Q5, R4 0lr0172 CF SB 277

By: The Speaker (By Request – Administration) and Delegates Anderton, Clark, Malone, McComas, and Metzgar

Introduced and read first time: January 20, 2020 Assigned to: Environment and Transportation

A BILL ENTITLED

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Clean Cars Act of 2020 – Extension, Funding, and Reporting

3 FOR the purpose of extending and altering, for certain fiscal years, the Electric Vehicle 4 Recharging Equipment Rebate Program and vehicle excise tax credit for the 5 purchase of certain electric vehicles; increasing, for certain fiscal years, the total 6 amount of rebates that the Maryland Energy Administration may issue; altering the 7 authorized uses of certain compliance fees by the Maryland Strategic Energy 8 Investment Fund; repealing, for purposes of a certain vehicle excise tax credit, the 9 limitation on the maximum total purchase price of certain fuel cell electric vehicles; 10 repealing a certain limitation on the maximum amount of the vehicle excise tax 11 credit; requiring the Maryland Zero Emission Electric Vehicle Infrastructure Council 12 to issue certain reports on or before certain dates; extending and altering, for certain 13 fiscal years, the amount required to be transferred from the Maryland Strategic 14 Energy Investment Fund to the Transportation Trust Fund to offset certain revenue 15 reductions; making a technical correction; and generally relating to electric vehicles.

- 16 BY repealing and reenacting, without amendments,
- 17 Article State Government
- 18 Section 9–2009(a) and (b) and 9–20B–05(a)
- 19 Annotated Code of Maryland
- 20 (2014 Replacement Volume and 2019 Supplement)
- 21 BY repealing and reenacting, with amendments,
- 22 Article State Government
- 23 Section 9–2009(c) and 9–20B–05(i)
- 24 Annotated Code of Maryland
- 25 (2014 Replacement Volume and 2019 Supplement)
- 26 BY repealing and reenacting, with amendments,
- 27 Article Transportation



1 2 3	Section 13–815 Annotated Code of Maryland (2012 Replacement Volume and 2019 Supplement)
4 5 6 7 8 9	BY repealing and reenacting, without amendments, Chapter 400 of the Acts of the General Assembly of 2011, as amended by Chapters 64 and 65 of the Acts of the General Assembly of 2013, Chapter 378 of the Acts of the General Assembly of 2015, and Chapter 213 of the Acts of the General Assembly of 2019 Section 1(b)
10 11 12 13 14 15	BY repealing and reenacting, with amendments, Chapter 400 of the Acts of the General Assembly of 2011, as amended by Chapters 64 and 65 of the Acts of the General Assembly of 2013, Chapter 378 of the Acts of the General Assembly of 2015, and Chapter 213 of the Acts of the General Assembly of 2019 Section 1(h)
16 17 18 19 20 21	BY repealing and reenacting, without amendments, Chapter 401 of the Acts of the General Assembly of 2011, as amended by Chapters 64 and 65 of the Acts of the General Assembly of 2013, Chapter 378 of the Acts of the General Assembly of 2015, and Chapter 213 of the Acts of the General Assembly of 2019 Section 1(b)
22 23 24 25 26 27	BY repealing and reenacting, with amendments, Chapter 401 of the Acts of the General Assembly of 2011, as amended by Chapters 64 and 65 of the Acts of the General Assembly of 2013, Chapter 378 of the Acts of the General Assembly of 2015, and Chapter 213 of the Acts of the General Assembly of 2019 Section 1(h)
28 29 30 31 32	BY repealing and reenacting, with amendments, Chapter 359 of the Acts of the General Assembly of 2014, as amended by Chapters 362 and 363 of the Acts of the General Assembly of 2017 and Chapter 213 of the Acts of the General Assembly of 2019 Section 2
33 34 35 36 37	BY repealing and reenacting, with amendments, Chapter 360 of the Acts of the General Assembly of 2014, as amended by Chapters 362 and 363 of the Acts of the General Assembly of 2017 and Chapter 213 of the Acts of the General Assembly of 2019 Section 2
38	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

That the Laws of Maryland read as follows:

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Article - State Government

1 2 9-2009.3 (a) (1) In this section the following words have the meanings indicated. 4 "Electric vehicle recharging equipment rebate" means a rebate issued 5 by the Administration under this section for the cost of qualified electric vehicle recharging 6 equipment. 7 (3)"Qualified electric vehicle recharging equipment" means property in the 8 State that is used for recharging motor vehicles propelled by electricity. 9 **(4)** "Retail service station dealer" has the meaning stated in § 10–101 of 10 the Business Regulation Article. 11 (b) There is an Electric Vehicle Recharging Equipment Rebate Program. (1) 12 (2) The Administration shall administer the Program. For fiscal years [2018 through 2020] **2021 THROUGH 2023**, subject to 13 (c) the provisions of this section, an individual, a business entity, or a unit of State or local 14 government may apply to the Administration for an electric vehicle recharging equipment 15 16 rebate for the costs of acquiring and installing qualified electric vehicle recharging 17 equipment. 18 (2)For each fiscal year, the total amount of rebates issued by the Administration may not exceed [\$1,200,000] **\$1,800,000**. 19 20 The Administration may allow an applicant to include reasonable (3)21installation costs in the cost of qualified electric vehicle recharging equipment for the 22purpose of calculating the amount of an electric vehicle recharging equipment rebate. 23 9-20B-05. 24There is a Maryland Strategic Energy Investment Fund. (a) 25 (1) In this subsection, "low-income" means having an annual household (i) 26 income that is at or below 175% of the federal poverty level. 27 (2)Except as provided in paragraph (3) of this subsection, compliance COMPLIANCE fees paid under § 7-705(b) of the Public Utilities Article may be used only 2829 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]: 30

