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February 15, 2022

The Honorable Paul G. Pinsky  
Chairman, Senate Education, Health, and Environmental Affairs Committee  
2 West Miller Senate Office Building  
Annapolis, MD 21401

**Re: Letter of Information – Senate Bill 528 – Climate Solutions Now Act of 2022**

Dear Chairman Pinsky and Committee Members:

The Maryland Department of Transportation (MDOT) takes no position on Senate Bill 528, but offers the following information for the Committee’s consideration.

Senate Bill 528 presents far-reaching impacts on numerous aspects of Maryland’s transportation network, including the State fleet, MDOT facilities, and additional data collection and reporting requirements.

As proposed, Senate Bill 528 would exclude MDOT from reporting on emissions reductions that might result from “highway widening or additional road construction”. These ‘highway widening or additional road construction’ projects could be able to achieve the protection of “public health, economic well-being, and natural treasures of the State by reducing harmful air pollutants such as greenhouse gas emissions by using practical solutions that are already at the State’s disposal” (Environment Article, §2-1201). This would limit both the MDOT and the State’s ability to pursue innovation within existing rights of way, which is often a practical solution.

Senate Bill 528 also requires passenger cars and other light-duty vehicles purchased for the State vehicle fleet to be zero-emission vehicles (ZEVs), subject to the availability of funding, with all passenger vehicles in the State fleet to be ZEVs by 2030, and all light-duty vehicles in the State fleet to be ZEV by 2036. The bill further lays out a schedule under which a certain percentage of purchases in the intermediate years are required to be ZEVs. Approximately 1,500 vehicles in MDOT’s fleet may be affected by the purchase requirements and schedule outlined in Senate Bill 528. The MDOT owns approximately 390 Passenger cars (sedans) that would be candidates to be replaced with a ZEV model starting in FY 2023. Approximately 680 SUVs and Light-Duty Pickups, and over 400 Vans and Mini-vans could also be classified as Light Duty Vehicles as defined in this bill and could be candidates to be replaced with ZEV models starting in FY 2028.

Currently, light-duty ZEVs are more expensive than conventional fuel vehicles. The conversion of the passenger and light-duty fleet to electric will depend on the availability of zero-emission vehicles on State contracts, which is dependent on the supply of these vehicles by manufacturers and other aspects of the State’s procurement process. It is suggested that, due to availability and fleet turnover, 2040 is a more realistic timeline to reach an entirely ZEV fleet.

Additionally, Senate Bill 528 proposes a new Just Transition Employment and Retraining Working Group, within the Maryland Commission on Climate Change (MCCC). Among the identified duties of this working group, is to advise on issues and opportunities for workforce development and training related to the transportation sector. MDOT is not currently listed as a member of the Working Group. Given the focus on emissions reduction related to transportation and electric vehicle charging infrastructure deployment, there will be a significant need for ensuring that there is appropriate representation from the MDOT on this new working group.

Senate Bill 528 adds new building standards, including water and space heating demand without the use of fossil fuels, includes electric-ready standards, and establishes that the Maryland Department of Labor shall adopt these standards and develop a “cost-effectiveness test”. There is a cost associated with electric-ready standards for new buildings that could impact capital projects already underway at MDOT, including MTA bus facilities and MDTA’s office building at the Bay Bridge. The total potential impact if required to redesign is indeterminable at this time, given that it may require a new evaluation for solar, electric-vehicle charging, and building grid interaction to meet the additional goal of 75% of the electricity provided at these facilities be derived from low-carbon energy sources by 2030. Both requirements outlined in Senate Bill 528 will increase prices for contract development and are dependent on external agencies and partners to ensure grid readiness and broad availability of low-carbon renewable energy sources statewide, identified as solar, wind, geothermal, ocean, and hydroelectric.

The Maryland Department of Transportation respectfully requests the Committee carefully consider this information when deliberating Senate Bill 528.

Respectfully submitted,

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