



March 10, 2025

Chair Marc Korman
Members of the House Environment and Transportation Committee

**Re: OPPOSITION: HB 1556 - Environment - Advanced Clean Cars II Program
and Advanced Clean Trucks Regulation - Application and Enforcement**

Earthjustice¹ strongly opposes the passage of HB 1556 and recommends an unfavorable report by the Environment and Transportation Committee. This legislation will prohibit the Maryland Department of the Environment (MDE) from applying enforcement or penalty provisions for a manufacturer's failure to meet any requirements under the California Advanced Clean Cars II regulations or the Advanced Clean Trucks regulations for the model years 2027 and 2028, essentially delaying those programs until 2029.

In 2013, Maryland joined a coalition of nine other states² who pledged to put 3.3 million electric vehicles on the road by 2025. Twelve years later, the 10 states have reached their collective target of 3.3 million EV sales in their borders by 2025. And the agreement has helped grow the broader American EV market. In 2013, U.S. car buyers had fewer than 20 models to choose from, while today there are more than 100 models. The states that signed onto the EV goal in 2013 all adopted EVs at a faster rate than the rest of the country. These same 10 states also saw a nearly tenfold growth in the number of electric vehicle charging stations over the same period. Advanced Clean Cars II essentially follows the same formula as the first regulation. A dozen other states have now adopted the Advanced Clean Cars II regulations.

Delaying the enforcement and penalty provisions of the ACC II and ACT programs until Model Year (MY) 2029 will have negative consequences for Maryland and vehicle manufacturers. The MY zero-emission vehicle (ZEV) percentage requirements cannot be altered by Maryland. The federal Clean Air Act allows California to write its own pollution control programs, with EPA approval, and other states have the option to adopt the California programs. Section 177 of the Clean Air Act allows states to adopt vehicle emissions standards that are stricter than federal standards *only* if they are identical to those adopted by the state of California. If vehicle manufacturers delay implementing these programs because there is no consequence to this delay, the manufacturers will have to comply with the 2029 requirements without the gradual ramp up currently provided in the earlier years. Moreover, the ZEV program

¹ Earthjustice is a non-profit public interest environmental law organization that represents other non-profits free of charge.

² The nine other states are New Jersey, New York, Oregon, Rhode Island, Vermont, California, Connecticut, Maine, and Massachusetts.

flexibilities begin to phase out as the MYs progress and further delays will mean that manufacturers are unable to take advantage of the flexibilities as designed.

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 and ACT requirements. The ACC II and ACT programs have regulatory flexibility that helps manufacturers comply with the programs 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.

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 and ACT would mean manufacturers will prioritize ZEV sales in the other 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.

Maryland's number one source of emissions is transportation. The AACII and ACT will substantially reduce air pollutants that threaten public health and cause climate change. 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.

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 significant 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 workdays. Delaying manufacturers participation in the programs by altering the consequences of non-participation will needlessly delay the significant health benefits these programs would provide.

Earthjustice strongly urges an unfavorable report for HB 1556.

Thank you for your consideration of this testimony. Should you have any questions, please contact me at smiller@earthjustice.org.

Respectfully submitted,



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