

HB1247_Vox_FAV

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Position: FAV

HOD - ENVIRONMENT & TRANSPORTATION

Dear Delegate,

My spouse and I urge you to vote FOR HB1247. Although California was a beautiful state in many respects, anything related to fuel-efficiency from California is NOT a model for Maryland to follow. Keep Maryland FREE from the pollution of California's failed policies. IF enacted, more Marylanders who contribute mightily to the tax base WILL flee for other states, leaving Maryland a desert because the creativity and knowledge and revenue base will leave.

Keep Maryland BEAUTIFUL through keeping California's failed policies OUT of Maryland. SUPPORT HB1247 and get it out of committee so the rest of the GA can vote on it.

Sincerely,
FreeVox
Gaithersburg (LD-39)
Montgomery County

"Oh, say, does that **star-spangled banner** yet wave?
O'er the land of the **free** and the **home** of the **brave!**"

MADA HB1247 Testimony - Support.pdf

Uploaded by: J Peter Kitzmiller

Position: FAV



SUPPORT HB 1247

TO: Environment & Transportation Committee

FROM: Peter Kitzmiller, President, Maryland Automobile Dealers Association

RE: HB 1247 Environment – Advanced Clean Car II Program, Application & Environment

Position: Favorable

MADA represents 300 franchised New Car and Truck dealers in the State, with 20,000 direct jobs based in Maryland.

Associations' Position on EV's:

- (a) Assertion that dealers do not want to sell EVs is **Incorrect**
- Maryland dealers will spend over \$100 Million on EV infrastructure (chargers/equipment/training) in 2023/2024
- (b) There is no going back for Manufacturers and Dealers - too much money Invested – we will be selling EVs and PHEVs now and in the future
- (c) The Association is not asking Maryland to get out of Clean Cars II however, there are a number of issues that if not addressed will cause significant harm to Maryland dealers, our employees and customers – and will not result in more EV Sales

Model Year 2027 Sales Mandate: 43% of vehicles shipped by each Manufacturer to Maryland dealers must be EVs

- (a) If 2027 is a normal sales year we will need to sell 100,000 new EVs in MY 2027 (currently 90,000 EVs registered in Maryland after 10 years of sales)

(b) Questions Can Manufacturers produce 100,000 EV's for Maryland while maintaining EV supply to California and a dozen other ACC II states?

Is there consumer demand for 100,000 EV's? If not, will the State expand the number of and value of financial incentives?

Can Maryland's electrical infrastructure charge/accommodate this number of EVs by 2027?

Cross Border Sales Issue: The ACC II standard does not require "Titling/Registration" in MD

- This is a critical issue for Maryland dealers – NO Maryland dealer is more than 50 miles from a border
- Manufacturers have limited options to meet the 43% Sales Mandate in year 2027
 - Buy credits using corporate cash or pre-sell EVs into MD in the years leading up to MY27
 - Miss the 43% target and pay a fine to MDE (they are not going to do this)
 - ***Limit the amount of inventory they ship to Maryland dealers***

Example:

- A Maryland dealer normally gets 1,000 new vehicles a year from its manufacturer
- In 2027 the manufacturer would need to ship 430 EVs to the Maryland dealer
- If the manufacturer does not have sufficient EVs to supply California and the other ACC II states at that percentage, the only practical option is to reduce the 1,000 vehicles normally shipped to a Maryland dealer to 600 where they in turn meet the 43% mandate
- Reduction in inventory will be catastrophic to Maryland dealers and their employees; and this impacts used car sales also as the Md dealer will not receive as many trade-in vehicles

(c) Unintended Consequence: Maryland residents will go to bordering states, purchase ICE cars, register them in MD and causing economic disruption to Md's auto sales economy

- But, No additional EVs will be put on Maryland roads under this scenario
- Some manufacturers are already limiting what types of vehicles Maryland dealers can order (eg, Stellantis)
- State of Maryland Climate-report
Talks about the cross border issue and their concerns about “Sales Leakage”

V Electric Infrastructure

- Our customers need to be convinced that the Maryland electric infrastructure can support their decision to purchase an EV
- Consumers will not purchase an EV unless they can charge it at home
- 50% of our customers live in multi-family housing. We need to address how to charge their vehicles
- Some dealers who are putting in charging infrastructure in order to sell EV's are experiencing delays because the capacity of local grid cannot accommodate the additional power that is needed

VI Vehicle Cost

- Maryland's current EV tax credit fund of \$8.25 million is inadequate to push the sales of EV's
- The Maryland Climate Change Commission recently recommended that Maryland spend \$300 million per year on EV incentives to meet the Clean Cars II Sales Mandate

VII Solutions

- (a) Reduce or eliminate the penalties
- (b) Delay the implementation date to 2030 in order for the charging infrastructure to be built out

Marylanders Shopping in Other States

- | | |
|---------------------------------------|------------|
| 1. Rockville to Jeep Waynesboro PA | 1 hour |
| 2. Bethesda to Jeep Waynesboro PA | 1.25 hours |
| 3. Gaithersburg to Jeep Waynesboro PA | 1 hour |
| 4. Bowie to Jeep Waynesboro PA | 1.5 hours |
| 5. College Park to York Toyota | 1.5 hours |
| 6. Towson to York Toyota | 50 min |
| 7. Glen Burnie to York Toyota | 1.25 hours |
| 8. Frederick to Guys GMC WVA | 40 mins |

Californians Shopping in Other States

- | | |
|------------------------------|------------|
| 1. Los Angeles to Pahrump NV | 4.25 hours |
| 2. San Diego to Phoenix AZ | 5.0 hours |
| 3. San Francisco to Reno NV | 4.25 hours |
| 4. Sacramento to Reno NV | 3.25 hours |

California vs. Maryland

1. California has 7x more light duty passenger vehicles than Maryland
2. California has 20x more DC faster chargers than Maryland
3. California has 40x more public chargers than Maryland
4. California budget for EV incentives and infrastructure is 60x more than Maryland

[PBS](#)

<https://www.pbs.org/newshour/show/why-major-car...>

Why major car manufacturers are slowing production of ...

Web Jan 30, 2024 · Shoshana Dubnow. Last year was a record for **electric** vehicles in the U.S., with more than 1.2 million sold. That was 50 percent higher than in 2022, yet there are ...

[New York Times](#)

<https://www.nytimes.com/2023/11/07/business/energy...>

Automakers Delay Electric Vehicle Spending as Demand Slows

Web Nov. 7, 2023. Normally a 50 percent increase in sales is considered very good. But when the number of **electric** vehicles sold in the United States grew that much during the third ...

[The Washington Post](#)

<https://www.washingtonpost.com/business/2023/12/26/ev-demand-slows>

EV transition cools as demand slows and automakers trim ...

