

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

Ben Grumbles, Secretary Horacio Tablada, Deputy Secretary

February 25, 2022

The Honorable Kumar P. Barve, Chair Environment and Transportation Committee House Office Building, Room 251 Annapolis, Maryland 21401

Re: House Bill 829- Zero Emission Medium and Heavy-Duty Vehicles Regulations (Zero-Emission Truck Act of 2022)

Dear Chair Barve and Members of the Committee:

The Maryland Department of the Environment (MDE or the Department) has reviewed HB 829- *Zero Emission Truck Act of 2022* and would like to provide some information related to this bill.

MDE agrees that the ability to expand the use of Zero Emission Vehicles (ZEVs) have an important role in helping Maryland achieve the state's air quality and climate goals. In Maryland and the northeast region, medium and heavy-duty (MHD) trucks are the second leading contributor to both nitrogen oxides (NOx) and greenhouse gas (GHG) emissions. Maryland's current Greenhouse Gas Reduction Act (GGRA), signed into law by Governor Hogan in 2016, has the goal of reducing GHG emissions by 40% from 2006 levels by 2030. Maryland has made a lot of progress over the past few decades towards clean air. Maryland is now in attainment with all criteria pollutant national ambient air quality standards, except for ground level ozone. Emissions of NOx are the leading contributor to ground level ozone. To achieve the GGRA goals and attain the federal ozone standards, reductions from MHD trucks will be needed and electrification of this sector is one of the best reduction strategies. To help advance electrification of MHD trucks, Maryland joined sixteen other states and the District of Columbia in signing a MHD ZEV Memorandum of Understanding (MOU). Under this MOU, a ZEV sales goal was established that by 2030 at least 30% of all MHD trucks sold in the MOU states would be ZEVs. To achieve this goal, a multi-state MHD ZEV Action Plan is being developed to aid both public and private entities in accelerating ZEV deployment in the region. The Action Plan is expected to be completed in summer 2022.

HB 829 will require MDE to adopt regulations establishing requirements for the sale of new MHD ZEVs in the state by December 01, 2022. These regulations can incorporate by reference the California Air Resources Board's vehicle standards, otherwise known as the California Advanced Clean Truck Rule (ACT). If ACT is incorporated in Maryland, it would require certain manufacturers of MHD trucks to sell ZEVs as an increasing percentage of annual truck and bus sales in Maryland. ZEV sales targets would be phased-in beginning in MY 2025 and increase through MY 2035, remaining constant thereafter. Adopting the ACT rule will have challenges. MHD ZEVs currently cost significantly more than conventionally powered MHDs trucks. Adequate recharging infrastructure will also be needed to support these trucks. In addition, vehicle availability could be an early concern. As with all new technologies and markets we do expect these challenges to be overcome as the market evolves. Additionally, adopting the regulations requires an extensive stakeholder and public process prior to adoption. It typically takes MDE one to two years to go through the regulatory process and adopt regulations. Meeting the bill's deadline for adopting regulations by December of 2022 would be very difficult.

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Thank you for your consideration. As this is an important issue, the Department is open to having future discussions with the bill sponsor. We will continue to monitor HB 829 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 tyler.abbott@maryland.gov.

Sincerely,

Tyler Abbott

cc: The Honorable Sara Love George "Tad" Aburn, Director, Air and Radiation Administration