plant of less than 30 megawatts in capacity
5 that is licensed or exempt from licensing by the Federal Energy Regulatory Commission;

6 (9) poultry litter-to-energy;

7 (10) waste-to-energy;

8 (11) refuse-derived fuel;

9 (12) thermal energy from a thermal biomass system; and

10 (13) raw or treated wastewater used as a heat source or sink for a heating
11 or cooling system.

12 Article – State Government

13 9–2009.

14 (a) (1) In this section the following words have the meanings indicated.

15 (2) “Electric vehicle recharging equipment rebate” means a rebate issued
16 by the Administration under this section for the cost of qualified electric vehicle recharging
17 equipment.

18 (3) **“PROGRAM” MEANS THE ELECTRIC VEHICLE RECHARGING**
19 **EQUIPMENT REBATE PROGRAM.**

20 (4) “Qualified electric vehicle recharging equipment” means property in the
21 State that is used for recharging motor vehicles propelled by electricity.

22 [(4) “Retail service station dealer” has the meaning stated in § 10–101 of
23 the Business Regulation Article.]

24 (b) (1) There is an Electric Vehicle Recharging Equipment Rebate Program.

25 (2) The Administration shall administer the Program.

26 (c) (1) For fiscal years 2021 through [2023] **2025**, subject to the provisions of
27 this section, an individual, a business entity, or a unit of State or local government may
28 apply to the Administration for an electric vehicle recharging equipment rebate for the
29 costs of acquiring and installing qualified electric vehicle recharging equipment.

(2) For each fiscal year, the total amount of rebates issued by the Administration may not exceed ~~[\$1,800,000]~~ **\$2,000,000**.

(3) The Administration may allow an applicant to include reasonable installation costs in the cost of qualified electric vehicle recharging equipment for the purpose of calculating the amount of an electric vehicle recharging equipment rebate.

(d) Subject to ~~[subsection]~~ **SUBSECTIONS (e) AND (F)** of this section, the Administration may issue an electric vehicle recharging equipment rebate to:

(1) an individual in an amount equal to the lesser of:

(i) 40% of the costs of acquiring and installing qualified electric vehicle recharging equipment; or

(ii) **\$700; OR**

(2) ~~[except as provided in item (3) of this subsection,]~~ a business entity or unit of State or local government in an amount equal to the lesser of:

(i) 40% of the costs of acquiring and installing qualified electric vehicle recharging equipment; or

(ii) **\$4,000[; or**

(3) a retail service station dealer in an amount equal to the lesser of:

(i) 40% of the costs of acquiring and installing qualified electric vehicle recharging equipment; or

(ii) **\$5,000].**

(e) **(1) [An] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AN** electric vehicle recharging equipment rebate issued under this section is limited to the acquisition of one recharging system per individual **PER ADDRESS**.

(2) THE ADMINISTRATION MAY ALTER THE PROGRAM TO OFFER ADDITIONAL BENEFITS FOR THE INSTALLATION OF QUALIFIED ELECTRIC VEHICLE RECHARGING EQUIPMENT IN MULTIFAMILY HOUSING, PLANNED URBAN DEVELOPMENTS, AND CONDOMINIUMS LOCATED IN ENVIRONMENTAL JUSTICE COMMUNITIES.

(f) (1) The Administration may adopt regulations to carry out this section.

(2) The regulations adopted under this subsection may include:

(i) further limitations on the maximum amount of an electric vehicle recharging equipment rebate that may be claimed by an applicant under subsection (d) of this section;

(ii) **ADDITIONAL BENEFITS FOR THE INSTALLATION OF QUALIFIED ELECTRIC VEHICLE RECHARGING EQUIPMENT IN MULTIFAMILY HOUSING, PLANNED URBAN DEVELOPMENTS, AND CONDOMINIUMS LOCATED IN ENVIRONMENTAL JUSTICE COMMUNITIES;**

(iii) **(III)** a requirement that an applicant demonstrate compliance with a State, local, or federal law that applies to the installation or operation of the qualified electric vehicle recharging equipment; and

[(iii)] (IV) any additional application and qualification requirements deemed appropriate by the Administration.