Web Dec 26, 2023 · In recent weeks, Ford told its **suppliers** that it is halving its 2024 **production** plan for the **electric** F-150 Lightning pickup, to about 1,600 a week, **Automotive News** ...

[CNN](#)

<https://www.cnn.com/2024/02/25/cars/what-happened...>

How EVs became such a massive disappointment | CNN

Business

Web Feb 25, 2024 · Tesla's slashing prices. Ford just cut the price of its Mustang Mach-E, too, plus it cut back **production** of its **electric** pickup. And General Motors is thinking about ...

[New York Times](#)

<https://www.nytimes.com/2023/12/12/business/ford-f150-lightning-ev.html>

Ford Will Cut Planned Electric F-150 Production as Demand Slows

Web Dec 12, 2023 · Sylvia Jarrus for The New York Times. By Neal E. Boudette. Dec. 12, 2023. Slower-than-expected growth in sales of **electric** vehicles has forced several automakers ...

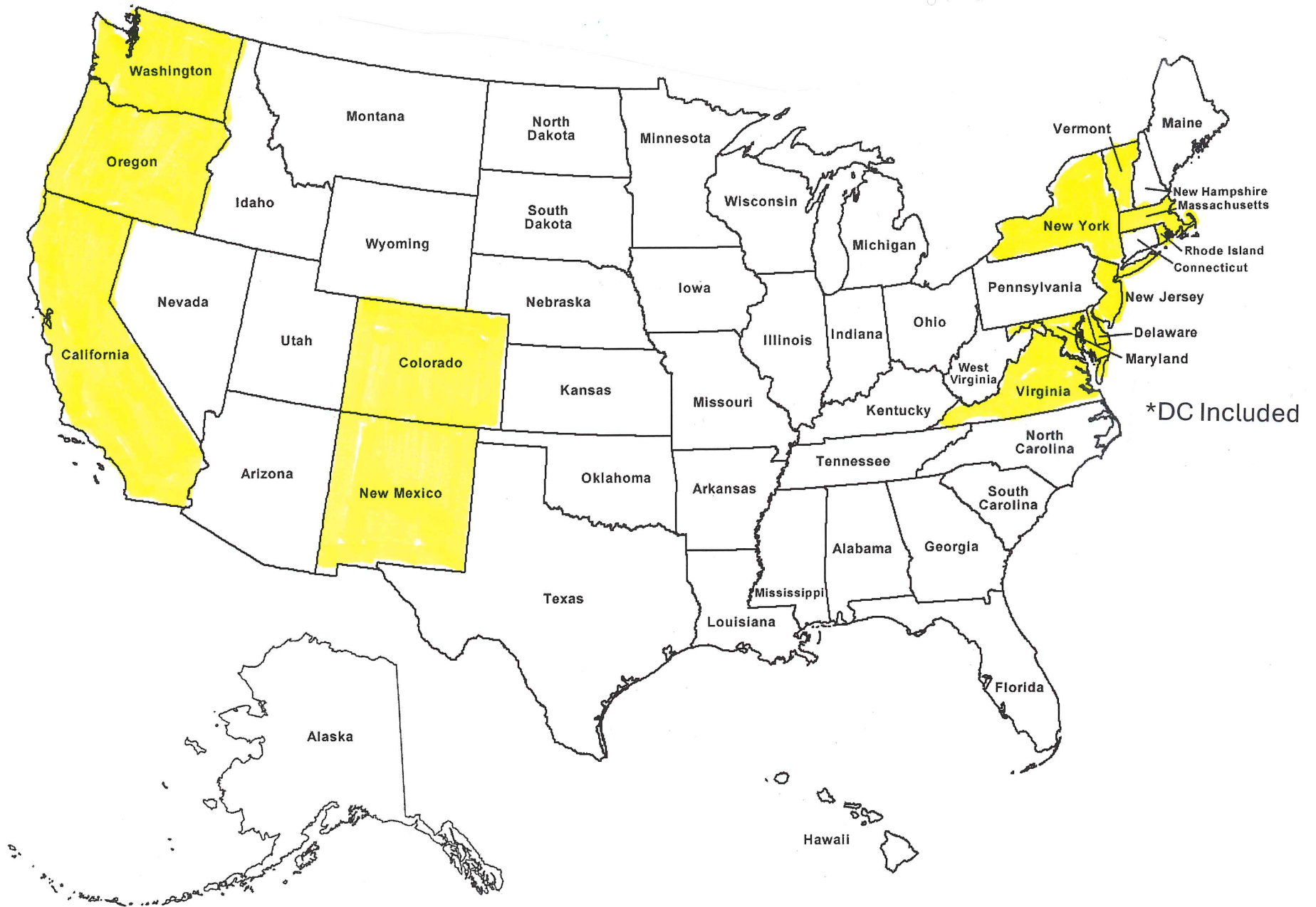
[Reuters](#)

<https://www.reuters.com/business/autos...>

Mercedes-Benz delays electrification goal, beefs up combustion ...

Web Feb 22, 2024 · Mercedes-Benz on Thursday **delayed** its electrification goal by five years and assured investors it would keep sprucing up its combustion **engine** models, becoming the ...

CALIFORNIA – ADVANCED CLEAN CAR II RULE (Begins MY26 or MY27)



**TESTIMONY OF SAM WEAVER – CHEVY CHASE AUTOMOTIVE
SUPPORT FOR HOUSE BILL 1247**

Good afternoon, Mr. Chairman and members of the committee. My name is Sam Weaver, and I am Vice President and Partner at Chevy Chase Automotive in Downtown Bethesda. Our dealership has been providing transportation solutions for our clients for more than 85 years now.

I would like to start by saying I am very excited about representing EV's in our market. We are in the transportation business regardless of its propulsion.

Our single-point dealership is well underway creating our charging infrastructure which will exceed more than \$500k in expense with an additional \$150k to be spent on special tools and safety infrastructure. This clearly indicates we are looking forward to the EV business.

I am of the opinion, and many would agree, the EV's are coming at a revolutionary pace, but the charging infrastructure is coming at an evolutionary pace. And it's this infrastructure concern that will thwart the widespread adoption of these incredible vehicles. Actually, there is a 100-unit apartment building planned directly across the street from my service operation and it is planned with zero parking. A significant portion of our client base lives in this type of high rise or multifamily housing where charging is difficult or even impossible.

We are in the epicenter of the EV market in Bethesda-Chevy Chase. That I am very excited about. And our manufacturer has indicated they will comply with the 43% delivery mandate. But it is unlikely that my manufacturer along with many others will have the manufacturing or battery capacity to ship that many EV's to Maryland. **The only option a manufacturer has to achieve compliance is to ship less vehicles to meet the delivery mandate.** For model year 2025 my manufacturer has told me I am getting 105 EV's for the year. If the mandate were in place for the 2025 model year, it would mean they would be shipping me 244 vehicles to comply. They normally ship me 1,000. I think you would agree this type of reduction would be devastating to any business.

