

January 18, 2022

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

HB 94: State Vehicle Fleet - Conversion to Zero-Emission Vehicles Position: Favorable

Chair Barve:

On behalf of the Alliance for Automotive Innovation (Auto Innovators), we are writing to express our support for HB 94, which seeks to increase the number of electric vehicles (EVs) within the state's vehicle fleet. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents automakers producing nearly 99 percent of cars and light trucks sold in the U.S., major Tier 1 suppliers, as well as other automotive technology companies.

As automobile manufacturers continue making significant investments to bring more plug-in and fuel cell electric vehicles to the marketplace – providing more driving range, affordability, and consumer choice – now is the time for Maryland to reaffirm its commitment to this shared responsibility. It is critical for states and automakers to work together to spur electric vehicle adoption.

Maryland's EV Market

Maryland previously set a goal of 60,000 EVs on the road by 2020 and 300,000 EVs by 2025. To date, approximately 42,000 EVs have been sold in Maryland, well short of its goals.¹ More work needs to be done to accomplish these goals, and it is on this point that HB 94 can help advance the acceptance of EVs.

HB 94 would establish a clear set of incrementally increasing goals to ensure the state expands the number of EVs within the state fleet. This increase will have three clear benefits. First, and most obvious, there will be a net environmental benefit to neighborhoods and communities when more and more state fleet vehicles are replaced with an EV model. Beyond that, however, having the general public see EVs in daily operation across the state will serve as rolling validation of the technology, which will hopefully encourage consumers to consider an EV option for their next vehicle. Finally, getting more vehicles on the road will help support the expansion of electric vehicle charging and hydrogen refueling infrastructure, one of the key points identified by consumers as an obstacle to adoption.

Industry Efforts to Support EV Deployment

Auto Innovators and our member companies are committed to the long-term goals of lower carbon transportation, and our companies are actively working to reduce greenhouse gas and criteria emissions, improve vehicle fuel economy, and increase the number of advanced technology vehicles. Vehicles on the road today produce near-zero levels of tailpipe criteria emissions, a 99% improvement over vehicles in the 1970's, and on average, vehicles have increased fuel efficiency by 30% since 2004.²

Automakers have invested tens of billions of dollars over the last ten years in every facet of EV technology—from batteries (including manufacturing and cell materials) to fuel cell stack design and production, electric motors to battery cell controllers, vehicle types and capabilities. By 2025, the industry will have invested \$330 billion toward electrification, and IHS Markit predicts 130 EV models will be available in the U.S. by 2026 (versus 60+ models today). With availability of models increasing rapidly, there will be more options to meet a wider variety of customer needs, and in general, all states – especially those with EV incentives and growing infrastructure investments – will have more available EVs for sale.

Increasing EVs in state vehicle fleets is a part of the solution. From the state's previous actions, Maryland has expressed its support for an EV future, and now is the time to express its commitment.

Thank you in advance for your consideration of our views. For more information, please contact our local representative, Bill Kress, at (410) 375-8548.

Respectfully submitted,

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Josh Fisher Director, State Affairs

² U.S. EPA. "Automotive Trends Report: Highlights of the Automotive Trends Report." <u>https://www.epa.gov/automotive-trends/highlights-automotive-trends-report</u>.