9–2010.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “GRANT” MEANS A MEDIUM– OR HEAVY–DUTY ZERO EMISSION VEHICLE GRANT ISSUED BY THE ADMINISTRATION UNDER THIS SECTION FOR THE COST OF A QUALIFIED MEDIUM– OR HEAVY–DUTY ZERO EMISSION VEHICLE OR QUALIFIED MEDIUM– OR HEAVY–DUTY ZERO EMISSION VEHICLE SUPPLY EQUIPMENT.

(3) “PROGRAM” MEANS THE MEDIUM– AND HEAVY–DUTY ZERO EMISSION VEHICLE GRANT PROGRAM.

(4) “QUALIFIED MEDIUM– OR HEAVY–DUTY ZERO EMISSION VEHICLE” MEANS A MOTOR VEHICLE THAT IS:

(I) RATED AT MORE THAN 8,500 POUNDS UNLOADED GROSS WEIGHT; AND

(II) POWERED BY ELECTRICITY THAT IS STORED IN A BATTERY OR PRODUCED BY A HYDROGEN FUEL CELL.

(5) “QUALIFIED MEDIUM– OR HEAVY–DUTY ZERO EMISSION VEHICLE SUPPLY EQUIPMENT” MEANS PROPERTY IN THE STATE THAT IS USED FOR RECHARGING OR REFUELING A MEDIUM– OR HEAVY–DUTY ZERO EMISSION VEHICLE.

1 **(B) (1) THERE IS A MEDIUM- AND HEAVY-DUTY ZERO EMISSION**
2 **VEHICLE GRANT PROGRAM.**

3 **(2) THE ADMINISTRATION SHALL ADMINISTER THE PROGRAM.**

4 **(C) (1) FOR FISCAL YEARS 2023 THROUGH 2025, A PERSON OR A UNIT OF**
5 **LOCAL GOVERNMENT MAY APPLY TO THE ADMINISTRATION FOR A GRANT.**

6 **(2) THE ADMINISTRATION MAY, FOR THE PURPOSE OF CALCULATING**
7 **THE AMOUNT OF A GRANT, ALLOW AN APPLICANT TO INCLUDE REASONABLE**
8 **INSTALLATION COSTS IN THE COST OF QUALIFIED MEDIUM- OR HEAVY-DUTY ZERO**
9 **EMISSION VEHICLE SUPPLY EQUIPMENT.**

10 **(D) NOTWITHSTANDING § 9-20B-05(G) OF THIS TITLE, FOR FISCAL YEARS**
11 **2023 THROUGH 2025, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET**
12 **BILL AN APPROPRIATION OF AT LEAST \$5,000,000 FROM THE STRATEGIC ENERGY**
13 **INVESTMENT FUND FOR THE PROGRAM.**

14 **(E) GRANT AWARDS ARE SUBJECT TO AVAILABLE FUNDING AND §**
15 **9-20B-05(J)(4) OF THIS TITLE.**

16 **9-2011.**

17 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
18 **INDICATED.**

19 **(2) “FUEL CELL ELECTRIC VEHICLE” HAS THE MEANING STATED IN §**
20 **11-125.1 OF THE TRANSPORTATION ARTICLE.**

21 **(3) “MODEL AND TRIM MANUFACTURER’S SUGGESTED RETAIL**
22 **PRICE” MEANS THE ADVERTISED RETAIL PRICE OF A SPECIFIC MODEL AND TRIM OF**
23 **A VEHICLE BEFORE ANY ADDITIONAL OPTIONS, OPTION PACKAGES, OR**
24 **DEALER-INSTALLED OPTIONS AND ACCESSORIES ARE ADDED TO THE VEHICLE.**

25 **(4) “MOTORCYCLE” HAS THE MEANING STATED IN § 11-136 OF THE**
26 **TRANSPORTATION ARTICLE.**

27 **(5) “PLUG-IN ELECTRIC DRIVE VEHICLE” HAS THE MEANING STATED**
28 **IN § 11-145.1 OF THE TRANSPORTATION ARTICLE.**

29 **(6) “PLUG-IN ELECTRIC MOTORCYCLE” MEANS A VEHICLE THAT IS:**

1 (I) A PLUG-IN ELECTRIC DRIVE VEHICLE; AND

2 (II) A MOTORCYCLE.

3 (7) "PLUG-IN ELECTRIC VEHICLE" OR "PEV" MEANS A VEHICLE
4 THAT IS:

5 (I) A PLUG-IN ELECTRIC DRIVE VEHICLE; AND

6 (II) DESIGNED FOR CARRYING 10 PEOPLE OR FEWER.