I personally would not go out of state to buy my groceries, household goods or clothing. But would definitely go out of state to buy a high-ticket item like a new vehicle where I only make a purchase every 3-5 years. This mandate will force manufacturers to create inventory imbalances among dealerships and states making consumers do exactly that.

EV's are here to stay and that is a great thing. And we should do everything we can to put as many EV's on the road as soon as we can. My concerns are for my business which not only affects my 130 employees, but the 325 family members that depend on my employees' livelihoods. That is a very real and worrisome concern.

In closing, I would like to remind everyone when the automobile was first introduced, the horse was not outlawed. Dealers all across our great state are spending millions to prepare for this revolution in the automobile industry and are positioned for this great tomorrow. As a reminder, this is a delivery mandate not a purchase mandate, in the end, it's the consumer deciding not the manufacturers, dealers or government. Let's not outlaw the horse. Thank you for allowing me to testify in favor of Senate Bill 1063.

For more information: Sam Weaver – weaver@chevychasecars.com 240.395.4200

HB1247_MAPDA_fav (2024).pdf

Uploaded by: Mike O'Halloran

Position: FAV



Mid-Atlantic Petroleum Distributors Association
P.O. Box 711 ★ Annapolis, MD 21404
410-693-2226 ★ www.mapda.com

TO: House Environment & Transportation and Economic Matters Committees

FROM: Mid-Atlantic Petroleum Distributors Association

DATE: March 7, 2024

RE: **HOUSE BILL 1247** – Environment – Advanced Clean Cars II Program – Application and Enforcement

On behalf of Maryland’s energy marketers and fuel distributors, MAPDA urges the committee to issue a favorable committee report on HB1247.

This legislation prohibits the Maryland Department of the Environment (MDE) from adopting California’s Advanced Clean Cars II (ACC II) program prior to motor vehicle model year 2030. It also prohibits MDE from applying the penalty provisions associated with the program on motor vehicle manufacturers.

The Maryland Clean Cars Act of 2007 tied the state to California’s Clean Car Program in perpetuity. At the time, that program did *not* include a ban on the sale of gas-powered vehicles. But as the California Air Resources Board (CARB) changed its program over the years, Maryland was also required, by law, to adopt those changes in full.

With the adoption of the ACC II program, all new cars and light trucks sold in Maryland must be zero-emission vehicles by model year 2035. As MAPDA has noted in other bills and regulations, including MDE’s public hearing on ACC II, Maryland does not have the infrastructure to take on the electrification of the transportation sector as set forth in this program. Further, [auto manufacturers have already begun to reassess their commitments to an all-electric fleet](#) as consumer habits are dictating the car market.

The upshot is the motoring public is not ready to adopt ACC II meaning gas-powered cars will still be the predominant vehicle on the road for years to come. Our members are ready to meet that demand. HB1247 is a commonsense approach to what the public is telling us.

For these reasons, MAPDA respectfully requests a favorable committee report on HB1247.

Feeding and fueling the economy through gas, coffee, food, heating oil and propane.

MAPDA is an association of convenience stores and energy distributors in Maryland, Delaware & the District of Columbia.

03.06.24 LOS HB 1247 Joint.pdf

Uploaded by: Terry Hale

Position: FAV

Danielle Hornberger
County Executive

Steven Overbay
Director of Administration

Office: 410.996.5202
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Jackie Gregory
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CECIL COUNTY GOVERNMENT
Cecil County Administration Building
200 Chesapeake Boulevard, Elkton, MD 21921

March 6, 2024

The Honorable Marc Kroman
The Honorable Regina T. Boyce
Environment and Transportation Committee
Room 251
House Office Building
Annapolis, MD 21401

RE: HB 1247 – Environment – Advanced Clean Cars II Program – Application and Enforcement
Letter of Support

Dear Chairman Kroman, Vice Chair Boyce and Members of the Environment and Transportation Committee,

The County Council and the County Executive of Cecil County supports HB 1247 - Environment – Advanced Clean Cars II Program – Application and Enforcement. The hearing on this legislation is scheduled on March 8, 2024.

It is our understanding that this legislation is prohibiting the Department of the Environment from adopting the California Advanced Clean Cars II regulations to be effective before motor vehicle model year 2030; and prohibiting the Department from applying certain provisions of law governing enforcement and penalties under the California Advanced Clean Cars II Program to a motor vehicle manufacturer for failing to meet the minimum electric vehicle or plug-in hybrid electric vehicle delivery requirements for an applicable motor vehicle model year.

Cecil County supports this, and any bill, that removes mandates based on the action of other state legislatures or regulations.

The County Executive and County Council of Cecil County respectfully request that the Environment and Transportation Committee send a favorable report on HB 1247.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Hornberger".

Danielle Hornberger
County Executive

A handwritten signature in blue ink, appearing to read "Jackie Gregory".

Jackie Gregory
President of County Council

E&T - HB1247- ACC II Application & Enforcement - U

Uploaded by: Brian Ditzler

Position: UNF

Committee: Environment and Transportation
Testimony on: HB1247 – Advanced Clean Cars II Program – Application and Enforcement
Position: Unfavorable
Hearing Date: March 8, 2024

The Advanced Clean Cars II standard is a regulation adopted by the Maryland Department of Environment that requires vehicle manufacturers to sell an increasing percentage of new zero-emission cars and light duty trucks (under 14,000 pounds) from 2026 through 2035. It requires that by 2035 all passenger cars and truck sales in Maryland must be zero-emission or plug-in hybrid vehicles.

The ACC II standard is necessary to cut air harmful pollution and achieve a 60 percent reduction in greenhouse gas emissions by 2031, as required by the Climate Solutions Now Act. The transportation sector accounted for 35% of climate-damaging greenhouse gas emissions in our state in 2020, with 82% of those emissions coming from gasoline and diesel-powered vehicles on our roads. Implementation of the ACC II standard would cut those emissions dramatically.

Communities of color and low-wealth communities living near busy roads, highways and warehouses now bear an especially unfair burden of harmful air pollution which contributes to respiratory and cardiovascular diseases and premature death. According to an analysis by the Union of Concerned Scientists, on average, communities of color in the Northeast and Mid-Atlantic breathe 66% more air pollution from vehicles than white residents. The average concentrations of exposures for Latino residents are 75% higher than for white residents.

According to an analysis by the American Lung Association, with emissions reductions from state adoption of clean transportation policies, including ACC II, Marylanders would receive significant health benefits through 2050 including \$27.8 billion in public health benefits due to cleaner air, prevention of 2530 premature deaths, prevention of 63,600 asthma attacks, and avoidance of 315,000 lost work days.

