



To: Chair Kumar P. Barve
Room 251 House Office Building
6 Bladen Street
Annapolis, MD 21401

RE: Business, Investor, and Employer Support for HB 829

Dear Chair Barve, Vice Chair Stein, and Members of the House Environment and Transportation Committee. My name is Dave Robba and I oversee state policy work in the mid-Atlantic at Ceres – A nonprofit organization that advances leadership among investors, companies, and capital market influencers to drive solutions and take action on the world's most pressing sustainability issues. **I am writing today in support of Maryland's adoption of the Advanced Clean Truck (ACT) rule.**

Ceres organizes the [Business for Innovative Climate and Energy Policy Network](#) – a coalition of over 80 major businesses - all committed to driving sustainability throughout the economy. We also coordinate the [Ceres Investor Network](#), which includes 175 members with collectively nearly \$30 trillion in assets under management.

Ceres also runs the [Corporate Electric Vehicle Alliance](#), a collaboration of 30 companies including Amazon, DHL, JLL, IKEA, Siemens and others looking to completely decarbonize and electrify their fleets. The members of this alliance collectively own, lease or operate nearly 1.3 million on-road vehicles in the United States.

The companies and investors we engage with through these networks see climate change as a significant risk and see reducing GHGs as an economic opportunity. This is why more than 70 major businesses, institutions, healthcare systems, employers, and investors with nearly \$43 billion in assets under management - including many with operations or business interests in Maryland¹ - recently signed a letter calling on states across the nation to adopt the ACT Rule. **Like these companies, we strongly support Maryland's adoption of the ACT Rule and see it as an essential component of a comprehensive plan to reduce transportation emissions in the state.**

The proposed legislation (SB 687) would require that the Maryland Department of Environment adopt the ACT rule by December 1, 2022. This rule requires that vehicle manufacturers sell an increasing annual percentage of medium and heavy duty vehicles including pickup, delivery, and semi-trucks as well as school buses between Model Year 2026 (for states that adopt in 2022) and 2035. These vehicles represent 10% of vehicles on the road but disproportionately contribute to 30% of carbon emissions, 45% of toxic nitrogen oxide emissions, and 57% of health harming particulate matter emitted by the entire transportation sector in the US. With particulate matter emissions from the transportation sector disproportionately impacting low-

¹ See Letter in Appendix A. Signatory names in bold have operations or business interests in Maryland

income communities and communities of color, adoption of the ACT rule will also help to address existing inequities in who bears the brunt of vehicle pollution.

Because transportation is also a major cost center for companies, adopting the ACT rule presents a unique opportunity to create savings for fleet owners while decarbonizing the most polluting portion of the transportation sector and improving public health. In addition to helping clean up Maryland's air, increasing access to cost-effective zero-emission commercial transportation options helps businesses stay competitive in a market where their customers, investors, patients, students, and employees increasingly expect them to lead on sustainability. Maryland's adoption of the ACT rule will drive local innovation and investment in clean technology development and manufacturing – creating new jobs, driving long-term cost savings in company value chains, mitigating climate risk, improving public health, and reducing health care costs.

To make these ambitious corporate clean transportation goals possible, however, businesses need strong policies to coordinate industry leaders and stakeholders, increase access to zero emission vehicles, unlock cost savings and benefits, and drive market transformation at a pace and scale the private sector cannot achieve on its own. Our Corporate Electric Vehicle Alliance is growing and companies are investing in electrification because transitioning to EVs can generate cost savings over the life of a vehicle. A recent survey and analysis of 13 members of this network revealed plans to procure [approximately 333,000 electric vehicles](#) over the next five years, as appropriate models become available. **The demand is there and the Advanced Clean Trucks rule will ensure there is supply.**

This rule will accelerate the cost-effective deployment of electric medium- and heavy-duty vehicles, allow our members to meet financial and climate goals, and significantly reduce air pollution-related health impacts and costs across the state. We applaud Maryland for taking this step and look forward to working with you to continue the ambition in reducing transportation emissions.

Ceres encourages a favorable report for this important legislation and thank you for your time and leadership.

Sincerely,

Dave Robba

Senior Associate – State Policy

Ceres





November 15, 2021

Re: 70+ Businesses Support State Adoption of the Advanced Clean Trucks (ACT) Rule

Dear Governors considering adopting the Advanced Clean Trucks Rule:

As major businesses, institutions, healthcare systems, employers, and investors with nearly \$43 billion in assets under management, we write to express our strong support for adoption of the Advanced Clean Truck (ACT) rule across states. The ACT rule will help bring down costs for zero-emission medium- and heavy-duty vehicles by requiring manufacturers to increase model availability to meet the needs of fleet operators and driving investment in clean transportation research and development. This will enable cost-effective electrification of commercial vehicles at the pace and scale needed to meet climate and air quality goals, while delivering public health and economic benefits for communities and businesses alike.