7 (8) "PLUG-IN HYBRID VEHICLE" OR "PHEV" MEANS A VEHICLE
8 THAT:

9 (I) IS A PLUG-IN ELECTRIC DRIVE VEHICLE;

10 (II) HAS A U.S. ENVIRONMENTAL PROTECTION AGENCY
11 ESTIMATED ALL-ELECTRIC RANGE OF AT LEAST 25 MILES;

12 (III) IS DESIGNED FOR CARRYING 10 PEOPLE OR FEWER; AND

13 (IV) HAS THE CAPABILITY OF UTILIZING AN INTERNAL
14 COMBUSTION ENGINE TO PROPEL THE VEHICLE.

15 (9) "PROGRAM" MEANS THE MARYLAND ZERO EMISSION VEHICLE
16 REBATE PROGRAM.

17 (B) (1) THERE IS A MARYLAND ZERO EMISSION VEHICLE REBATE
18 PROGRAM.

19 (2) THE ADMINISTRATION SHALL ADMINISTER THE PROGRAM.

20 (C) THE PROGRAM APPLIES ONLY TO:

21 (1) A PEV OR PHEV THAT:

22 (I) HAS NOT BEEN MODIFIED FROM THE ORIGINAL
23 MANUFACTURER SPECIFICATIONS;

24 (II) IS ACQUIRED FOR USE OR LEASE BY AN INDIVIDUAL, NOT
25 FOR RESALE;

26 (III) HAS A MODEL AND TRIM MANUFACTURER'S SUGGESTED

1 RETAIL PRICE NOT EXCEEDING \$55,000; AND

2 (IV) IS PURCHASED OR LEASED NEW AND TITLED FOR THE FIRST
3 TIME ON OR AFTER JULY 1, 2022, BUT BEFORE JULY 1, 2025;

4 (2) A FUEL CELL ELECTRIC VEHICLE THAT:

5 (I) HAS NOT BEEN MODIFIED FROM THE ORIGINAL
6 MANUFACTURER SPECIFICATIONS;

7 (II) IS ACQUIRED FOR USE OR LEASE BY THE INDIVIDUAL, NOT
8 FOR RESALE; AND

9 (III) IS PURCHASED OR LEASED NEW AND TITLED FOR THE FIRST
10 TIME ON OR AFTER JULY 1, 2022, BUT BEFORE JULY 1, 2025; AND

11 (3) A PLUG-IN ELECTRIC MOTORCYCLE THAT:

12 (I) HAS NOT BEEN MODIFIED FROM THE ORIGINAL
13 MANUFACTURER SPECIFICATIONS;

14 (II) IS ACQUIRED FOR USE OR LEASE BY THE INDIVIDUAL, NOT
15 FOR RESALE; AND

16 (III) IS PURCHASED OR LEASED NEW AND TITLED FOR THE FIRST
17 TIME ON OR AFTER JULY 1, 2022, BUT BEFORE JULY 1, 2025.

18 (D) (1) SUBJECT TO AVAILABLE FUNDING, PARAGRAPH (2) OF THIS
19 SUBSECTION, AND SUBSECTION (F) OF THIS SECTION, A REBATE UNDER THIS
20 SECTION IS EQUAL TO:

21 (I) \$2,500 FOR A PEV;

22 (II) \$2,500 FOR A FUEL CELL ELECTRIC VEHICLE;

23 (III) \$1,500 FOR A PHEV; AND

24 (IV) \$1,000 FOR A PLUG-IN ELECTRIC MOTORCYCLE.

25 (2) THE REBATE ISSUED UNDER PARAGRAPH (1) OF THIS
26 SUBSECTION SHALL BE INCREASED BY \$500 FOR AN INDIVIDUAL WHO CLAIMED AND
27 RECEIVED A FEDERAL EARNED INCOME TAX CREDIT IN THE MOST RECENT TAXABLE
28 YEAR.

(E) THE REBATE ALLOWED UNDER THIS SECTION IS LIMITED TO THE ACQUISITION OF:

(1) 1 VEHICLE PER INDIVIDUAL; AND

(2) 10 VEHICLES PER BUSINESS ENTITY.