Contrary to the claims of opponents of this regulation, ACC II is feasible and gives vehicle manufacturers flexibility to meet the requirements specified in the standard. Manufacturers are allowed to satisfy 20% of overall ZEV sales requirements with plug-in hybrids. Manufacturers are also allowed to carry forward and use compliance credits generated prior to model year 2027.

The ACC II standard has already been adopted or is in the process of being adopted in California, Delaware, the District of Columbia, Massachusetts, New Jersey, New York, Oregon, Rhode Island, Vermont, Virginia and Washington.

Climate change is already underway. It is eroding our shorelines and cliffs, bringing changing weather patterns that are damaging to our crops and communities, and threatening the health and economic livelihoods of our populace. ACC II is a critically-important tool for Maryland to slash climate and health-damaging emissions, and should not be curtailed as HB1247 would require. I strongly urge an unfavorable report on this bill.

Brian Ditzler, Silver Spring, MD

HB 1247 Environment - Advanced Clean Cars II Progr

Uploaded by: Cait Kerr

Position: UNF

Friday, March 8, 2024

TO: Marc Korman, Chair of the House Environment and Transportation Committee, C. T. Wilson, Chair of the House Economic Matters Committee, and Committee Members

FROM: Cait Kerr, The Nature Conservancy, State Policy Manager; Mariana Rosales, The Nature Conservancy, Director of Climate

POSITION: Oppose HB 1247 Environment - Advanced Clean Cars II Program - Application and Enforcement

The Nature Conservancy (TNC) opposes HB 1247 offered by Delegate Adams. HB 1247 seeks to significantly delay implementing Advanced Clean Cars II in Maryland. This bill directly conflicts with Maryland Commission on Climate Change's (MCCC) recommendation to "ensure the adoption and implementation of the California Advanced Clean Cars II standards, which require that an increasing percentage of new vehicles sold are zero-emissions starting in Model Year 2027." According to the Maryland Department of the Environment (MDE), "Advanced Clean Cars II (ACC II) builds on Maryland's existing Clean Cars Program to require manufactures to continuously increase the share of vehicles they sell that are electric - reaching 100% of passenger car and light truck sales in model year 2035."

As a member of the Mitigation Working Group and the Zero Emissions Vehicles Sub Group, TNC strongly supports the MCCC's recommendation. The transportation sector is the largest contributor to climate change in Maryland. It accounts for approximately 40% of greenhouse gas emissions statewide, predominately from on-road sources. Gas-powered vehicles also emit other air pollutants, like particulate matter, that harm pulmonary and cardiovascular health, including triggering asthma attacks and impairing lung function. Nitrogen oxides released from fossil fuel combustion contribute to increasing new cases of childhood asthma. Air pollution and subsequent respiratory health problems disproportionately impact BIPOC communities and low-income neighborhoods. These detrimental health impacts are also costly, in terms of lost work hours, hospital admissions and emergency room visits, and premature deaths.

The Climate Solutions Now Act of 2022 commits Maryland to 60% emissions reductions from 2006 levels by 2031 and net-zero emissions by 2045. MDE has predicted that by adopting ACC II in 2023 and applying its regulations starting in model year 2027, between 2027 and 2040 "ACC II will deliver additional vehicular emission reductions including: 5,978 tons of nitrogen oxides (NOx), a precursor to ground-level ozone; 585 tons of particulate matter (PM 2.5), a significant respiratory irritant; 76.7 million metric tons of vehicular and power plant carbon dioxide (CO2), a potent driver of climate change. By 2040, these reductions will provide a collective net health benefit equal to \$603.5 million dollars per year due to decreases in respiratory and cardiovascular illness and associated lost work days."

By delaying ACC II implementation, Maryland would not only fail to meet our statutory climate mitigation commitments, but we would also fail Marylanders by continuing their exposure to harmful air pollutants when it is currently within our power to reduce those damages.

Therefore, we urge an unfavorable report on HB 1247.

HB1247 Testimony Opposed.pdf

Uploaded by: Debbie Cohn

Position: UNF

Committee: Environment & Transportation
Economic Matters
Testimony on: HB1247
Submitting: Deborah A. Cohn
Position: Unfavorable
Hearing Date: March 8, 2025

Dear Chair and Committee Members:

Thank you for allowing my testimony on HB1247. I urge an **unfavorable report** on this bill.

Maryland has committed to reduce state greenhouse gas (GHG) emissions 60% by 2031 compared to the 2006 level and 100% by 2045. The transportation sector is Maryland's number one generator of climate-damaging GHG emissions. To meet the state's GHG reduction goals, Maryland must implement the California Advanced Clean Cars II (ACCII) regulations without delay.

Tailpipe emissions from combustion energy vehicles are hazardous to human health and contribute to cancers, heart disease, asthma, emphysema and other respiratory diseases. More than 80% of Marylanders live in counties that do not meet federal clean air standards for ozone, due in significant part to tailpipe emissions. Many black and brown communities in Maryland are particularly hard hit with health issues caused by tailpipe pollution due to the cumulative impact created by their proximity to major highways and roadways and industry polluters.

In 2013, Maryland joined seven other states in signing a memorandum of understanding committing to have 300,000 zero-emission vehicles (including plug-ins) on the road by 2025, and 600,000 EVs on the road by 2030. While adoption of fully electric vehicles (EVs) is moderating, plug-in hybrid electric vehicles are very popular and sales are increasing. With the federal government and state committed to increasing the availability of EV charging stations, including not only publically available charging stations but also conveniently located charging infrastructure where people live, there is no justification for delaying implementation of the ACCII regulations – not when human health is at stake and timely implement is economically feasible.

Accordingly, I urge an unfavorable report on HB1247 from this committee.

Thank you.

Deborah A. Cohn

HB1247 (SB1063) - UNF.pdf

Uploaded by: Landon Fahrig

Position: UNF



Maryland

Energy Administration

TO: Chair Korman, Vice Chair Boyce, and Members of the Environment and Transportation Committee

FROM: MEA

SUBJECT: HB 1247 - Environment - Advanced Clean Cars II Program - Application and Enforcement

DATE: March 8, 2024

MEA Position: UNFAVORABLE

This bill would prohibit the Maryland Department of the Environment (MDE) from adopting the California Advanced Clean Cars II (ACC II) regulations to be effective before motor vehicle model year 2030 and limit the ability of MDE to apply certain provisions of law governing enforcement and penalties under the ACC II Program.

ACC II builds on Maryland's existing Clean Cars Program to require manufacturers to continuously increase the share of vehicles they sell that are electric - reaching 100% of passenger car and light truck sales in model year 2035.

