

Department of the Secretary of State Bureau of Motor Vehicles

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JOINT STANDING COMMITTEE ON TRANSPORTATION

L.D. 1659 "An Act to Raise Revenue to Fund Firefighting Equipment Purchases and Training Related to Electric Vehicle Fires Through a Fee on Electric Vehicles"

Testimony of Shenna Bellows, Secretary of State and Cathie Curtis, Deputy Secretary for the Bureau of Motor Vehicles, Department of the Secretary of State

April 30, 2025

Senator Nangle, Representative Crafts, and Members of the Joint Standing Committee on Transportation, I am providing testimony in opposition of L.D. 1659 "An Act to Raise Revenue to Fund Firefighting Equipment Purchases and Training Related to Electric Vehicle Fires Through a Fee on Electric Vehicles."

This bill establishes the Electric Vehicle Firefighting Fund to provide funds to fire departments in the State to purchase equipment and provide training related to electric vehicle fires. The bill also establishes a fee of \$250 on the sale of new and used electric vehicles by a dealer. The bill requires revenue from the fee to be collected by the Secretary of State on behalf of the State Tax Assessor and deposited into the Electric Vehicle Firefighting Fund.

Since this bill instructs the dealer to collect the \$250 fee on electric vehicles, the Secretary of State's Office respectfully asks that if this bill passes, the dealer be required to submit the fee to the Electric Vehicle Firefighting Fund, as this fee is much like a dealer collecting sales tax on the sale of new and used vehicles and submitting the fees directly to Maine Revenue Services.

Currently, dealers are required to collect sales tax, on all new and used vehicles that are sold. The dealer reports and transfers the sales tax revenue directly to Maine Revenue Services. When the vehicle is being registered by a municipality or at the Bureau of Motor Vehicles, the purchaser shows proof that Maine dealer collected sales tax, which is typically proven by the bill of sale. The only time the Secretary of State's Office collects sales tax on behalf of Maine Revenue Services on vehicles is when a vehicle is sold in a private sale.

As you know, BMV is currently modernizing our outdated computer systems. Any system changes that are required to implement a new law will cause delays in this much needed modernization project. Removing BMV from the middle of this fee collection will help ensure we're able to keep our modernization project on schedule.

Thank you for your time today and I will be happy to answer any questions.