



Maryland

Department of the Environment

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor

Ben Grumbles, Secretary
Horacio Tablada, Deputy Secretary

March 30, 2021

The Honorable Delores G. Kelley, Chair
Finance Committee
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

Re: House Bill 44- Clean Cars Act of 2021

Dear Chair Kelley and Members of the Committee:

The Maryland Department of the Environment (MDE or the Department) has reviewed House Bill 44 - *Clean Cars Act of 2021*, as amended, and would like to provide some information related to this bill.

Maryland has been a key supporter of introducing light duty zero emission vehicles (ZEVs) into the marketplace. In 2007, Maryland adopted the California Clean Cars Program, including its ZEV standard. Recognizing the important contribution that ZEVs have in improving air quality and reducing greenhouse gas (GHG) emissions from the transportation sector, in 2013 Maryland joined eight other states in signing the regional ZEV MOU. This MOU established commitments from the states to work together to develop policies and programs that accelerate the introduction of ZEVs into the region by removing barriers and offering incentives. Under this MOU, ZEV sales goals were established for each state, with Maryland having a goal of approximately 300,000 light duty ZEVs on the road by 2025. To achieve these goals, a multi-state ZEV Action Plan was developed to aid both public and private entities in accelerating ZEV deployment in the region. As a result of this Action Plan, Maryland has been active in implementing policies and programs that reduce the cost for both the ZEV vehicles as well as the purchase and installation of charging infrastructure.

Maryland's ability to expand the use of ZEVs will play an important role in helping Maryland achieve its climate change goals. Transportation accounts for almost half of all GHG emissions generated in the State. In addition, light duty vehicles are one of the largest sources of GHG emissions in the State. The current Greenhouse Gas Reduction Act (GGRA) was signed into law by Governor Hogan in 2016 and has a goal of a 40% reduction in GHG emissions from 2006 levels by 2030. The Department's final *2030 GGRA Plan* advances a portfolio of measures that will reduce Maryland's 2030 GHG emissions to 48.7% below 2006 levels. For Maryland to achieve this goal it will need to reduce GHG emissions from the light duty vehicle sector. Electric vehicles are one of the best strategies for reducing emissions from this sector.

This bill will allow for vehicle excise tax credits for qualified plug-in electric drive vehicles and fuel cell electric vehicles that applied before July 1, 2020. In the coming years, continued work will be needed on the electric vehicle program to ensure that the State can meet its ZEV and climate goals.

Thank you for your consideration. This is an important issue that warrants more discussion. We will continue to monitor House Bill 44 during the Committee's deliberations, and I am available to answer any questions you may have. Please feel free to contact me at 410-260-6301 or by e-mail at tyler.abbott@maryland.gov.

Sincerely,

Tyler Abbott