



## House Bill 1556

Date: March 12, 2025

Committee: House Environment and Transportation

**Position: Favorable**

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Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

House Bill 1556 (HB 1556) would prohibit the Maryland Department of the Environment from applying enforcement or penalties for failing to meet any requirements under the California Advanced Clean Cars II Program or the Advanced Clean Trucks regulation for model years 2027 and 2028. HB 1556 provides much-needed regulatory certainty for businesses.

While the business community is committed to environmental sustainability and emissions reductions, the aggressive timelines imposed by California's regulations pose significant challenges for Maryland businesses, auto dealers, fleet operators, and manufacturers. The adoption of these regulations without sufficient lead time for businesses to adapt will result in increased compliance costs, supply chain disruptions, and workforce and operational challenges.

While the regulations are set to take effect beginning with model year 2027, neither the industry nor the state is fully prepared to meet the Advanced Clean Cars requirements due to factors beyond their control, including insufficient electric vehicle (EV) infrastructure, limited federal incentives, and consumer demand. Consumer demand for EVs has not yet reached the levels necessary to support the mandated sales percentage. **Market demand, not mandates, should drive EV adoption.** Forcing higher percentages of EV sales without corresponding consumer interest could lead to economic inefficiencies and unintended market consequences.

For these reasons, the Maryland Chamber of Commerce respectfully requests a **favorable report on HB 1556.**