According to MDE, ACC II is projected to substantially reduce air pollutants that threaten public health, especially in overburdened and underserved communities that are disproportionately exposed to vehicular pollution. Between 2027 and 2040, ACC II is anticipated to deliver additional emission reductions including:

- 5,978 tons of nitrogen oxides (NO_x), a precursor to ground-level ozone;
- 585 tons of particulate matter (PM 2.5), a significant respiratory irritant;
- 76.7 million metric tons of vehicular and power plant carbon dioxide (CO₂), a potent driver of climate change.

These emissions reductions translate to significant health benefits and corresponding savings. By 2040, these reductions will provide an estimated aggregate net health benefit equal to \$603.5 million per year due to decreases in respiratory and cardiovascular illness and associated lost work days.

For these reasons, MEA urges the committee to issue an **unfavorable report**.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Landon Fahrig, Legislative Liaison, directly (landon.fahrig@maryland.gov, 410.931.1537).

HB 1247 MDE OPP.docx.pdf

Uploaded by: Les Knapp

Position: UNF



**The Maryland Department of the Environment
Secretary Serena McIlwain**

House Bill 1247

Environment – Advanced Clean Cars II Program – Application and Enforcement

Position: Oppose
Committee: Environment and Transportation
Date: March 8, 2024
From: Hadley Anthony

The Maryland Department of the Environment (MDE) **OPPOSES** HB 1247.

Bill Summary

House Bill 1247 would prohibit MDE from adopting the California Advanced Clean Cars II (ACC II) regulations prior to model year (MY) 2030. MDE would also be prohibited from applying certain provisions of law governing enforcement and penalties with respect to motor vehicle manufacturers for not meeting the ACC II requirements.

Position Rationale

Delaying the ACC II program until MY 2030 would have negative consequences for the State of Maryland and vehicle manufacturers. The ACC II's MY zero-emission vehicle (ZEV) percentage requirements cannot be altered by Maryland as this is a mandate by the U.S. Environmental Protection Agency (EPA). If ACC II implementation is pushed to 2030, the manufacturers will have to comply with the 2030 requirements without the gradual ramp up currently provided in the earlier years. The ZEV program flexibilities begin to phase out as the MYs progress and further implementation delays will mean that manufacturers are unable to take advantage of the flexibilities as designed.

Under the Maryland Clean Cars Act of 2007, Maryland is required to adopt Advanced Clean Cars I (ACC I) and ACC II. Maryland has been implementing the current ACC I regulations since MY 2011. The function of ACC II is to keep reducing vehicle costs and expanding model availability by deploying ZEV technology at a larger scale. Additional gaps in Maryland's participation in ACC II would mean manufacturers will prioritize ZEV sales in the other 14 states that adopted the program, setting Maryland back on our clean energy, clean air, and climate change goals, and losing the significant benefits those vehicles provide to Marylanders. Broad adoption of the multistate ACC II also encourages stronger Federal standards which would further drive manufacturer investment in technology and supply chains, benefiting consumers who enjoy lower vehicle prices, fuel savings, and clean air.

Electric vehicle shares are growing rapidly in Maryland, with roughly 50% year-over-year growth in registrations in the last few years. MDE is on track to achieve the new ACC II goals as model availability continues to expand and prices continue to come down. Manufacturers are currently over-complying with the ACC I program and would bring extra credits from that over-compliance into the new program that can be used to ease into the new requirements.

The ACC II program is an integral component of Maryland's comprehensive, federal air quality plan or State Implementation Plan (SIP). By exiting ACC II, Maryland would revert back to the federal emissions program from MY 2026 - 2030, thereby likely losing reductions in our SIP that have to be made up for by other reductions elsewhere. ACC II is also a critical strategy in MDE's recently released "*Maryland's Climate Pollution Reduction Plan*" that is needed to significantly increase the number of ZEVs operating on Maryland's roadways and help us meet our climate goals. Of all of the programs Maryland has adopted, the ACC II program has the highest estimated future greenhouse gas reduction impact.

The proposed bill would also eliminate MDE's ability to enforce the ACC II program regulations. MDE needs enforcement authority to ensure the environmental and health protections of all its regulations are realized. MDE has broad enforcement discretion as it relates to enforcing penalties for non-compliance with the ACC II ZEV requirement. MDE, with all enforcement actions, follows its enforcement process laid out in state law. The ACC II program has regulatory flexibility that helps manufacturer compliance with the program without triggering enforcement processes. Flexibilities include a variety of different credits (early compliance, pooled vehicles, historic credits, and environmental justice credits) that can be used along with the ability to trade excess credits with other manufacturers that need credits. Finally, a manufacturer has three MYs to make-up any shortfalls that would trigger non-compliance.

It is important to emphasize that neither Maryland nor any other Clean Cars state has ever had to assess a financial penalty for non-compliance with the ZEV requirements in the current ACC I program that MDE has been implementing since MY 2011.

For the reasons detailed above, MDE urges an **UNFAVORABLE** report for HB 1247.

HB1247_MDSierraClub_unfMar2024.docx.pdf

Uploaded by: Lindsey Mendelson

Position: UNF



P.O. Box 278
Riverdale, MD 20738

Committee: Environment and Transportation

Testimony on: HB 1247- Environment - Advanced Clean Cars II Program - Application and Enforcement

Position: Oppose

Hearing Date: March 8, 2024

The Maryland Chapter of the Sierra Club opposes HB 1247. The bill would prohibit the Advanced Clean Cars II regulations from being effective before Vehicle Model Year 2030. The bill also prohibits the Maryland Department of Environment from enforcing the bill on vehicle manufacturers that fail to meet the requirements.

The Advanced Clean Cars II regulations require vehicle manufacturers to sell an increasing percentage of light-duty zero-emission vehicles and plug-in hybrids from Model Year 2027 through 2035. Section 177 of the Clean Air Act allows states to adopt vehicle emissions standards that are more strict than federal standards if they are identical to those adopted by the state of California. The Maryland Department of Environment (MDE) has been a part of the highly successful Clean Cars program since 2007 and is required under Maryland law to adopt and maintain the Clean Cars regulations as they are adopted, including the recent Advanced Clean Cars II program.

Transportation is the largest source of climate-damaging greenhouse gas (GHG) emissions and a leading source of toxic air pollution that is hazardous to human health. Gasoline-fueled vehicles account for 76% of GHG emissions from the on-road transportation sector according to the 2020 Greenhouse Gas Inventory. The MDE's Climate Pollution Reduction Plan has indicated that the Advanced Clean Cars II regulation is a key strategy needed for Maryland to reach its climate targets.

The Advanced Clean Cars II program is also necessary to combat unhealthy air pollution. Almost half of Maryland's total NOx emissions—approximately 41.3 percent—are attributable to pollution from vehicles on Maryland's roads. Residential neighborhoods located near major roads and highways face disproportionate burdens from transportation pollution. These neighborhoods are often communities of color due to decades of residential segregation, and bear the burden of higher rates of cancer, heart disease, chronic respiratory diseases and premature death.

