



TO: The Honorable Kumar P. Barve, Chair
Members, House Environment and Transportation Committee
The Honorable Emily Shetty

FROM: Richard A. Tabuteau

DATE: February 23, 2022

RE: **SUPPORT** – House Bill 814 – *Environment - Statewide Green Business Certification Program*

Volvo Group Trucks, part of Volvo Group, is the last remaining major vehicle manufacturer in the State of Maryland following the closure of the General Motors manufacturing plant in Baltimore County in 2018. Volvo Group Trucks' impact on the Maryland economy cannot be understated: 4,645 direct and indirect jobs, \$250 million in labor income, and over \$36 million in additional state and local tax revenue have been directly or indirectly generated from Volvo Group operations in Washington County. Moreover, Volvo Group is proud to count over 1,100 of its employees as members of the Local UAW Union. Volvo Group North America supports House Bill 814.

House Bill 814 requires the Maryland Department of the Environment to establish and administer a statewide green business certification program. The certification program must (1) recognize businesses that operate in a manner that reduces their environmental footprint and (2) provide consumers with a way to identify businesses that have been certified as green businesses. MDE must update and enhance the program established under the bill in consultation with the Montgomery County Green Business Certification Program.

Volvo Group Trucks in Hagerstown is part of the U.S. Department of Energy – Better Plants Challenge Program. Our initial commitment of 25% energy efficiency improvement by the end of 2020 was achieved five years early in 2015. Since then we have re-pledged for another 25% energy efficiency improvement by the end of 2025. In 2014, and again in 2017, and again in 2020, the Hagerstown facility received a Superior Energy Performance – Platinum certification. It has also set Key Performance Indicators (KPIs) to achieve improvements in Waste reduction, Energy consumption, Water consumption, and CO₂ emissions. In 2020, the plant introduced electromobility, assembling the modular power box for Mack and Volvo's new electric vehicles.

Moreover, Volvo Group Trucks in Hagerstown develops and produces the cleanest heavy-duty diesel engines in the world. Today, our engines focus on climate change, targeting Carbon Dioxide (CO₂), Nitrous Oxide (N₂O), and Methane (CH₄) with CO₂ reduction being the

predominant objective. Meanwhile, the engines we produce are creating value for our customers by providing even greater fuel efficiency than anticipated.

As it relates to environmentally preferable purchasing, Volvo Group Trucks utilizes reusable/returnable shipping containers for component and unit transports. When it comes to solid waste reduction and reuse, we reduced total waste generated per unit by 24% between 2017 and 2019. Furthermore, in 2019, we recycled 6,538,236 lbs. of metals and 1,028,340 lbs. of cardboard and we began our journey to become landfill free. As it relates to energy efficiency, we continue to implement projects to reduce energy. We made a commitment to WWF, which we exceeded over a six year period, conserving in excess of 5 million kwh.

In short, Volvo Group Trucks urges the House Environment and Transportation Committee to give House Bill 814 a favorable report and looks forward to a time when it can receive a Maryland Green Business Certification.

For more information call:

Richard A. Tabuteau
347.886.2904