(F) A REBATE MAY NOT BE CLAIMED UNDER THIS SECTION:

(1) UNLESS THE VEHICLE FOR WHICH THE REBATE IS SOUGHT IS REGISTERED IN THE STATE; AND

(2) UNLESS THE MANUFACTURER OF THE VEHICLE HAS ALREADY CONFORMED TO ANY APPLICABLE STATE OR FEDERAL LAWS OR REGULATIONS GOVERNING CLEAN-FUEL VEHICLE OR ELECTRIC VEHICLE PURCHASES APPLICABLE DURING THE CALENDAR YEAR IN WHICH THE VEHICLE IS TITLED.

(G) (1) FOR EACH FISCAL YEAR, THE TOTAL AMOUNT OF REBATES ISSUED UNDER THIS SECTION MAY NOT EXCEED \$12,000,000.

(2) NOTWITHSTANDING § 9-20B-05(G) OF THIS TITLE, REBATES AND THE COSTS OF ADMINISTERING THE PROGRAM SHALL BE ISSUED FROM THE MARYLAND STRATEGIC ENERGY INVESTMENT FUND UNDER § 9-20B-05 OF THIS TITLE.

9-20B-01.

(a) In this subtitle the following words have the meanings indicated.

(e) “Fund” means the Maryland Strategic Energy Investment Fund.

(f) “Program” means the Maryland Strategic Energy Investment Program.

(G) “TIER 1 RENEWABLE SOURCE” HAS THE MEANING STATED IN § 7-701 OF THE PUBLIC UTILITIES ARTICLE.

9-20B-05.

(a) There is a Maryland Strategic Energy Investment Fund.

(f) The Administration shall use the Fund:

(1) to invest in the promotion, development, and implementation of:

1 (i) cost-effective energy efficiency and conservation programs,
2 projects, or activities, including measurement and verification of energy savings;

3 (ii) renewable and clean energy resources;

4 (iii) climate change programs directly related to reducing or
5 mitigating the effects of climate change; and

6 (iv) demand response programs that are designed to promote
7 changes in electric usage by customers in response to:

8 1. changes in the price of electricity over time; or

9 2. incentives designed to induce lower electricity use at times
10 of high wholesale market prices or when system reliability is jeopardized;

11 (2) to provide targeted programs, projects, activities, and investments to
12 reduce electricity consumption by customers in the low-income and moderate-income
13 residential sectors;

14 (3) to provide supplemental funds for low-income energy assistance
15 through the Electric Universal Service Program established under § 7-512.1 of the Public
16 Utilities Article and other electric assistance programs in the Department of Human
17 Services;

18 (4) to provide rate relief by offsetting electricity rates of residential
19 customers, including an offset of surcharges imposed on ratepayers under § 7-211 of the
20 Public Utilities Article;

21 (5) to provide grants, loans, and other assistance and investment as
22 necessary and appropriate to implement the purposes of the Program as set forth in §
23 9-20B-03 of this subtitle;

24 (6) to implement energy-related public education and outreach initiatives
25 regarding reducing energy consumption and greenhouse gas emissions;

26 (7) to provide rebates under the Electric Vehicle Recharging Equipment
27 Rebate Program established under § 9-2009 of this title;

28 (8) to provide grants to encourage combined heat and power projects at
29 industrial facilities;

30 (9) subject to subsections (f-1) and (f-3) of this section, to provide
31 \$7,000,000 in funding for access to capital for small, minority, women-owned, and
32 veteran-owned businesses in the clean energy industry under § 5-1501 of the Economic
33 Development Article, allocated in annual increments as follows:

- (i) \$200,000 in fiscal year 2021;
- (ii) \$500,000 in fiscal year 2022;
- (iii) \$500,000 in fiscal year 2023;
- (iv) \$1,000,000 in fiscal year 2024; and
- (v) \$1,200,000 in each fiscal year from 2025 through 2028;

(10) subject to subsections (f-2) and (f-3) of this section, to invest in pre-apprenticeship, youth apprenticeship, and registered apprenticeship programs to establish career paths in the clean energy industry under § 11-708.1 of the Labor and Employment Article, as follows:

(i) \$1,250,000 for grants to pre-apprenticeship jobs training programs under § 11-708.1(c)(3) of the Labor and Employment Article starting in fiscal year 2021 until all amounts are spent;

