

**Testimony before the Committee on Transportation
in opposition to L.D. 622, *An Act to Implement a Surcharge on Electric Vehicle Registration***

April 30, 2025

Senator Nangle, Representative Crafts, and members of the Committee on Transportation, my name is Emily K. Green, and I am the Director of Clean Mobility at the Conservation Law Foundation (CLF). I appreciate this opportunity to testify in opposition to L.D. 622, *An Act to Implement a Surcharge on Electric Vehicle Registration*.

CLF, founded in 1966, is a public interest advocacy group that works to solve the environmental and energy challenges threatening the people, natural resources and communities in Maine and across New England. In Maine for almost four decades, CLF is a member-supported organization that works to ensure that laws and policies are developed, implemented and enforced that protect and restore our natural resources; are good for Maine's economy and environment; and equitably address the climate crisis.

We can all agree that cars and trucks using Maine's roads should contribute to the maintenance of those roads, regardless of fuel type. But L.D. 622 over-corrects, levying disproportionate fees on drivers of electric vehicles and undermining state policy encouraging the use of these healthier, cleaner cars and trucks. CLF supports Maine taking a holistic look at our transportation funding needs particularly in this era of transitioning away from fossil fuel use. But this piecemeal targeting of electric vehicles is not a helpful first step.

The proposed fee is unfair to EV drivers, but simultaneously does little to address Maine's transportation funding needs

While CLF appreciates the desire to ensure drivers of electric vehicles are paying their fair share into the Highway Fund, L.D. 622 doesn't accomplish that. Maine's light-duty vehicles average 12,045 miles per year¹ and 22.4 miles per gallon.² Therefore, on average, Mainers use 538 gallons of gas per year. At a fuel tax rate of \$.30/gallon, they are paying, on average, \$161 per year. L.D. 622 proposes a fee for electric vehicles of \$250/year, which not only significantly exceeds the average fuel tax cost for Maine drivers, it also appears to be higher than any currently imposed around the country as of 2023.³ This disproportionate fee is not only unfair to drivers of electric vehicles, it also undermines the state's clear policy to promote these cars and

¹ State of Maine Department of Environmental Protection, Vehicle Emissions and Greenhouse Gas Data, [Annual Miles Traveled estimates](#), last visited 4/30/2025.

² The University of Maine, Margaret Chase Smith Policy Center, [Maine Transportation & Equity](#) (May 20, 2021), at 19.

³ Inside EVs, [Which States Change an Extra Fee to Own An Electric Car?](#) (May 28, 2024).

trucks, as well as the state's investment in offering rebates to defray purchase costs.⁴ The Committee should be particularly sensitive to disproportionately burdening electric vehicle drivers now, when they are under attack at the federal level.⁵

Even if L.D. 622's proposed fee was fair, it wouldn't make a dent in Maine's transportation infrastructure funding shortfall. In 2011, the Legislature ended annual adjustments of the state's gas tax,⁶ which accounts for the vast majority of highway fund revenue.⁷ Since then, fuel tax revenues have effectively flat-lined,⁸ in part due to the Maine Legislature's repeal of indexing, but also due to overall improvements in average vehicle miles per gallon.⁹ Meanwhile, the cost of bridge and road maintenance has continued to grow.¹⁰

Electric vehicles today play a tiny role in this picture, comprising a miniscule share of Maine's vehicles. Less than 9,000 fully electric vehicles were on the roads as of the end of 2024,¹¹ out of

⁴ Maine Climate Council, [Maine Won't Wait, A Four-Year Plan for Climate Action](#), (Nov. 2024) at 39 (“Accelerating the sales of new and used electric vehicles (EVs), including plug-in hybrid vehicles (PHEVs), is both the least costly and the most effective way to deeply cut greenhouse gas emissions and improve air quality and public health.”); *see also id.* at 41 (recommending Maine “Put 150,000 light-duty battery electric and plug-in hybrid vehicles on the road in Maine by 2030” and “Lower the cost of new and used electric vehicles (EVs) and plug-in hybrid electric vehicles (PHEVs) for low- and moderate-income drivers, ensuring that at least 50 percent of all funding for light-duty EV rebates reaches those drivers.”).

⁵ *See, e.g.,* The Hill, [Republicans propose fees on EVs, other passenger vehicles to fund transportation programs](#) (Apr. 29, 2025).

⁶ PL 2011, c. 392, Pt. C, §1 (AMD). 36 MRSA §3321, sub-§5 (RP).

⁷ *See, e.g.,* State of Maine Department of Administrative and Financial Services, Bureau of the Budget, *Four-Year Revenue and Expenditure Forecast for the General Fund and Highway Fund for the 2024-2025 and 2026-2027 Biennia* (Sept. 30, 2024), at 19 (pie chart depicting fuel tax contributing 42.2% of highway fund budgeted revenues for FY 24-25).

⁸ *Compare* State of Maine Department of Administrative and Financial Services, Bureau of the Budget, *Report on the forecast of revenues and expenditures for the General Fund and the Highway Fund for the 2012-2013 biennium and the 2014-2015 biennium in accordance with Title 5 § 1665* (Sept. 28, 2012), at 21 (Highway Fund Revenue Forecast, fuel tax for FY 12-13 of 437,782,705) *with* State of Maine Department of Administrative and Financial Services, Bureau of the Budget, *Four-Year Revenue and Expenditure Forecast for the General Fund and Highway Fund for the 2024-2025 and 2026-2027 Biennia* (Sept. 30, 2024), at 17 (Highway Fund Revenue Projection, fuel tax for FY 24-25 of 427,968,270).