The Advanced Clean Cars II regulations should be implemented and enforced without delay in order to meet our climate targets, improve public health, and clean our air. We strongly recommend an unfavorable report on this bill.

Lindsey Mendelson
Transportation Representative
lindsey.mendelson@mdsierra.org

Jane Lyons-Raeder
Transportation Chair
janeplyons@gmail.com

Josh Tulkin
Chapter Director
Josh.Tulkin@MDSierra.org

Founded in 1892, the Sierra Club is America's oldest and largest grassroots environmental organization. The Maryland Chapter has over 70,000 members and supporters, and the Sierra Club nationwide has over 800,000 members and nearly four million supporters.

HB 1247 - CBF - UNF.pdf

Uploaded by: Matt Stegman

Position: UNF



CHESAPEAKE BAY FOUNDATION

*Environmental Protection and Restoration
Environmental Education*

House Bill 1247

Environment - Advanced Clean Cars II Program - Application and Enforcement

Date: March 8, 2024	Position: UNFAVORABLE
To: House Environment & Transportation Committee	From: Matt Stegman
House Economic Matters Committee	MD Staff Attorney

Chesapeake Bay Foundation (CBF) **OPPOSES** HB 1247, which would prohibit the Maryland Department of the Environment (MDE) from adopting the Advanced Clean Cars II (ACC II) regulations before vehicle model year 2030 and would further prohibit MDE from applying enforcement provisions to a vehicle manufacturer who fails to meet the minimum electric vehicle and plug-in hybrid vehicle delivery requirements of the program.

Maryland has set bold, but necessary, greenhouse gas reduction goals, and implementation of the ACC II regulations is an important step in meeting the challenge. The Maryland Climate Pathways report identifies the transportation sector as second only to energy in the production of greenhouse gas emissions. ACC II will substantially reduce air pollutants that threaten public health, especially in overburdened and underserved communities that are disproportionately exposed to vehicular pollution. Now is not the time to move backwards on our climate commitments.

CBF urges the Committee's UNFAVORABLE report on HB 1247.

For more information, please contact Matt Stegman, Maryland Staff Attorney, at mstegman@cbf.org.

Maryland Office • Philip Merrill Environmental Center • 6 Herndon Avenue • Annapolis • Maryland • 21403

The Chesapeake Bay Foundation (CBF) is a non-profit environmental education and advocacy organization dedicated to the restoration and protection of the Chesapeake Bay. With over 200,000 members and e-subscribers, including 71,000 in Maryland alone, CBF works to educate the public and to protect the interest of the Chesapeake and its resources.

HB1247_CleanCars_ClimateCC.pdf

Uploaded by: Sonia Demiray

Position: UNF



Testimony Opposing HB1247

Advanced Clean Cars II Program – Application and Enforcement

Environment, Transportation, and Economic Matters Committee

Friday, March 8, 2024

Position: OPPOSE

Dear Chair Korman and Members of the Committee,

My name is Sonia Demiray, I am the co-founder of the Climate Communications Coalition, a member of the Mid-Atlantic Justice Coalition, the Climate Forests Campaign, Eastern Forests Advocacy Group – among others-, and a resident of Frederick County.

Our group opposes the Application and Enforcement Changes which would delay important climate-action that is currently required in the Advanced Clean Cars II Program (AACII). Maryland's number one source of emissions is transportation. The AACII will substantially reduce air pollutants that threaten public health and cause climate change, by simply building on existing Clean Car Programs. As intended, AACII would require manufactures to continuously increase the share of electric and hybrid vehicles they manufacture to reach 100% of passenger car and light truck sales in model year 2035. While further developing the zero-emission vehicle market, the regulations would provide public health benefits over the life of the regulations by reducing premature deaths, hospitalizations and lost workdays associated with exposure to air pollution.

HB1247 would postpone the start of all these important measures until 2030 and, once again, kick the can down the road.

We cannot continue to delay real action – climate change is here now. We urge you to vote unfavorably on HB1247 and leave the AACII as it stands now, as was intended.

Thank you.

###

Maryland HB 1247 - Informational Testimony - March

Uploaded by: Joshua Fisher

Position: INFO



March 6, 2024

The Honorable Marc Korman
Chair, House Environment and Transportation Committee
Annapolis, Maryland 21401

**HB 1247 Environment - Advanced Clean Cars II Program - Application and Enforcement
Position: Informational**

Chair Korman:

The Alliance for Automotive Innovation¹ (Auto Innovators) appreciates the opportunity to provide the auto industry's perspective on the reasonableness and achievability of California Advanced Clean Cars II regulations in Maryland. While we appreciate the opportunity to submit comments, Auto Innovators has identified several areas of concern that we would like to address to ensure success for all parties in achieving this aggressive ZEV requirement.

Commitment to Net-Zero Carbon Transportation.

Auto Innovators and its members are committed to achieving a net-zero carbon transportation future for America's cars and light trucks. The auto industry is investing \$1.2 trillion globally by 2030 to advance vehicle electrification and will increase the number of EV models available from 111 today to around 200 by model year (MY)2026². In August of 2021, Auto Innovators and our members announced support for a goal of achieving 40-50 percent U.S. new light-duty vehicle market share of EVs nationally by 2030, with the right complementary policies in place.

There is much work to be done to significantly increase EV adoption across the nation. Our shared objectives require collaboration and a sustained commitment to fund and execute supportive programs and policies.

Maryland ZEVs sales comprised 11.51 percent of new vehicles sales in 2023³. The challenge of reaching the California Air Resource Board (CARB) ACC II mandate of 100 percent electric vehicle market share by 2035, requires Maryland to address several hurdles to consumer acceptance. We applaud Maryland's comprehensive approach to adopting state fleet requirements, but there are many important complementary measures needed for success. Examples include, but are not limited to:

- Deploying convenient, reliable, and affordable access to public EV charging and hydrogen refueling stations, as well as monitoring to ensure reliability not only the charger availability but also the charging power rate delivered at DC Fast Chargers (DCFCs).

¹ The Alliance for Automotive Innovation ("Auto Innovators") represents automakers that produce and sell approximately 98% of all the new light-duty cars and trucks sold in the U.S. Auto Innovators is the authoritative and respected voice of the automotive industry.