We have made significant commitments to reduce our greenhouse gas (GHG) emissions to protect the health and economic well-being of the communities in which we live and operate. Transportation is now the largest source of GHG emissions across the nation, a substantial component of our carbon footprint, and a major operating expense. Moreover, transportation is a major source of harmful air pollutants that disproportionately impact low-income communities. Improving air quality is not only the right thing to do for public health and for these communities, it also makes economic sense. Fewer instances of respiratory illness, missed days of work and hospitalizations will increase personal disposable income and help reduce the financial pressure on our healthcare system. These impacts cross state lines, just like the commercial vehicles in our fleets and value chains.

Increased access to cost-effective zero-emission commercial vehicles across states will allow us to remain competitive in a market where our customers, investors, patients, and employees increasingly expect us to lead on sustainability. A growing number of clean vehicles offer significant cost savings through lower fuel and maintenance costs, and reduce the risk associated with the volatility of fossil fuel prices and supply. However, commercial vehicle electrification still faces significant challenges due to higher upfront costs, weight, charging time, battery range, and the availability of charging infrastructure. Market-enabling policies like the ACT will rapidly unlock the long-term savings, climate, and clean air benefits of medium- and heavy-duty vehicle (MHDV) electrification, while spurring the much-needed widespread deployment of charging stations. The more states that adopt ACT, the greater the market-forcing benefits of the rule, thereby lowering costs and creating a more stable and self-sustaining market.

Electrification of commercial transportation will support a cleaner, more energy-efficient economy through local innovation and investment in clean technology manufacturing—creating new jobs, cutting costs for our value chains, mitigating climate risk, improving public health, and reducing health care costs. Bold action by state leaders is urgently needed. We strongly support adoption of the ACT rule across states to accelerate MHDV electrification, allowing both manufacturers and fleet operators to capture savings from economies of scale and provide more cost-effective emissions reductions for all.

Sincerely,

Adrian Dominican Sisters, Portfolio Advisory Board

AMPLY Power

Appropriate Technology Group

Arapahoe Basin Ski Area

Arjuna-Capital

Aspen Skiing Company

Avocado Green Mattress

Ben and Jerry's

Boston Common Asset Management

Boston Trust Walden Company

California Health Care Climate Alliance

Clif Bar

CommonSpirit Health

Congregation of St. Joseph

Danfoss

Daughters of Charity, Province of St. Louise

Domini Impact Investment

DSM North America

eBay

ECOS Corporation

**The Episcopal Church (Domestic & Foreign
Missionary Society)**

Etsy

Everence and the Praxis Mutual Funds

Figure 8 Investment Strategies

Friends Fiduciary

Green Century Capital Management

Grove Collaborative

GreenPower Motor Company

Hemp Ace International

IKEA Retail U.S.

Impax Asset Management

Independence Solar

Interfaith Center on Corporate Responsibility

Legacy Vacation Resorts

Lime

Macroclimate

Mercy Investment Services, Inc.

Miller/Howard Investments

Mountain Gear

National Grid

Natural Investments, LLC.

Nestlé

New Belgium Brewing Company

Next to Nature

Nikola Corporation

Northwest Coalition for Responsible Investment

Numi Tea

Oregon Business For Climate

Proterra

Province of St. Joseph of the Capuchin Order

Revision Energy

Rivermoor Energy

Saunders Hotel Group

Siemens

Sierra Nevada Brewing Co.

Sigma Consultants, Inc.

Sisters of St. Dominic of Caldwell

Sisters of St. Dominic of Racine

Sisters of St. Francis of Philadelphia

Stonyfield Organic

Studio G Architects

Sustainable Advisors Alliance, LLC

Ten Directions Design

The Green Engineer, Inc.

Trillium Asset Management

TripZero

UMC, Inc.

Unilever

United Church Funds

United Natural Foods Inc.

Vert Asset Management

Worthen Industries

WR Consulting, Inc.

Zero Emission Transportation Association (ZETA)

***The following signatories do not have logos available: Appropriate Technology Group, The Episcopal Church (Domestic & Foreign Missionary Society), Grove Collaborative, Macroclimate, Natural*

Investments, LLC., Province St. Joseph of the Capuchin Order, Sigma Consultants, and WR Consulting, Inc.

For more information or to connect with the signatories, please contact Jennifer Helfrich, Senior Manager for State Policy at Ceres (helfrich@ceres.org).

Ceres is a nonprofit organization working with influential capital market leaders to transform the economy in order to build a just and sustainable future for people and the planet. Learn more about Ceres and the Business for Innovative Climate and Energy Policy (BICEP) Network at www.ceres.org.