

TO: Members, House Environment and Transportation Committee

FROM: Mary Beth Tung – Director, MEA **SUBJECT:** HB 1391 - Clean Cars Act of 2022

DATE: March 11, 2021

MEA POSITION: Letter of Information

HB 1391 reestablishes a program within the Maryland Department of Transportation (MDOT) and funded by the Maryland Energy Administration (MEA) to incentivize the purchase of new, zero-emission passenger vehicles.

MEA supports the continued development of markets for zero-emission vehicles (ZEVs) and the associated infrastructure to assist in achieving Maryland's goal of having 300,000 passenger ZEVs on the road by 2025, and that medium- and heavy-duty (MHD) ZEVs will represent 100% of new truck and bus sales by 2050 with an interim target of at least 30% by 2030.

While HB 1391 addresses the passenger vehicle portion of the state's goals, the bill does not address MHDs or infrastructure. **MEA believes that a more holistic approach to market expansion and transportation decarbonization would yield greater efficiency in capital expenditures and administration**, and that tying the sunset provision for the existing electric charging infrastructure program, the ZEV passenger vehicle excise tax credit within HB 1391, and a new MHD ZEV program would allow for the regular review of those programs as a single initiative comprised of complementary efforts.

Lastly, MEA notes that HB 1391 would provide tax credits to vehicles that were purchased as far back as July 1, 2020. The retroactive effect would consume a great deal of limited financial and staff resources to reward past actions; resources that could otherwise be used prospectively.

MEA encourages the committee to consider the foregoing when rendering its report.