² [EVs, PHEVs hitting U.S. dealerships through 2026 | Automotive News \(autonews.com\)](#)

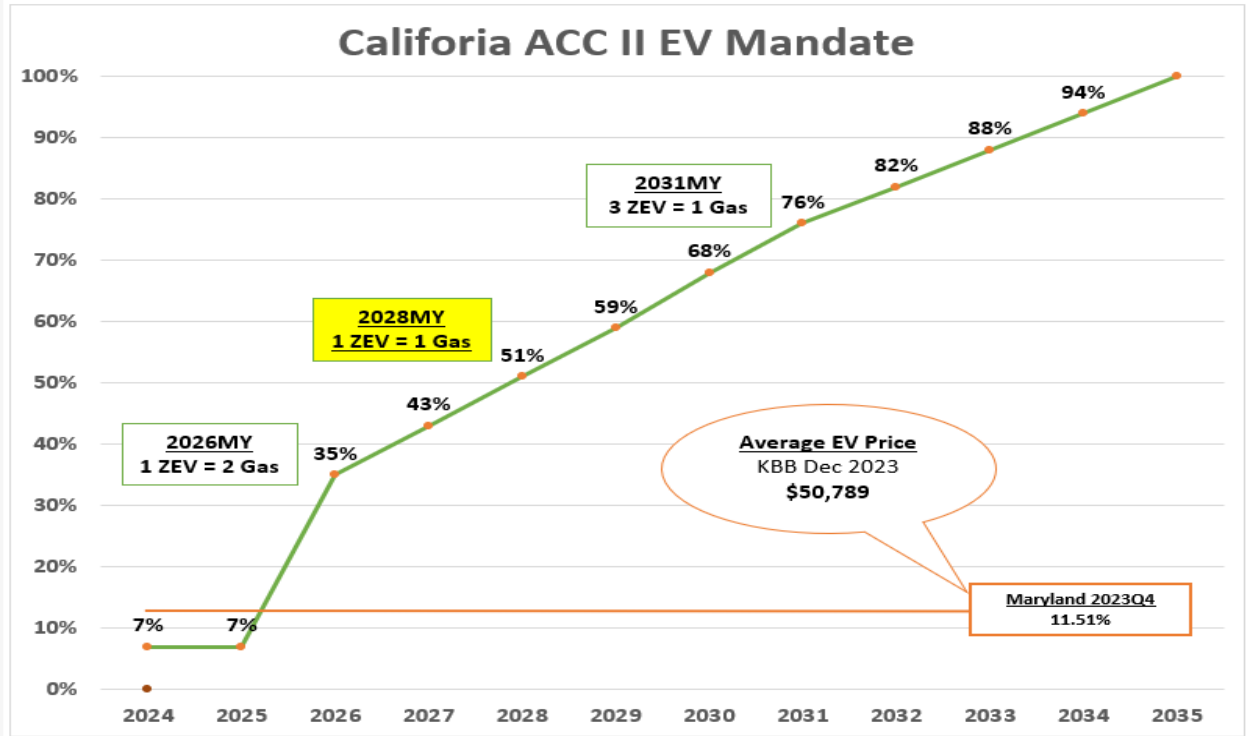
³ Compiled by Alliance for Automotive Innovation with data provided by S&P Global Mobility, sales figures represent new vehicle registrations in CY2023.

- Installing 350kW DCFC at airports and major transportation hubs to fuel transportation network company (TNC)s EVs and taxis. Maryland should also consider installing H2 fueling stations at locations that would support TNC EVs and taxis.
- Adopting building codes addressing new construction and retrofit requirements for EV-ready residential and commercial parking.
- Ensuring grid resiliency and utility electric rates that provide low-cost EV charging.

These policies will be critical to the feasibility of meeting ZEV requirements. Maryland must continue to take immediate and substantial action to implement these critical measures to reach its goal.

Current State-of-Play.

As shown below, the ACC II regulations require very aggressive increases in EV sales starting with MY2026. In Maryland, EV sales must increase more than three-fold in about two model years. These are staggering required sales increases for a new technology that relies heavily on customer acceptance and market readiness.



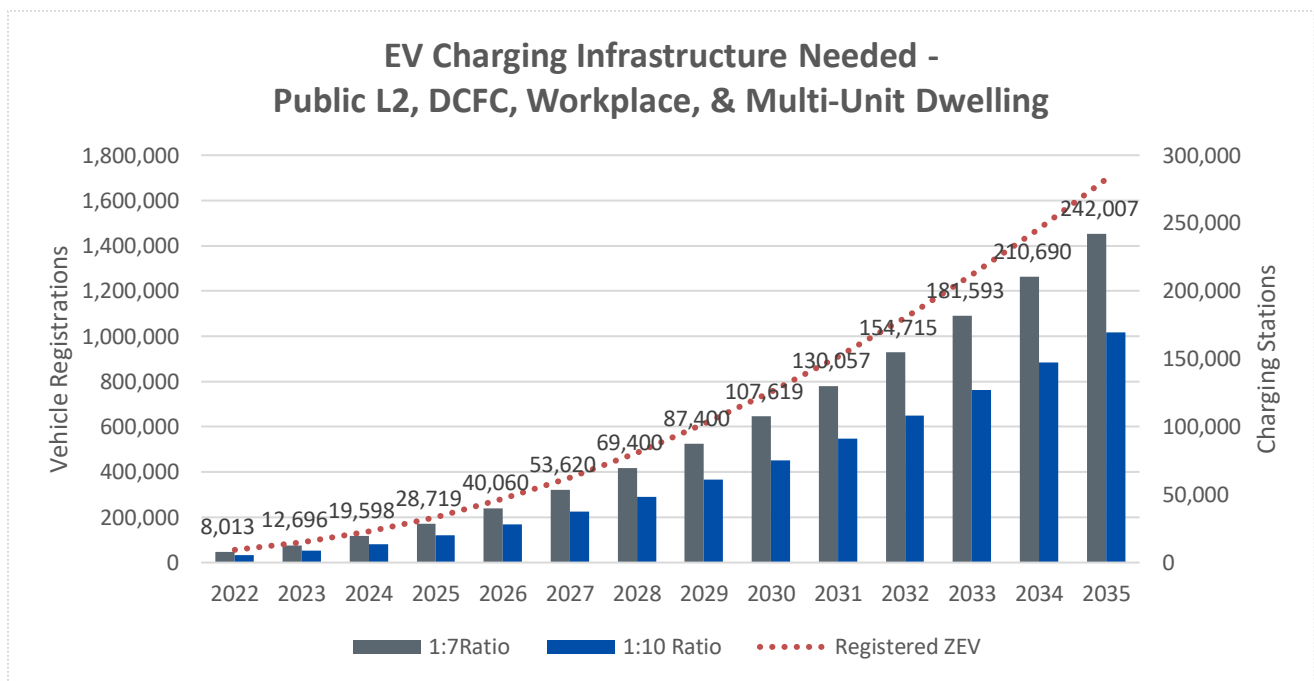
The required more than three-fold sales increase needed is based on 2023 EV sales where the average transaction price of EVs is now about \$50789⁴. Based on the average transaction price of EVs, EV buyers are far more likely to be affluent single-family homeowners with modern electric panels just a few feet from their garage where they will charge their EVs. These buyers do not represent a full cross-section of Maryland’s new car buyers, and achieving even 50, 70, or 100 percent of the new car market will require reaching buyers of more moderate means.