⁹ U.S. Department of Energy, [Fact of the Week #1237, May 9, 2022: Fuel Economy for All Vehicle Classes Has Improved Substantially Over the Past Two Decades](#), (last visited 4/30/2025) (depicting average new light-duty fuel economy from 1975-2021).

¹⁰ *Compare* State of Maine Department of Administrative and Financial Services, Bureau of the Budget, *Report on the forecast of revenues and expenditures for the General Fund and the Highway Fund for the 2012-2013 biennium and the 2014-2015 biennium in accordance with Title 5 § 1665* (Sept. 28, 2012), at 26 (Highway Fund Expenditures Forecast Chart, projecting total highway fund expenditures of 630,148,602 for FY 12-13) *with* State of Maine Department of Administrative and Financial Services, Bureau of the Budget, *Four-Year Revenue and Expenditure Forecast for the General Fund and Highway Fund for the 2024-2025 and 2026-2027 Biennia* (Sept. 30, 2024), at 21 (Highway Fund Expenditure Forecast Chart, projecting total highway fund expenditures of 993,027,021 for FY 24-25).

¹¹ According to the Maine Climate Council climate action dashboard, there were 8,634 battery electric vehicles on the road in Maine at the end of 2024. Maine Climate Council, *Electric Vehicles* (Nov. 19, 2024), [Maine Won't Wait Climate Action Dashboard](#), last visited 4/30/2025.

more than one million light-duty vehicles¹²—or less than 1%. Maine has time to develop a fair and policy-oriented approach to transportation funding that accounts for the coming fuel transition. We urge the Committee to avoid this flat and disproportionate fee on EV drivers which simultaneously disincentivizes two critical transportation solutions: driving less and driving clean.

Maine needs holistic funding solutions to confront its transportation needs

As CLF recently acknowledged in testimony on L.D. 1194, Maine has a transportation infrastructure funding problem. In September, 2024, the Maine Department of Administrative and Financial Services projected a budget gap for the highway fund for the 2026-2027 biennium of more than \$312 million.¹³ Meanwhile, Maine’s infrastructure recently received an overall grade of C in a report card from the Maine Section of the American Society of Civil Engineers, which recommended that Maine create new, sustainable funding sources.¹⁴

But funding for bridges and roads isn’t Maine’s only pressing transportation need: cars and trucks have been the state’s greatest contributor of climate-damaging greenhouse gas emissions for over three decades, responsible for around half of CO₂ emissions from fossil fuel consumption in the state.¹⁵ Maine has a long way to go to reduce gross greenhouse gas emissions 45% by 2030 and 80% by 2050, as required by law.¹⁶ Compliance will demand near-zero emissions from light-duty vehicles by 2050.¹⁷

Ironically, while the transportation system emits unparalleled levels of damaging climate and air pollution, it also fails to meet Mainers’ basic needs: 3 in 5 adults in Maine experience transportation insecurity, meaning they are unable to “access needed services or destinations comfortably, conveniently, and affordably.”¹⁸ 40,000 Maine households lack reliable access to a vehicle.¹⁹ Meanwhile, public transportation meets only 11% of the need in Maine.²⁰ A recent U.S. Census Bureau survey suggested that lack of transportation was at fault for unemployment

¹² State of Maine Department of Environmental Protection, Vehicle Emissions and Greenhouse Gas Data, [Annual Miles Traveled estimates](#), last visited 4/30/2025 (1,127,163 light-duty vehicles in 2023).

¹³ State of Maine Department of Administrative and Financial Services, Bureau of the Budget, *Four-Year Revenue and Expenditure Forecast for the General Fund and Highway Fund for the 2024-2025 and 2026-2027 Biennia* (Sept. 30, 2024), at 15, 26.

¹⁴ Maine Section of the American Society of Civil Engineers, *2024 Report Card for Maine’s Infrastructure* (Dec. 2024), at 3, 6.

¹⁵ Maine Department of Environmental Protection, Bureau of Air Quality, *Tenth Biennial Report on Progress toward Greenhouse Gas Reduction Goals* (June 2024), at 2, 12.

¹⁶ 38 M.R.S. § 576-A.

¹⁷ Governor’s Energy Office, Governor’s Office of Policy Innovation and the Future, Cadmus, *Maine Clean Transportation Roadmap* (Dec. 2021), at 1.

¹⁸ Public Transit Advisory Council, *Biennial Report to Governor and Legislature* (Feb. 2025), Appendix B: Moving Maine Network, *Try to Imagine it’s You, How Transportation Barriers are Hurting Maine and How We Move Forward* (2024), at 5-6.

¹⁹ Public Transit Advisory Council, *Biennial Report to Governor and Legislature* (Feb. 2025), at 14.

²⁰ *Id.*

of roughly 10,500 Mainers, with 31,500 having insufficient access to food due to a “transportation, mobility, or health limitation.”²¹

Effectively and equitably addressing these inter-connected transportation issues demands a comprehensive approach, one that recognizes well-designed funding mechanisms can shift behavior in line with state policy, and one that does not leave anyone behind. CLF would welcome the state undertaking a holistic consideration of stable funding sources in the broader context of addressing transportation system shortfalls and advancing compliance with state climate, health, and mobility policy. Usage-based fees are likely part of the solution, unlike those proposed by L.D. 622. CLF reiterates our position that transportation infrastructure funding must advance state policy and avoid or mitigate regressive impacts.

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Thank you for your attention. CLF appreciates the opportunity to testify in opposition to L.D. 622. We support holistic transportation funding reform in Maine instead of this piecemeal approach targeting electric vehicles.

²¹ Maine Applied Research, *Transportation Needs in Maine, Data Brief* (Jan. 2025) at 12 (citing U.S. Census Bureau, Household Pulse Survey, Cycle 09, 24 September 2024).