

Kim Coble Executive Director March 12, 2025

## 2025 Board of Directors

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## OPPOSE: HB 1556 - Environment - Advanced Clean Cars II Program and Advanced Clean Trucks Regulation - Application and Enforcement

Chair Korman and Members of the Committee,

Maryland LCV strongly opposes HB1556 – Advanced Clean Cars II Program and Advanced Clean Trucks Regulation – Application and Enforcement, which would roll back Maryland's commitment to reducing harmful pollution and transitioning to cleaner, more cost-effective transportation options through the Advanced Clean Cars II (ACC II) Program and the Advanced Clean Trucks (ACT) Regulation. By suspending enforcement of these critical standards for two years, this bill weakens progress toward cleaner air, public health protections, and the state's climate goals. Enforcement is essential to ensuring a timely transition to zero-emission vehicles, and any delay only prolongs harmful emissions that disproportionately impact vulnerable communities.

Maryland has made significant strides in addressing the harmful impacts of air pollution and climate change through the adoption of zero-emission vehicle policies like the ACCII and the ACT Regulations. These programs are essential to meeting the state's greenhouse gas reduction goals outlined in the Climate Solutions Now Act, protecting public health, and addressing the disproportionate burden of air pollution in low-income communities and communities of color. Suspending enforcement of these policies undermines the state's progress and jeopardizes the economic, environmental, and health benefits they provide.

House Bill 1556 is both unnecessary and counterproductive, as the existing ACC II and ACT Regulations already offer manufacturers ample flexibility to meet zero-emission vehicle (ZEV) requirements.

The ACC II program provides compliance mechanisms such as credit trading and banking, which allows manufacturers to earn, trade, and bank credits based on their ZEV sales. This enables manufacturers to balance compliance over multiple years, with specific ZEV sales targets for model years 2026 through 2035, allowing companies to adjust their production strategies to meet the requirements. The gradual sales targets and alternative compliance pathways, including the use of plug-in hybrid vehicles and near-zero-emission models, further ease the transition to cleaner transportation.

Similarly, the ACT regulation, implemented under the Clean Trucks Act of 2023, allows manufacturers to utilize averaging, banking, and trading of emission credits to meet the ZEV requirements, which also applies to model years 2027 through 2035. This flexibility enables manufacturers to balance their ZEV sales across

different vehicle categories and model years, taking into account varying production capabilities and market conditions. With these established compliance mechanisms in place, House Bill 1556 introduces unnecessary regulatory constraints that could disrupt the existing framework, potentially hindering the ability of manufacturers to effectively transition to cleaner, zero-emission transportation.

The flexibility embedded in the ACC II and ACT regulations provides adequate support to meet the state's environmental objectives while minimizing the burden on manufacturers. It's important to emphasize that these programs apply solely to vehicle manufacturers, not consumers or dealers. They do not mandate that individuals or fleet owners purchase zero-emission vehicles (ZEVs) or give up internal combustion engine (ICE) vehicles.

For Maryland to continue leading in clean transportation and environmental justice, it is crucial to maintain enforcement of the ACC II and ACT regulations. HB1556 threatens to undermine the state's progress toward reducing pollution, improving public health, and meeting its climate goals.

Maryland cannot afford to backtrack on its climate commitments.

Maryland LCV urges the Committee to issue an unfavorable report on HB1556.