⁴ <https://b2b.kbb.com/dealer-resources/news/ev-purchase-high-2023/>

Charging and Hydrogen Refueling Infrastructure.

Reliable and convenient access to charging and hydrogen refueling stations support Maryland’s customers that buy or lease EVs. Publicly available charging stations not only ease perceived "range anxiety" concerns but also substantially increase consumer awareness of the technology. In addition, hydrogen vehicles may be better suited for some customers, especially those that do not have access to charging at home or the workplace, or those that have a lifestyle that requires short refueling times and a similar refueling process as gasoline.

Currently, Maryland has 4603 electric vehicle charging ports⁵ for 95,233⁶ registered electric vehicles in the state. This is a ratio of approximately one charging port for every twenty-one electric vehicles. This is below the CARB recommendation of a 1:7 ratio or worst case, 1:10 ratio.



Source: Compiled by Auto Innovators with data provided by S&P Global Mobility, sales figures represent new vehicle registrations in CY2022

Residential and Commercial Building Codes - Retrofit and New Construction Updates Needed.

Numerous studies have shown that retrofitting residential and non-residential charging is five to six times more expensive than installing charging stations during new construction. For existing residential and non-residential buildings, installing infrastructure during any significant renovations, such as parking lot paving, electrical panel upgrades, etc. also substantially reduces costs.

According to a 2017 NREL study⁷, 88 percent of EV charging occurs at home, making access to home charging a top priority for customers considering an EV. The converse is also true: lack of access to home charging is a major barrier to EV adoption.

⁵ [Alternative Fuels Data Center: Electric Vehicle Charging Station Locations \(energy.gov\)](https://www.energy.gov/alternative-fuels-data-center/electric-vehicle-charging-station-locations)

⁶ [Electric Vehicles - MDOT \(maryland.gov\)](https://www.maryland.gov/transportation/electric-vehicles)

⁷ <https://www.nrel.gov/docs/fy17osti/69031.pdf>

It is important to ensure low- to moderate-income (LMI) and multi-family housing residents have identical access to the low-cost, convenient, and reliable level 2 (L2) home charging that single-family homeowners enjoy. Maryland should set targets for residential charging and then monitor and track progress toward meeting those targets. For example, it seems reasonable that in 2030, when ACC II requires 68 percent of new vehicles to be electric, that 25 percent of LMI and multi-family housing units have access to L2 charging at home. There are many important complementary measures needed for success.

Maryland should also adopt non-residential building codes that require installation of EV-ready charging capabilities in a significant portion of all new parking at workplace and public locations.

We support building codes requiring that:

1. Every new unit in a MUD with available parking has at least one EV-Ready parking space.
2. Each EV-Ready space above provides, at minimum, Low-Power Level 2 (LPL2) (208/240V, 20A) terminating in a receptacle or an electric vehicle supply equipment (EVSE).
3. EV-Ready signage is posted at each parking space.

This recommendation for L2 power charging levels should be considered as the bare minimum requirement. Mainstream customer satisfaction may require higher power charging. In fact, this is why the California Air Resources Board (CARB), in adopting a regulatory requirement for 100 percent electric vehicles, also mandated that every new MY2026 and later EV contain a portable charger capable of charging the vehicle at 5.76 kW (208/240V, 30A).

While building codes that address new construction are a common-sense and lowest-cost first step, they are not nearly enough to support a transition to electrification. For example, new residential construction typically accounts for about one percent of all residential units each year. Thus, new building codes would only provide residential charging in about 15 percent of the residential units by MY2035. Consequently, Maryland should consider public and private programs to support retrofitting of existing homes and MUDs, such as apartments, condos, and townhouses. As noted, retrofits are far more expensive than incorporation of EV-ready infrastructure at the time of new construction, but they will be necessary to support increasing customer adoption of EVs.

In addition, special attention should be given to the infrastructure needs in Maryland's underserved communities to ensure that access to affordable and convenient charging and hydrogen refueling options are made available on an equally aggressive timeline. MUD residents, however, often face the greatest, most costly, and burdensome obstacles to installing residential EV charging. For MUD residents, the additional costs to upgrade the electrical panel, install conduit between the electrical panel and their parking space, and the logistical challenges of securing building owner approval, coordinating the billing with the building owner, and persuading an owner to make a long-term investment on a rental property, make it near impossible to be an EV driver in a MUD.

MUD residents could be forced to charge elsewhere such as DC fast charge stations or public chargers. Charging at home is far cheaper, more reliable, and vastly more convenient. It is unreasonable to expect MUD residents to pay 2 or 3 times as much for charging and spend hours away from home each week fueling their EVs.

Grid Resiliency/Utility Rate Setting Alignment.

A thorough review of Maryland’s electric grid to determine the viability of expanded access in both the near- and long-term makes strong practical sense. Public confidence in the resiliency of the grid will only help spur faster EV adoption. Failure to provide consistent service, particularly when the majority of EV charging is done at home, could be devastating for increased EV adoption, both for the light- and heavy-duty vehicle sectors.

Auto Innovators suggests that as part of the review, Maryland commit to a transparent dialogue with the utility commission and energy companies about making home and public charging affordable and convenient. In addition, an education campaign about the different types of charging systems (L1, L2, DCFC) and suggestions about prime charging times to lessen the load on the grid should be addressed.

Sustained Consumer EV Purchase Incentive.

Purchase incentives can be a persuasive and effective way to address vehicle affordability and interest customers in purchasing an EV. EVs continue to cost substantially more than a comparable gasoline-fueled vehicle, and so the compounded effect of the federal and state incentives is necessary to equalize purchase costs. We applaud Maryland for providing tax rebates of consumer purchases of EVs and support additional funding to expand these rebates.

Consumer Awareness Programs.

Consumer awareness, understanding, and trust of the technology is essential as we move 11.51 percent Maryland’s EV sales to 100 percent in the next 11 years. Raising awareness can happen in many ways, and we encourage the state to explore a variety of options. For example, we’ve mentioned above that public and workplace chargers and hydrogen stations provide an excellent means of raising consumer awareness. State and local fleet purchases of EVs also substantially raise awareness – particularly if these vehicles are used in high visibility areas such as Department of Transportation (DOT) road crews, police, and fire. Additionally, state-led programs may also be necessary to support the ZEV requirements.

Thank you for the opportunity to provide the auto industry’s perspective on a range of policies that Maryland must adopt to meet its climate goals. Many of the actions necessary for success must start now, and we stand ready to work with Maryland and key stakeholders.

Sincerely,



Josh Fisher
Senior Director, State Affairs
Alliance for Automotive Innovation