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(ii)

1 **ZERO-EMISSION ZERO-EMISSION** VEHICLES, **VEHICLE INFRASTRUCTURE** 2 PROGRAMS, AND OTHER TRANSPORTATION SECTOR GREENHOUSE GAS REDUCTION 3 AND CARBON REDUCTION EFFORTS; AND 4 SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, TO (II)MAKE ENERGY-RELATED LOANS AND GRANTS INCLUDING SUPPORT FOR ENERGY 5 EFFICIENCY MEASURES, SOLAR RENEWABLES, AND OTHER TIER 1 RENEWABLES 6 THAT DIRECTLY BENEFIT LOW- TO MODERATE-INCOME RESIDENTS OF THE STATE. 7 8 [(3)]Compliance fees paid under § 7–705(b)(2)(i)2 of the Public Utilities 9 Article shall be accounted for separately within the Fund and may be used only to make 10 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. 11 12 FOR EACH FISCAL YEAR, AT LEAST 50% OF THE ENERGY-RELATED **(3)** LOANS AND GRANTS MADE UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION SHALL 13 DIRECTLY BENEFIT LOW-INCOME RESIDENTS OF THE STATE. 14 15 Article - Transportation 16 13-815. In this section, "excise tax" means the tax imposed under § 13-809 of this 17 subtitle. 18 This section applies only to: 19 (b) A plug-in electric drive vehicle that: 20(1) 21(i) Has not been modified from original manufacturer specifications; 22 (ii) Is acquired for use or lease by the taxpayer and not for resale; 23 (iii) Has a total purchase price not exceeding \$63,000; 24(iv) Has a battery capacity of at least 5.0 kilowatt-hours; and Is purchased new and titled for the first time on or after July 1, 2526 2017, but before July 1, [2020] 2023; and 27 (2) A fuel cell electric vehicle that: 28 (i) Has been modified from original manufacturer not specifications: 29

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

1	AND
2	(iii) [Has a total purchase price not exceeding \$63,000; and
3 4	(iv)] Is purchased new and titled for the first time on or after July 1, 2017, but before July 1, [2020] 2023 .
5 6	(c) Subject to available funding, [a] AN EXCISE TAX credit is allowed [against the excise tax imposed] for a plug—in electric drive vehicle or fuel cell electric vehicle.
7 8	(d) [The] SUBJECT TO SUBSECTION (E) OF THIS SECTION, THE credit allowed under this section [may not exceed the lesser of:
9	(1) The amount of excise tax paid for the purchase of the vehicle; or
10	(2)] IS EQUAL TO \$3,000 FOR EACH VEHICLE PURCHASED.
11	(e) The credit allowed under this section is limited to the acquisition of:
12	(1) One vehicle per individual; and
13	(2) 10 vehicles per business entity.
14	(f) A credit may not be claimed under this section:
15	(1) For a vehicle unless the vehicle is registered in the State; or
16 17 18	(2) Unless the manufacturer 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.
19 20	(g) The Motor Vehicle Administration shall administer the credit under this section.
$\frac{21}{22}$	Chapter 400 of the Acts of 2011, as amended by Chapters 64 and 65 of the Acts of 2013, Chapter 378 of the Acts of 2015, and Chapter 213 of the Acts of 2019
23 24	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:
25	(b) There is a Maryland Zero Emission Electric Vehicle Infrastructure Council.
26 27 28	(h) (1) On or before December 1, 2013, December 1, 2014, December 1, 2015, December 1, 2016, December 1, 2017, December 1, 2018, [and] December 1, 2019, DECEMBER 1, 2020, DECEMBER 1, 2021, AND DECEMBER 1, 2022, the Council shall

submit interim reports of its work and recommendations to the Governor and, in accordance

