



HEARING DATE: February 8, 2023

BILL NO/TITLE: House Bill 230 – Department of the Environment - Zero-Emission Medium- and Heavy-Duty Vehicles - Regulations (Clean Trucks Act of 2023)

COMMITTEE: House Environment & Transportation

POSITION: Favorable with Amendments

Maryland Motor Truck Association (MMTA) recognizes the continued need to lower greenhouse gas emissions from the transportation sector. The trucking industry is fuel neutral; however, we must have access to a readily available fuel supply that meets our operational needs so that we can deliver the food, clothing, medical supplies and other products that citizen's need.

MMTA members are testing electric trucks on a very limited basis. Drivers are offering positive feedback as the trucks have less noise, lower emissions, and a smoother ride. Primarily those members are engaged in mediumduty local delivery operations where the truck returns to its home terminal each day and has access to on-site charging. However, there are large segments of the trucking industry that are not currently suitable for electrification. Those trucks are unlikely to be able to meet our operating needs in accordance with the timetable that would be mandated with the passage of HB230.

There are a number of challenges to deployment of electric trucks in Maryland. These include grid capacity, lack of charging infrastructure, permitting, battery range and weight, cost, and lost payload to name just a few. HB230 attempts to move us further down the path to electrification, however, prior to automatically advancing California's standard, MMTA believes proper study and planning is warranted. As such MMTA offers support for HB230, but with amendments that require the state to conduct a needs assessment and develop an implementation plan. The amendments also allow for the delayed implementation of the Advance Clean Trucks regulation if the needs assessment determines that the state is not prepared for successful implementation of the California rule and manufacturers cannot meet the sales thresholds required.

With regards to electrification, the trucking industry is 10 years behind the car industry. A conversation about necessary incentives, infrastructure development, and the timeline for a realistic transition needs to occur. MMTA believes the amendments we have offered provide a chance to do that. Yes, ZEV trucks are coming, but it does not make sense to simply adopt an artificial mandate that cannot be achieved in our state without proper planning and development.

For the reasons noted above, MMTA asks for a favorable report with the amendments the association has offered.

<u>About Maryland Motor Truck Association</u>: Maryland Motor Truck Association is a non-profit trade association representing the trucking industry since 1935. In service to its 1,000 members, MMTA is committed to support, advocate and educate for a safe, efficient and profitable trucking industry in Maryland.

For further information, contact: Louis Campion, (c) 443-623-4223

Amendments to House Bill 230 – 1st Reader Offered by Maryland Motor Truck Association

- On page 2, in line 11, strike "vehicle standards" and replace it with "ADVANCE CLEAN TRUCKS REGULATION"
- On page 2, after line 11, insert:

(III) TAKE EFFECT STARTING IN MODEL YEAR 2027.

(C) ON OR BEFORE DECEMBER 1, 2024, THE DEPARTMENT OF THE ENVIRONMENT, THE DEPARTMENT OF TRANSPORTATION, AND THE MARYLAND ENERGY ADMINISTRATION SHALL PREPARE AND SUBMIT TO THE LEGISLATURE A NEEDS ASSESSMENT AND DEPLOYMENT PLAN RELATING TO THE SUCCESSFUL IMPLEMENTATION OF THE ADVANCED CLEAN TRUCKS REGULATION IN MARYLAND, WHICH SHALL, AMONG OTHER THINGS:

(I) ASSESS AND PLAN FOR THE ADDITIONAL ELECTRICAL CAPACITY, TRANSMISSION AND DISTRIBUTION DEMANDS THAT WILL NEED TO BE MET TO IMPLEMENT THE ADVANCED CLEAN TRUCKS REGULATION, AND THE CAPABILITY OF THE STATE'S UTILITIES AND GRID TO MEET THOSE DEMANDS;

(II) ASSESS AND PLAN FOR THE NUMBER OF HEAVY-DUTY AND MEDIUM-DUTY ZEV-RECHARGING AND HYDROGEN-REFUELING STATIONS THAT WILL BE REQUIRED IN THE STATE TO IMPLEMENT THE ADVANCED CLEAN TRUCKS REGULATION, AND THE COSTS, PERMITTING ISSUES, AND NECESSARY TIMELINES FOR INSTALLING THOSE STATIONS;

(III) ASSESS AND PLAN FOR THE ZEV PURCHASE INCENTIVES THAT WILL BE REQUIRED TO ENSURE THE SUCCESSFUL IMPLEMENTATION OF THE ADVANCED CLEAN TRUCKS REGULATION, AND THE POTENTIAL SOURCES OF THAT INCENTIVE FUNDING; AND

(IV) ASSESS AND PLAN FOR WHEN AND HOW QUICKLY STATE MEDIUM AND HEAVY-DUTY VEHICLE FLEET OPERATIONS, INCLUDING STATE-CONTRACTED MEDIUM AND HEAVY-DUTY VEHICLES, CAN BE CONVERTED TO ZERO-EMISSIONS.

(D) THE DEPARTMENT OF THE ENVIRONMENT SHALL PROVIDE REGULATORY MECHANISMS TO ALLOW FOR THE DELAY OF THE IMPLEMENTATION OF THE ADVANCED CLEAN TRUCKS REGULATION BY ONE OR MORE MODEL YEARS IF THE DEPARTMENT DETERMINES, IN CONSULTATION WITH THE DEPARTMENT OF TRANSPORATION AND THE MARYLAND ENERGY ADMINISTRATION, THAT THE IMPLEMENTATION CRITERIA IDENTIFIED THROUGH THE NEEDS ASSESSMENT AND DEPLOYMENT PLAN HAVE NOT BEEN MET.