

March 27, 2023

The Honorable Wes Moore, The Honorable Adrienne Jones, and The Honorable Bill Ferguson
100 State Circle
Annapolis, MD 21401

RE: Please Adopt ACT (HB230/SB224) Without Delay Language

Dear Governor Moore, Speaker Jones and Senate President Ferguson;

We, the undersigned businesses, are pleased to support Maryland's adoption of the Advanced Clean Trucks (ACT) rule. As organizations committed to transportation decarbonization and proud members of CALSTART¹, we believe the strong yet achievable standards set by the ACT rule will go a long way toward advancing Maryland's climate objectives for net-zero greenhouse gas (GHG) emission reductions, improving air quality, and providing high-quality jobs for Marylanders.

The ACT rule is a critical precondition for a smooth transition to a zero-emission medium- and heavy-duty (MHD) market. Any potential delay based on future considerations would undermine the key benefit of regulation as a clear market signal we can rely on to make investments. While we support the legislature's leadership in advancing a bill that requires the adoption of the ACT rule, **we are deeply concerned about the amendment to delay** the rulemaking in the Clean Trucks Act of 2023 (HB230/SB224).

“(D) THE DEPARTMENT MAY DELAY IMPLEMENTATION OF THE
26 REGULATIONS AUTHORIZED UNDER THIS SECTION BY ONE OR MORE MODEL YEARS
27 IF, AFTER CONSULTING WITH THE DEPARTMENT OF TRANSPORTATION, THE
28 DEPARTMENT OF GENERAL SERVICES, THE MARYLAND ENERGY ADMINISTRATION,
29 AND THE PUBLIC SERVICE COMMISSION, THE DEPARTMENT DETERMINES, BASED
30 ON CRITERIA IDENTIFIED THROUGH THE NEEDS ASSESSMENT AND DEPLOYMENT
31 PLAN, THAT IMPLEMENTATION OF THE REGULATIONS IS NOT YET FEASIBLE.”

We strongly encourage legislators to remove the delay language currently being considered in the House and to amend the Senate-passed bill. Maryland and the Moore Administration are clearly eager to be a leader in the clean transportation space, having recently celebrated the state's intention

¹ As a U.S.-based nonprofit with offices in New York, Michigan, Colorado, Florida, California, and Europe, CALSTART partners with 300+ member companies to build a prosperous, efficient, clean high-tech transportation industry to mitigate climate change, reduce air pollution, create jobs, and spur technology innovation. Since 1992, CALSTART has developed an unparalleled knowledge base and implementation track-record in cutting-edge technologies to decarbonize medium- and heavy-duty vehicles (MHDVs). Guided by science-based climate targets, galvanized by frontier-expanding solutions of our 300+ member companies, and ground-truthed in design and implementation of market acceleration programs in California and beyond, CALSTART works across the industry to remove barriers to commercialization, production, and success for zero-emission MHDV technologies. CALSTART is the industry standard-bearer for MHDV decarbonization and continues to push the envelope to eradicate diesel pollution, with a goal to reduce greenhouse gas emissions from the commercial vehicle sector by 50% by 2030.

to adopt Advanced Clean Cars II (ACC II).² **This momentum should continue with the intention to adopt ACT by way of amendments to HB 230/SB 224, so Maryland can join the seven other states already implementing ACT.**³

Not removing the delay language could mean forgoing free money to support the transition. The Inflation Reduction Act (IRA) created generous new commercial tax incentives of up to \$40,000 per vehicle—however, these incentives sunset in 2032. Each year the ACT rule is delayed means fewer opportunities for Maryland businesses to benefit from the \$40,000 zero-emission vehicle federal tax incentive.⁴

We, the undersigned, believe it is critical that Maryland enact manufacturer sales targets for MHD ZEVs. This bold action will cement Maryland’s standing as a regional leader in MHD ZEV market development. The ACT rule will go a long way toward making sure all Maryland residents can breathe clean air, especially those in disadvantaged communities. Market transformation requires an “ecosystem” of regulations, incentives, infrastructure support, and other policy direction. The scale and urgency of the climate crisis demand an “all-hands-on-deck” approach.

We greatly appreciate your consideration of our comments.

Sincerely,

Clarence Tong
U.S. Federal Affairs & Policy
Arrival

Jena Ginsburg
Midwest Public Policy Manager
ChargePoint

Alissa Burger
Regional Policy Director
CALSTART

Jarrett Stoltzfus
Director of Government
Relations & Public Policy
Proterra

² <https://news.maryland.gov/mde/2023/03/14/governor-moore-announces-maryland-adoption-of-the-advanced-clean-cars-ii-rule-to-combat-the-effects-of-climate-change/>

³ The states that have adopted ACT are California, Washington, Oregon, New York, New Jersey, Massachusetts, and Vermont.

⁴ The federal Clean Air Act requires states adopting the ACT rule to provide two model years of lead time before enforcement begins. By adopting the rule in 2023, the first model year of compliance is 2027. If the ACT rule is finalized in 2024 (even on January 1, 2024), the first model year of compliance becomes 2028. If adoption is delayed, the first model year of compliance will also be pushed back.