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- with [§ 2–1246] § 2–1257 of the State Government Article, the General Assembly.
- 2 (2) On or before June 30, [2020] **2023**, the Council shall submit a final report of its work and recommendations to the Governor and, in accordance with [§ 2–1246] **§ 2–1257** of the State Government Article, the General Assembly.
- 5 Chapter 401 of the Acts of 2011, as amended by Chapters 64 and 65 of the Acts of 2013, Chapter 378 of the Acts of 2015, and Chapter 213 of the Acts of 2019
- 7 $\,$ SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, 8 $\,$ That:
- 9 (b) There is a Maryland Zero Emission Electric Vehicle Infrastructure Council.
- 10 (h) (1) On or before December 1, 2013, December 1, 2014, December 1, 2015,
- 11 December 1, 2016, December 1, 2017, December 1, 2018, [and] December 1, 2019,
- 12 DECEMBER 1, 2020, DECEMBER 1, 2021, AND DECEMBER 1, 2022, the Council shall
- 13 submit interim reports of its work and recommendations to the Governor and, in accordance
- with [§ 2–1246] § 2–1257 of the State Government Article, the General Assembly.
- 15 (2) On or before June 30, [2020] **2023**, the Council shall submit a final report of its work and recommendations to the Governor and, in accordance with [§ 2–1246] § **2–1257** of the State Government Article, the General Assembly.
- Chapter 359 of the Acts of 2014, as amended by Chapters 362 and 363 of the Acts of 2017 and Chapter 213 of the Acts of 2019
- 20 SECTION 2. AND BE IT FURTHER ENACTED, That[,]:
- 21(A) SUBJECT TO SUBSECTION (B) OF THIS SECTION AND notwithstanding any 22 other provision of law, for fiscal [year 2020 the lesser of \$6,000,000 or the actual total 23 amount of credits allowed against the excise tax shall be transferred YEARS 2021, 2022, 24AND 2023, RESPECTIVELY, THE MARYLAND ENERGY ADMINISTRATION SHALL 25TRANSFER from the Strategic Energy Investment Fund established under § 26 9-20B-05 of the State Government Article to the Transportation Trust Fund THE AMOUNT DETERMINED UNDER SUBSECTION (B) OF THIS SECTION to offset a reduction in 27 28 revenues from the vehicle excise tax credit for qualified plug-in electric drive vehicles and 29 fuel cell electric vehicles under § 13–815 of the Transportation Article, as enacted by this 30 Act. For fiscal year 2020, the total amount of credits allowed against the excise tax may 31 not exceed \$6,000,000.]
- 32 (B) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, FOR 33 EACH FISCAL YEAR THE MARYLAND ENERGY ADMINISTRATION SHALL DETERMINE 34 THE AMOUNT TO TRANSFER UNDER SUBSECTION (A) OF THIS SECTION.

- 1 (2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, 2 EACH FISCAL YEAR THE MARYLAND ENERGY ADMINISTRATION SHALL TRANSFER 3 AT LEAST \$12,000,000 UNDER SUBSECTION (A) OF THIS SECTION.
- 4 (3) FOR EACH FISCAL YEAR, THE AMOUNT TRANSFERRED UNDER 5 SUBSECTION (A) OF THIS SECTION MAY NOT EXCEED THE TOTAL AMOUNT OF 6 CREDITS ALLOWED AGAINST THE EXCISE TAX FOR THAT FISCAL YEAR.
- 7 Chapter 360 of the Acts of 2014, as amended by Chapters 362 and 363 of the Acts of 2017 and Chapter 213 of the Acts of 2019
- 9 SECTION 2. AND BE IT FURTHER ENACTED, That[,]:
- 10 (A) SUBJECT TO SUBSECTION (B) OF THIS SECTION AND notwithstanding any other provision of law, for fiscal [year 2020 the lesser of \$6,000,000 or the actual total 11 12 amount of credits allowed against the excise tax shall be transferred YEARS 2021, 2022, AND 2023, RESPECTIVELY, THE MARYLAND ENERGY ADMINISTRATION SHALL 13 14 TRANSFER from the Strategic Energy Investment Fund established under § 9-20B-05 of the State Government Article to the Transportation Trust Fund THE AMOUNT 15 DETERMINED UNDER SUBSECTION (B) OF THIS SECTION to offset a reduction in 16 revenues from the vehicle excise tax credit for qualified plug-in electric drive vehicles and 17 18 fuel cell electric vehicles under § 13–815 of the Transportation Article, as enacted by this 19 Act. [For fiscal year 2020, the total amount of credits allowed against the excise tax may 20 not exceed \$6,000,000.]
- 21 (B) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, FOR 22 EACH FISCAL YEAR THE MARYLAND ENERGY ADMINISTRATION SHALL DETERMINE 23 THE AMOUNT TO TRANSFER UNDER SUBSECTION (A) OF THIS SECTION.
- 24 (2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, 25 EACH FISCAL YEAR THE MARYLAND ENERGY ADMINISTRATION SHALL TRANSFER 26 AT LEAST \$12,000,000 UNDER SUBSECTION (A) OF THIS SECTION.
- 27 (3) FOR EACH FISCAL YEAR, THE AMOUNT TRANSFERRED UNDER 28 SUBSECTION (A) OF THIS SECTION MAY NOT EXCEED THE TOTAL AMOUNT OF 29 CREDITS ALLOWED AGAINST THE EXCISE TAX FOR THAT FISCAL YEAR.
- 30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 31 1, 2020.