

SB0224/133225/1

AMENDMENTS
PREPARED
BY THE
DEPT. OF LEGISLATIVE
SERVICES

07 FEB 23 14:53:07

BY: Senator Augustine (To be offered in the Education, Energy, and the Environment Committee)

AMENDMENTS TO SENATE BILL 224

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 7, after "State;" insert "requiring the Department, in consultation with certain units of State government, to prepare and submit to the General Assembly a certain needs assessment and deployment plan; authorizing the Department to delay implementation of regulations adopted under this Act under certain circumstances; altering the definition of "grant" for purposes of the Medium—Duty and Heavy—Duty Zero—Emission Vehicle Grant Program;"; and after line 13, insert:

"BY repealing and reenacting, with amendments,

Article – State Government

Section 9–2011

Annotated Code of Maryland

(2021 Replacement Volume and 2022 Supplement)".

AMENDMENT NO. 2

On page 1, in line 21, strike "**26,001**" and substitute "**14,001**".

On page 2, in line 2, strike "10,000" and substitute "8,501"; in line 3, strike "26,000" and substitute "14,000"; in line 8, strike "MAY" and substitute "SHALL"; in line 9, strike "AND"; in line 11, strike "VEHICLE STANDARDS" and substitute "ADVANCED CLEAN TRUCKS REGULATIONS"; and in the same line, strike "UPDATED." and substitute "UPDATED; AND

SB0224/133225/01 Amendments to SB 224 Page 2 of 6 Augustine

- (III) SUBJECT TO SUBSECTION (D) OF THIS SECTION, TAKE EFFECT STARTING WITH MODEL YEAR 2027.
- (C) (1) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF TRANSPORTATION, THE DEPARTMENT OF GENERAL SERVICES, THE MARYLAND ENERGY ADMINISTRATION, AND THE PUBLIC SERVICE COMMISSION, SHALL PREPARE A NEEDS ASSESSMENT AND DEPLOYMENT PLAN RELATING TO THE SUCCESSFUL IMPLEMENTATION OF REGULATIONS ADOPTED UNDER THIS SECTION.
- (2) THE NEEDS ASSESSMENT AND DEPLOYMENT PLAN SHALL, AT A MINIMUM, ASSESS AND PLAN FOR:
- (I) THE ADDITIONAL ELECTRICAL CAPACITY, TRANSMISSION, AND DISTRIBUTION DEMANDS THAT WILL RESULT FROM IMPLEMENTATION OF THE REGULATIONS, AND THE ABILITY OF THE STATE'S ELECTRIC UTILITIES AND GRID TO MEET THOSE DEMANDS;
- (II) THE NUMBER OF ZERO-EMISSION MEDIUM- AND HEAVY-DUTY VEHICLE RECHARGING STATIONS THAT WILL BE REQUIRED IN THE STATE TO IMPLEMENT THE REGULATIONS, AND THE COSTS, PERMITTING PROCESSES, AND TIMELINES FOR INSTALLING THOSE STATIONS;
- (III) THE PURCHASE INCENTIVES THAT WILL BE NECESSARY
 TO ENSURE THE SUCCESSFUL IMPLEMENTATION OF THE REGULATIONS, AND
 POTENTIAL SOURCES OF FUNDING FOR THOSE INCENTIVES; AND

Augustine

- (IV) HOW QUICKLY MEDIUM- AND HEAVY-DUTY VEHICLES IN THE STATE VEHICLE FLEET, INCLUDING STATE-CONTRACTED MEDIUM- AND HEAVY-DUTY VEHICLES, CAN BE REPLACED WITH ZERO-EMISSION VEHICLES.
- (3) ON OR BEFORE DECEMBER 1, 2024, THE DEPARTMENT SHALL SUBMIT THE NEEDS ASSESSMENT AND DEPLOYMENT PLAN TO THE GENERAL ASSEMBLY IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE.
- (D) THE DEPARTMENT MAY DELAY IMPLEMENTATION OF THE REGULATIONS AUTHORIZED UNDER THIS SECTION BY ONE OR MORE MODEL YEARS IF, AFTER CONSULTING WITH THE DEPARTMENT OF TRANSPORTATION, THE DEPARTMENT OF GENERAL SERVICES, THE MARYLAND ENERGY ADMINISTRATION, AND THE PUBLIC SERVICE COMMISSION, THE DEPARTMENT DETERMINES THAT THE IMPLEMENTATION CRITERIA IDENTIFIED THROUGH THE NEEDS ASSESSMENT AND DEPLOYMENT PLAN HAVE NOT BEEN MET.".

