



THE PRINCE GEORGE'S COUNTY GOVERNMENT


Office of Audits and Investigations


October 17, 2022

FISCAL AND POLICY NOTE

TO: Robert J. Williams, Jr.
Council Administrator

William M. Hunt
Deputy Council Administrator

THRU: Josh Hamlin 
Director of Budget and Policy Analysis

FROM: Alex Hirtle 
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CR-120-2022 Electric Vehicle Infrastructure & Deployment Advisory Group

CR-120-2022 (*proposed by*: Council Member Taveras)

Assigned to Committee of the Whole (COW)

A RESOLUTION CONCERNING ELECTRIC VEHICLE INFRASTRUCTURE AND DEPLOYMENT ADVISORY GROUP for the purpose of establishing an Electric Vehicle Purchasing Cooperative in the County to assist the private sector in meeting the County's emission reduction goal of 50% emissions reduction by 2030; if deemed to be feasible, establishing an Electric Vehicle Purchasing Cooperative in the County; and regarding promoting and facilitating the use of Electric Vehicles (EVs) in the County.

Fiscal Summary

Direct Impact:

Expenditures: Modest additional expenditures for administrative costs.

Revenues: No direct impact on revenue.

Indirect Impact:

Potentially favorable.

Legislative Summary:

CR-120-2022, sponsored by Council Member Taveras, was introduced on October 11th, 2022, and referred to Committee of the Whole (COW). It establishes an advisory group to facilitate a public-private/philanthropic or multi-governmental partnership for the provisions of community-wide training, best practices, educational resources and analysis support, creating a one-step shop to support electric vehicle transition for the private sector.

The advisory group would consist of seven voting members, and ideally six ex officio (non-voting) members who would be directors or designees of various County departments or organizations. Voting members would be required to live in the County or be of a governing body/staff of an entity doing business in the County.

Voting members would include representation from the banking industry, utility companies, two members of non-profit organizations, a consumer representative, automotive industry, and dealership sales teams. Ex officio members would be from the Department of the Environment; Office of Central Services; Department of Public Works & Transportation; Department of Permitting, Inspections, and Enforcement; the County's Planning Department; and if feasible a representative from the Metropolitan Washington Council of Governments.

The County Executive would appoint the members, with Council confirmation. Members would have two-year terms, with reauthorization subject to the County Executive. The Council Administrator would provide technical and administrative support to the group, and the group would submit semi-annual reports to the Council and County Executive, making recommendations to the represented groups on encouraging uptake of electric vehicles.

Current Law/Background:

Section 506 of the County Charter provides that the County Executive or County Council may create Citizen Advisory Boards for the purpose of its members assisting in the consideration of County policies and programs.

The Resolution is directly related to CR-032-2022, which adopted the County's Climate Action Plan in July 2022. The Plan includes 50% reduction of the County's Greenhouse gas emissions (using 2005 emissions as the baseline) by 2030, eight years from now; the Plan further sets a goal of carbon neutrality for the County by 2045. The Resolution cites that the County's transportation sector is the single greatest contributor of greenhouse gas emissions, accounting for approximately 48% of total emissions.

Resource Personnel:

Jobina Brown, Director of Communications and Policy Analyst for Councilmember Taveras.

Discussion/Policy Analysis:

This Resolution calls for creating an advisory group that would study the feasibility of establishing an Electric Vehicle Purchasing Cooperative in the County and facilitate training and educational support of EV purchasing. Many countries, states, and jurisdictions have provided incentives for electric vehicle purchasing, including purchase subsidies and registration tax rebates, including Norway, the U.S., and China.¹ States like Massachusetts have programs to assist residents in purchasing electric vehicles (EV's) including rebates for new or used EV's, and additional rebates for turning in internal combustion vehicles, and for moderate income families.²

The legislation is in part based on Montgomery County's (Maryland) Zero-Emissions Vehicle Initiative which as its main goal was to increase use of EV's for both residential and local businesses, thus reducing emissions for the County as part of their climate plan agenda. This program focused on residents and business owners to pledge in making their next vehicle(s) purchase an EV. They would then be provided resources in deciding which vehicle would be the best fit for them and be included in a purchasing cooperative that would allow them a reduced price for purchasing or leasing a vehicle. The County was able to receive over 1,000 residents and 12 businesses to pledge, and perform eight live presentations, as well as engage in about 8,000 virtual views or contacts; however, due to vehicle inventory constraints of EV's (Pandemic supply chain issues, and a sharp increase in petroleum prices), the coop purchasing side of the program was never realized.³

Prince George's County has an opportunity to meet its greenhouse gas emission reduction goals through transitioning both private and business vehicles from internal combustion to electric vehicles. The County's transportation sector is the single greatest contributor of greenhouse gasses within the jurisdiction – approximately 48% of all emissions are generated in this manner, and of that 92% are by cars, busses, and trucks. In fact, if a County resident purchased a new EV (Chevrolet Bolt) instead of a new average gasoline powered vehicle, the comparable upstream and tailpipe emissions (combined) would be reduced by over 75%.⁴ The challenge will be to work this plan within the current market of supply chain shortages (as noted earlier) and higher demand for EV's with the recent price increases in petroleum.⁵ Even with Montgomery County's positive response in over 1,000 residents and a dozen businesses pledging to by an EV as their next vehicle,

¹ <https://www.iea.org/reports/global-ev-outlook-2021/policies-to-promote-electric-vehicle-deployment>

² <https://www.wbur.org/news/2022/08/18/ev-tax-credits-rebates-inflation-reduction-act-mass-climate-law>

³ <https://www.montgomerycountymd.gov/green/Resources/Files/zev/evpc-report.pdf>

⁴ <https://www.fueleconomy.gov/feg/Find.do?year=2022&vehicleId=43955&zipCode=20737&action=bt3>

⁵ <https://www.cbsnews.com/news/gas-prices-electric-cars-batteries/>

their cooperative buying initiative was not able to deliver one single discounted EV vehicle due to current market conditions.⁶

An additional item of consideration for the establishment of the Advisory Group is the infrastructure aspect of EV's. It should be noted that if the County has a notable increase in its residents and businesses owning and utilizing these types of vehicles, there will be a need for increased locations and access to charge these electric vehicles. This should be a priority item on the Group's agenda given their purpose, according to the Resolution.

Fiscal Impact:

- *Direct Impact*

Adoption of CR-120-2022 will have a modest adverse fiscal impact on the County through resources expended by the Advisory Group, which may include staff time in technical and administrative assistance and support, as well as any incidental expenses that Group members may have in the performance of their duties.

- *Indirect Impact*

Adoption of CR-120-2022 may have a positive indirect impact on the County. Through its establishment of a cooperative purchasing program for EV's, and probable success of facilitating more residents and businesses in the County to lease or purchase EV's, this would lower emissions in the jurisdictions, provide cleaner air and water for its residents which can have an effect on better health and less chronic diseases like asthma and other respiratory conditions as well as the positive effects of cleaner waterways. The overall lower costs of operating and maintaining EV's, not accounting for the generally higher cost of purchasing one, could also be financially beneficial to local residents and businesses.

- *Appropriated in the Current Fiscal Year Budget*

No.

Effective Date of Proposed Legislation:

The proposed Resolution shall be effective upon its adoption.

If you require additional information, or have questions about this fiscal impact statement, please reach out to me via phone or email.

⁶ <https://www.montgomerycountymd.gov/green/Resources/Files/zev/evpc-report.pdf>