

March 30, 2022

The Honorable Dolores Kelley  
Chair, Senate Finance Committee  
Miller Senate Office Building  
Annapolis, Maryland 21401

**HB 1391: Clean Cars Act of 2022**  
**Position: Favorable**

Dear Chair Kelley:

The Alliance for Automotive Innovation<sup>1</sup> (Auto Innovators) is writing in support of HB 1391. It is critical for states and automakers to work together with the spirit that “**More is Better**” to develop policies that will encourage electric vehicle (EV) adoption. That is why we support consumer focused incentives, and we applaud the state’s previous efforts to ensure funding for electric vehicles.

**Industry Commitment to ZEVs**

Automakers shared our industry’s commitment to an electric future in [a letter to President Biden](#). Nearly 70 models of plug-in hybrid (PHEV), fully electric (BEV), and fuel cell electric vehicles (FCEV) are available now to consumers — and more are on the way. Automakers are providing our customers with record-breaking choice in energy-efficient models, while also providing even safer, more environmentally friendly, affordable vehicles. The automotive industry is investing more than \$330 billion by 2025 in its commitment to vehicle electrification. EVs are an important part of our mission, both in the U.S. and around the world. The auto industry has shown its commitment to EVs, but supportive state policies, like consumer incentives, are critical to increasing EV deployment.

**Consumer Focused Policies are Critical to Maryland’s Goals**

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.<sup>2</sup> Long ago, Maryland also chose to follow the California Advanced Clean Car rules which are expected to be updated later this year to include a requirement for 100% of all new vehicle sales to be

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<sup>1</sup> Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents the manufacturers producing nearly 99 percent of cars and light trucks sold in the U.S. Members include motor vehicle manufacturers, original equipment suppliers, technology and other automotive-related companies and trade associations. For more information, visit our website <http://www.autosinnovate.org>.

<sup>2</sup> <https://www.autosinnovate.org/resources/electric-vehicle-sales-dashboard>

electric in 2035. That same program will likely require sales requirements of approximately 36% in 2026 with the requirements increasing each year until the 100% EV requirement in 2035.

However, the Clean Car Standard does not encourage consumer demand or support Maryland's car dealerships during the transition. More work needs to be done to accomplish these goals, and it is on this point that HB 1391 can help advance the acceptance of EVs. The higher upfront cost of EVs continues to be a barrier to adoption, even as technology and battery costs are dropping. Until EVs reach cost parity with gas-powered vehicles and become widely accepted in the marketplace, targeted incentives are needed to help increase uptake and expand access to the life-cycle financial benefits of owning an EV.

We believe that Maryland can be an electrification leader – and to do so, it must make real and necessary investments in both EV incentives and EV infrastructure. Auto Innovators and our members are committed to working with Maryland to achieve the shared goals of reducing GHG emissions and increasing EV sales and believe we should do so in a smart and effective manner that provides the right signals to the consumer to choose to buy EVs.

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

Sincerely,

A handwritten signature in black ink that reads "Josh Fisher". The signature is fluid and cursive, with the first name "Josh" and last name "Fisher" clearly distinguishable.

Josh Fisher  
Director, State Affairs  
Alliance for Automotive Innovation