AMENDMENT NO. 3

On page 2, before line 12, insert:

"Article - State Government

9–2011.

- (a) (1) In this section the following words have the meanings indicated.
- (2) "Grant" means a medium—duty or heavy—duty zero—emission vehicle grant issued by the Administration under this section for up to [20%] 100% of the INCREMENTAL cost of a qualified medium—duty or heavy—duty zero—emission vehicle, qualified medium—duty or heavy—duty zero—emission vehicle supply equipment, or

Augustine

<u>zero-emission heavy equipment property.</u>

(3) "INCREMENTAL COST" MEANS:

- (I) THE DIFFERENCE IN PRICE OF A CONVENTIONAL MODEL VEHICLE AND A ZERO-EMISSION MODEL THAT IS ATTRIBUTABLE TO THE FUNCTIONAL FEATURES OF THE VEHICLE; OR
- (II) THE COST TO RETROFIT A CONVENTIONAL MODEL VEHICLE TO OPERATE AS A ZERO-EMISSION VEHICLE.
- (4) <u>"Program" means the Medium-Duty and Heavy-Duty Zero-</u> Emission Vehicle Grant Program.
- [(4)] (5) "Qualified medium—duty or heavy—duty zero—emission vehicle" means a motor vehicle that is:
 - (i) rated at more than 8,500 pounds unloaded gross weight; and
- (ii) powered by electricity that is stored in a battery or produced by a hydrogen fuel cell.
- [(5)] (6) "Qualified medium—duty or heavy—duty zero—emission vehicle supply equipment" means property in the State that is used for recharging or refueling medium—duty or heavy—duty zero—emission vehicles or zero—emission heavy equipment property.
- [(6)] (7) (i) "Zero-emission heavy equipment property" means construction, earthmoving, or industrial heavy equipment, including any attachment for the equipment, that:

SB0224/133225/01 Amendments to SB 224 Page 5 of 6

Augustine

- 1. is mobile; and
- 2. does not use an internal combustion engine.
- (ii) "Zero-emission heavy equipment property" includes:
- 1. <u>a self-propelled vehicle that is not designed to be</u> driven on a highway; and
- 2. <u>industrial electrical generation equipment, industrial lift equipment, industrial handling equipment, or other similar industrial equipment.</u>
- (b) (1) There is a Medium–Duty and Heavy–Duty Zero–Emission Vehicle Grant Program.
 - (2) The Administration shall administer the Program.
- (c) (1) For each of fiscal years 2024 through 2027, a person or a unit of local government may apply to the Administration for a grant under the Program.
- (2) For the purpose of calculating the amount of a grant, the Administration may allow an applicant to include reasonable installation costs in the cost of qualified medium—duty or heavy—duty zero—emission vehicle supply equipment.
- (d) Program grants are subject to available funding and § 9–20B–05(j)(4) of this title.
- (e) (1) Notwithstanding § 9–20B–05(g) of this title, in each of fiscal years 2024 through 2027, the Governor shall include in the annual budget bill an appropriation of at least \$1,000,000 from the Strategic Energy Investment Fund for grants for qualified medium–duty or heavy–duty zero–emission vehicles under the

SB0224/133225/01 Augustine Amendments to SB 224 Page 6 of 6

Program.

(2) Notwithstanding § 9–20B–05(g) of this title, in each of fiscal years 2024 through 2027, the Governor shall include in the annual budget bill an appropriation of at least \$750,000 from the Strategic Energy Investment Fund for grants for zero–emission heavy equipment property under the Program.".