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TTY USERS CALL VIA MD RELAY

Chair Barve, Vice Chair Stein, Distinguished Members of the Joint Session of the Environment and Transportation Committee and Economic Matters Committee,

On behalf of Governor Moore and Lieutenant Governor Miller, I respectfully ask the Committee for a favorable report on House Bill 550 -Maryland Energy Administration – Energy Programs – Modifications (Clean Transportation and Energy Act). Governor Moore believes strongly that Maryland has a chance to lead in combating climate change. During his Inaugural speech, the Governor shared the importance of addressing this existential crisis by building a broad coalition of our legislators, communities, businesses, and, most importantly, Marylanders. The Clean Transportation and Energy Act is a key measure that the Governor proposes to combat climate change. This bill provides incentives to take on transportation-related emissions that have been a major contributor to greenhouse gas emissions in Maryland.

First, this bill aims to expand and extend the Electric Vehicle Supply Equipment (EVSE) rebate program. There is a significant demand for the EVSE rebate program, and this bill addresses just that by extending the program to 2026, and removes the annual \$1.8 million appropriated cap.

Second, The bill seeks to expand the Medium-and Heavy-Duty (MHD) Zero Emission Vehicle (ZEV) Program created in the Clean Cars Act of 2022 by covering the incremental costs of these vehicles. Under this program, the businesses and local governments of Maryland are allowed to receive up to 100% of the incremental cost of purchasing an MHD ZEVs. This increase from 20% of the total cost to 100% of incremental cost provides a significant financial incentive for businesses and local governments to purchase ZEVs while enhancing Maryland's competitiveness in the region.

Third, the bill alters the use of the Alternative Compliance Payment (ACP) system under the SEIF fund and allows ACP funds available for energy-related grants and loans, including solar renewables, energy efficiency measures, and other renewable energy sources that will directly benefit the low-income and the environmental justice communities.

These provisions combined, the Clean Transportation and Energy Act will incentivize the community and will address the transportation-related emissions that have been affecting

millions of Marylanders across the state. It will ensure that financial resources are available for renewable energy projects in communities that need the most.

I respectfully ask the committee for a favorable report on House Bill 550 and look forward to working with the committee and other stakeholders in partnership on potential amendments to the bill.

Sincerely,

Saif Ratul
Deputy Legislative Officer