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Environment and Transportation Committee *Chair* Motor Vehicle and Transportation Subcommittee



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THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

Testimony in Support of HB60 Environment-New Motor Vehicles-Pollution Fee

Delegate David Fraser-Hidalgo Sponsor Testimony January 26, 2020 - The Environment and Transportation Committee

According to data from the Maryland Motor Vehicle Administration, 285,480 new vehicles were sold in the State in 2020.¹ Some of these sales were of "high polluting vehicles," which are vehicles that have a carbon dioxide tailpipe emissions level of 400 grams per mile or higher.²

Greenhouse gas emissions have lasting, and often deadly, consequences on our population's health. According to the Maryland Department of Health, in 2018 there were 29,534 asthma-related emergency department visits in Maryland (52.4 per 10,000 residents); among children under five years old, the ER visit rate was 119.4 per 10,000 residents.³ This cost the State \$27.7 billion in healthcare costs.⁴ In 2019, the Maryland Department of Health also reported that chronic lower respiratory diseases, which includes asthma, were the fifth leading cause of death in the State, with a mortality rate of 29.2 per 100,000 residents.⁵ A study from 2019 of 869 counties in the U.S. found that there is a strong correlation between ozone and fine particulate pollution and respiratory ER visits among all age groups.⁶

¹ <u>MVA Vehicle Sales Counts by Month for Calendar Year 2002 - 2021 up to August | Open Data |</u> <u>opendata.maryland.gov</u>

² Based on the definition from the U.S. Environmental Protection Agency

³ <u>Pages - Asthma (maryland.gov)</u>

⁴ <u>Pages - Asthma (maryland.gov)</u>

⁵ <u>2019Annual.pdf (maryland.gov)</u>

⁶ <u>Age-Specific Associations of Ozone and Fine Particulate Matter with Respiratory Emergency Department</u> Visits in the United States | American Journal of Respiratory and Critical Care Medicine (atsjournals.org)

I am introducing HB60 to ensure that drivers who choose to buy new high polluting vehicles have to pay—literally and figuratively— for the harmful impact these vehicles have on our environment and our resident's health.

This bill establishes a **one-time registration fee** on each new motor vehicle sold or registered in Maryland with a carbon dioxide tailpipe emissions level equal to or higher than 400 grams per mile in the 2023 vehicle model year.

The fee is based on the Environmental Protection Agency's Greenhouse Gas Rating, ⁷ which is a 10-point scale. Vehicles that score a 10 are the cleanest and vehicles that score a 1 are the dirtiest in terms of C02 tailpipe emissions.

Using the below chart for model year 2022, vehicles that receive an EPA rating between 6 and 10 would not pay a fee. The fee would decrease by \$50 starting at \$450 for a vehicle rated "1" to \$250 for a vehicle rated "5." This ensures that only high polluting vehicles are paying a fee, not Honda Civics or Toyota Camrys.

Rating	Fee	CO₂ (gm/mile)	
10	\$0	0-155	
9	\$0	156-200	
8	\$0	201-243	
7	\$0	244-291	
6	\$0	292-335	
5	\$250	336-413	
4	\$300	414-480	
3	\$350	481-573	
2	\$400	574-658	
1	\$450	>=659	

For example, a Chevy Suburban emits 516 grams per mile of C02. This vehicle owner would pay a \$350 fee based on its EPA rating of 3, as its C02 tailpipe emissions falls between 481-573 gm/mile. This one-time \$350 fee is a

⁷ <u>Greenhouse Gas Rating | US EPA</u>

small amount of money when you factor in the cost of these new vehicles—a new Chevy Suburban can cost up to \$72,000.

Make and Model	Co2 Gm/Mile*	EPA Rating**	Fee (\$)***	US Sales****	Approx. MD Sales*****
Lexus LX 570	636 gm/mile	2	\$400	3,563	71
Toyota Land Cruiser	618 gm/mile	2	\$400	3,711	74
Toyota Tundra	618 gm/mile	2	\$400	81,959	1,639
Toyota Sequoia	613 gm/mile	2	\$400	8,070	161
Nissan Armada	582 gm/mile	2	\$400	19,640	392
GMC Yukon XL	520 gm/mile	3	\$350	32,976	659
Cadillac Escalade	515 gm/mile	3	\$350	40,505	8,101
Chevy Suburban	516 gm/mile	3	\$350	48,214	964
Nissan Titan	512 gm/mile	3	\$350	27,406	548
Toyota 4 Runner	511 gm/mile	3	\$350	144,696	2,894
GMC Sierra	500 gm/mile	3	\$350	253,016	5,060
Mercedes GLS	501 gm/mile	3	\$350	24,482	490
Jeep Grand Cherokee	500 gm/mile	3	\$350	264,444	5,288

Examples of High Polluting Vehicles with Registration Fee

*Data from <u>www.fueleconomy.gov/feg/findacar.htm</u>; averaged over all 2021 MY variations

** EPA rating based on C02 gm/mile from MY 2021 <u>https://www.epa.gov/greenvehicles/greenhouse-gas-rating</u>

*** Fee would be \$0 for vehicles rated 6-10 and decreases by \$50 for each vehicle rated between 1-5 from \$450 to \$250

****Based on 2021 registration of new vehicles in the US from carsalesbase.com

***** Calculated by using 2% of US car sales in 2021

The fees from these high polluting vehicles will be deposited into the Maryland Strategic Energy Investment Fund to go towards electric vehicle incentives in the State.

If a driver wants to buy a new vehicle that emits a large amount of C02, then it is their responsibility to pay a fee for the sake of our environment and the future of our planet. I encourage a favorable vote for HB60.