(ii) \$6,000,000 for grants to youth apprenticeship jobs training programs and registered apprenticeship jobs training programs under § 11-708.1(c)(5) of the Labor and Employment Article starting in fiscal year 2021 until all amounts are spent; and

(iii) \$750,000 for the recruitment of individuals, including veterans and formerly incarcerated individuals, to the pre-apprenticeship jobs training programs and the registered apprenticeship jobs training programs under § 11-708.1 of the Labor and Employment Article starting in fiscal year 2021 until all amounts are spent; [and]

(11) FOR THE MARYLAND ZERO EMISSION VEHICLE REBATE PROGRAM ESTABLISHED UNDER § 9-2011 OF THIS TITLE; AND

(12) to pay the expenses of the Program.

(g) Proceeds received by the Fund from the sale of allowances under § 2-1002(g) of the Environment Article shall be allocated as follows:

(1) at least 50% shall be credited to an energy assistance account to be used for the Electric Universal Service Program and other electricity assistance programs in the Department of Human Services;

(2) at least 20% shall be credited to a low and moderate income efficiency and conservation programs account and to a general efficiency and conservation programs account for energy efficiency and conservation programs, projects, or activities and demand response programs, of which at least one-half shall be targeted to the low and moderate income efficiency and conservation programs account for:

(i) the low-income residential sector at no cost to the participants of the programs, projects, or activities; and

(ii) the moderate-income residential sector;

(3) at least 20% shall be credited to a renewable and clean energy programs account for:

(i) renewable and clean energy programs and initiatives;

(ii) energy-related public education and outreach; and

(iii) climate change and resiliency programs; and

(4) up to 10%, but not more than \$5,000,000, shall be credited to an administrative expense account for costs related to the administration of the Fund, including the review of electric company plans for achieving electricity savings and demand reductions that the electric companies are required under law to submit to the Administration.

(h) (1) Energy efficiency and conservation programs under subsection (g)(2) of this section include:

(i) low-income energy efficiency programs;

(ii) residential and small business energy efficiency programs;

(iii) commercial and industrial energy efficiency programs;

(iv) State and local energy efficiency programs;

(v) demand response programs;

(vi) loan programs and alternative financing mechanisms; and

(vii) grants to training funds and other organizations supporting job training for deployment of energy efficiency and energy conservation technology and equipment.

(2) Energy-related public education and outreach and renewable and clean energy programs and initiatives under subsection (g)(3)(i) and (ii) of this section include:

(i) production incentives for specified renewable energy sources;

(ii) expansion of existing grant programs for solar, geothermal, and wind programs;

(iii) loan programs and alternative financing mechanisms; and

(iv) consumer education and outreach programs that are designed to reach low-income communities.

(i) (1) [In this subsection, “low-income” means having an annual household income that is at or below 175% of the federal poverty level.

(2) Except as provided in] **SUBJECT TO** paragraph [(3)] **(2)** of this subsection, compliance fees paid under § 7-705(b) of the Public Utilities Article may be used only to [make loans and grants to support the creation of new Tier 1 renewable energy sources in the State that are owned by or directly benefit low-income residents of the State];

(I) PROVIDE SUPPLEMENTAL FUNDING FOR ZERO-EMISSION VEHICLES, ZERO-EMISSION VEHICLE INFRASTRUCTURE PROGRAMS, AND OTHER TRANSPORTATION SECTOR GREENHOUSE GAS REDUCTION AND CARBON REDUCTION EFFORTS, WITH PRIORITY GIVEN TO VEHICLES, PROGRAMS, AND OTHER EFFORTS THAT BENEFIT ENVIRONMENTAL JUSTICE COMMUNITIES; AND

(II) MAKE ENERGY-RELATED LOANS AND GRANTS, INCLUDING SUPPORT FOR ENERGY EFFICIENCY MEASURES, SOLAR RENEWABLES, AND OTHER TIER 1 RENEWABLE SOURCES THAT DIRECTLY BENEFIT ENVIRONMENTAL JUSTICE COMMUNITIES.

[(3) Compliance fees paid under § 7-705(b)(2)(i)2 of the Public Utilities Article shall be accounted for separately within the Fund and may be used only to make loans and grants to support the creation of new solar energy sources in the State that are owned by or directly benefit low-income residents of the State.]

