

Department of Legislative Services
 Maryland General Assembly
 2021 Session

FISCAL AND POLICY NOTE
 Third Reader - Revised

House Bill 1098

(Delegate M. Fisher)

Environment and Transportation

Rules

State Employees and General Assembly Members - State-Owned Electric Vehicle
 Charging Stations - Reimbursement

This bill requires a member of the General Assembly who uses a State-owned electric vehicle charging station to charge a personal electric vehicle to reimburse the State for the electricity used. It also establishes that a State employee who uses a State-owned electric vehicle charging station at the employee’s place of employment to charge a personal electric vehicle does not need to reimburse the State for electricity used. The bill further expresses legislative intent to encourage the purchase and use of electric vehicles by State employees to the maximum extent feasible. **The exception for State employees terminates September 30, 2030.**

Fiscal Summary

State Effect: In one scenario, general fund expenditures increase by *at least* \$40,000 in FY 2022 to install equipment necessary to track, bill, and collect payments from members of the General Assembly; out-year expenditures grow based on the installation of new charging stations, as discussed below. In another scenario, the Department of General Services (DGS) can implement the bill’s requirements with existing resources. These scenarios are discussed below. In both scenarios, general fund revenues increase negligibly beginning in FY 2022, but a more reliable estimate is not feasible.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Statute requires members of the General Assembly to use public resources only for public purposes, except that it does not prohibit incidental use of public resources for nonpublic purposes.

State Fiscal Effect: DGS advises that it is in the process of compiling a comprehensive list of State-owned charging station locations, but that such a list does not currently exist. Based on its efforts to compile the list to date, DGS has identified a limited number of charging station locations that are reserved for State vehicle fleet usage. It further notes that each location may have more than one charging station but that a count of actual stations has not been compiled. DGS is aware of the following State-owned electric vehicle charging station locations managed by:

- DGS: 1 active location (at the Eastern Shore Hospital), with 6 more under development (DGS advises that a charging station in the Calvert St. Garage for State employees in Annapolis is not working reliably);
- Maryland Department of Transportation: 33 locations, but only a small number are for fleet vehicles, with the rest available for public charging; and
- Department of Natural Resources: 3 locations, with more planned.

It is assumed that the bill applies only to charging stations reserved for fleet usage and not those available for public usage.

DGS further advises that it has no mechanism to track, bill, and collect payments for private usage of State-owned charging stations by members of the General Assembly. It proposes installing networking equipment and a payment kiosk attached to each charging station to allow (1) the station to track usage and (2) the user to make payment based on usage. DGS estimates the cost of installing that equipment to be \$4,000 per charging station, which likely exceeds the near-term revenue generated by each charging station by a substantial margin. Presumably the kiosk would require authorization to activate the charging station, such as a credit card swipe, and then collect payment upon completion of the vehicle charge. The kiosk would also have to allow authorized State users (including State employees) to bypass the payment process.

With approximately 10 active charging stations affected by the bill, the total cost of installing the payment kiosks in fiscal 2022 is at least \$40,000 (more if each location has more than 1 station). The amount of revenue generated by the bill is dependent on usage by members of the General Assembly, which cannot be reliably estimated, but is expected to be minimal. As more charging stations come on line, costs increase in the out-years to install the payment kiosks with each one; revenues may also increase marginally to the

extent that the availability of more charging stations increases usage by members of the General Assembly. With the use of electric vehicles anticipated to grow in the intervening years, revenues may increase meaningfully beginning in fiscal 2031 when State employees are required to reimburse the State for electricity used to charge personal vehicles at State-owned charging stations.

Alternatively, DGS can rely on an honor system, whereby members of the General Assembly report the number of hours they use a charging station and pay a fee calculated by DGS based on usage. DGS can likely establish and administer such a system with existing resources.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Department of General Services; State Ethics Commission; Department of Legislative Services

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