(2) COMPLIANCE FEES, INCLUDING THOSE USED TO PROVIDE SUPPLEMENTAL FUNDING UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION, MAY NOT BE USED TO SUPPORT THE PURCHASE OF LIGHT-DUTY PASSENGER VEHICLES.

(j) (4) Balances in the Fund shall be held for the benefit of the Program, shall be expended solely for the purposes of the Program, and may not be used for the general obligations of government.

Article – Transportation

11-125.1.

“Fuel cell electric vehicle” means a motor vehicle that:

(1) Is made by a manufacturer;

- 1 (2) Is manufactured primarily for use on public streets, roads, and
2 highways;
- 3 (3) Is rated at not more than 8,500 pounds unloaded gross weight;
- 4 (4) Has a maximum speed capability of at least 55 miles per hour;
- 5 (5) Is powered entirely by electricity, produced by combining hydrogen and
6 oxygen, that runs the motor;
- 7 (6) Has an operating range of at least 100 miles; and
- 8 (7) Produces only water vapor and heat as by-products.

9 11–136.

10 (a) “Motorcycle” means a motor vehicle that:

- 11 (1) (i) Has motive power;
- 12 (ii) Has a seat or saddle for the use of the rider;
- 13 (iii) Is designed to travel:
- 14 1. On not more than three wheels in contact with the ground;
- 15 and
- 16 2. At speeds exceeding 35 miles per hour; and
- 17 (iv) Is of a type required to comply with all motor vehicle safety
18 standards applicable to motorcycles under federal law; or

19 (2) Is an autocycle.

20 (b) A detachable sidecar is an accessory to and not a part of a motorcycle.

21 11–145.1.

22 (a) “Plug-in electric drive vehicle” means a motor vehicle that:

- 23 (1) Is made by a manufacturer;
- 24 (2) Is manufactured primarily for use on public streets, roads, and
25 highways;
- 26 (3) Is rated at not more than 8,500 pounds unloaded gross vehicle weight;

(4) Has a maximum speed capability of at least 55 miles per hour; and

(5) Is propelled to a significant extent by an electric motor that draws electricity from a battery that:

(i) Has a capacity of not less than 4 kilowatt-hours for 4-wheeled motor vehicles and not less than 2.5 kilowatt-hours for 2-wheeled or 3-wheeled motor vehicles; and

(ii) Is capable of being recharged from an external source of electricity.

(b) “Plug-in electric drive vehicle” includes a qualifying vehicle that has been modified from original manufacturer specifications.

[13–815.

(a) In this section, “excise tax” means the tax imposed under § 13–809 of this subtitle.

(b) This section applies only to:

(1) A plug-in electric drive vehicle that:

(i) Has not been modified from original manufacturer specifications;

(ii) Is acquired for use or lease by the taxpayer and not for resale;

(iii) Has a total purchase price not exceeding \$63,000;

(iv) Has a battery capacity of at least 5.0 kilowatt-hours; and

(v) Is purchased new and titled for the first time on or after July 1, 2017, but before July 1, 2020; and

(2) A fuel cell electric vehicle that:

(i) Has not been modified from original manufacturer specifications;

(ii) Is acquired for use or lease by the taxpayer and not for resale;

(iii) Has a total purchase price not exceeding \$63,000; and

(iv) Is purchased new and titled for the first time on or after July 1, 2017, but before July 1, 2020.

1 (c) Subject to available funding, a credit is allowed against the excise tax imposed
2 for a plug-in electric drive vehicle or fuel cell electric vehicle.

3 (d) The credit allowed under this section may not exceed the lesser of:

4 (1) The amount of excise tax paid for the purchase of the vehicle; or

5 (2) \$3,000.

6 (e) The credit allowed under this section is limited to the acquisition of:

7 (1) One vehicle per individual; and

8 (2) 10 vehicles per business entity.

9 (f) A credit may not be claimed under this section:

10 (1) For a vehicle unless the vehicle is registered in the State; or

11 (2) Unless the manufacturer has already conformed to any applicable State
12 or federal laws or regulations governing clean-fuel vehicle or electric vehicle purchases
13 applicable during the calendar year in which the vehicle is titled.

14 (g) The Motor Vehicle Administration shall administer the credit under this
15 section.]

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
17 1, 2022.