

SENATE BILL 224

M3

(3lr2004)

ENROLLED BILL

— *Education, Energy, and the Environment/Environment and Transportation* —

Introduced by **Senators Augustine, Feldman, Smith, M. Washington, Watson, and Zucker**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Department of the Environment – Zero-Emission Medium- and Heavy-Duty**
3 **Vehicles – Regulations**
4 **(Clean Trucks Act of 2023)**

5 FOR the purpose of requiring the Department of the Environment to adopt regulations on
6 or before a certain date establishing requirements for the sale of new zero-emission
7 medium- and heavy-duty vehicles in the State; requiring the Department, in
8 consultation with certain units of State government, to prepare and submit to the
9 General Assembly a certain needs assessment and deployment plan; authorizing the
10 Department to delay implementation of regulations adopted under this Act under
11 certain circumstances; altering ~~the definition of “grant” for purposes of the~~
12 Medium-Duty and Heavy-Duty Zero-Emission Vehicle Grant Program *by altering*
13 *the definition of “grant” and “qualified medium-duty or heavy-duty zero-emission*
14 *vehicle”, limiting the application of the Program, and requiring the Maryland Energy*

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



Administration to give preference to certain vehicles and equipment in issuing Program grants; altering and repealing certain mandatory appropriations from the Strategic Energy Investment Fund for certain fiscal years; and generally relating to the sale of zero-emission vehicles in the State.

BY adding to

Article – Environment

Section 2–1103.1

Annotated Code of Maryland

(2013 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government

Section ~~9–2011(a)~~ *9–2011*

Annotated Code of Maryland

(2021 Replacement Volume and 2022 Supplement)

~~BY repealing and reenacting, without amendments,~~

~~Article – State Government~~

~~Section 9–2011(b) and (c)~~

~~Annotated Code of Maryland~~

~~(2021 Replacement Volume and 2022 Supplement)~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Environment

2–1103.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “HEAVY-DUTY VEHICLE” MEANS A VEHICLE WITH A GROSS VEHICLE WEIGHT RATING EQUAL TO OR GREATER THAN ~~26,001~~ 14,001 POUNDS.

(3) “MEDIUM-DUTY VEHICLE” MEANS A VEHICLE WITH A GROSS VEHICLE WEIGHT RATING OF NOT LESS THAN ~~10,000~~ 8,501 POUNDS AND NOT MORE THAN ~~26,000~~ 14,000 POUNDS.

(B) (1) ON OR BEFORE DECEMBER 1, 2023, THE DEPARTMENT SHALL ADOPT REGULATIONS ESTABLISHING REQUIREMENTS FOR THE SALE OF NEW ZERO-EMISSION MEDIUM- AND HEAVY-DUTY VEHICLES IN THE STATE.

(2) THE REGULATIONS ADOPTED UNDER PARAGRAPH (1) OF THIS SUBSECTION ~~MAY~~ SHALL:

1 (I) UPDATE EXISTING REGULATIONS; ~~AND~~

2 (II) INCORPORATE BY REFERENCE THE CALIFORNIA AIR
3 RESOURCES BOARD'S ~~VEHICLE STANDARDS~~ ADVANCED CLEAN TRUCKS
4 REGULATIONS, AS REVISED AND ~~UPDATED.~~ UPDATED; AND

5 (III) SUBJECT TO SUBSECTION (D) OF THIS SECTION, TAKE
6 EFFECT STARTING WITH MODEL YEAR 2027.

7 (C) (1) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT
8 OF TRANSPORTATION, THE DEPARTMENT OF GENERAL SERVICES, THE MARYLAND
9 ENERGY ADMINISTRATION, AND THE PUBLIC SERVICE COMMISSION, SHALL
10 PREPARE A NEEDS ASSESSMENT AND DEPLOYMENT PLAN RELATING TO THE
11 SUCCESSFUL IMPLEMENTATION OF REGULATIONS ADOPTED UNDER THIS SECTION.

12 (2) THE NEEDS ASSESSMENT AND DEPLOYMENT PLAN SHALL ASSESS
13 AND PLAN FOR:

14 (I) THE ADDITIONAL ELECTRICAL CAPACITY, TRANSMISSION,
15 DISTRIBUTION DEMANDS, AND HYDROGEN FUELING DEMANDS THAT WILL RESULT
16 FROM IMPLEMENTATION OF THE REGULATIONS, AND THE ABILITY OF THE STATE'S
17 ELECTRIC UTILITIES, GRID, AND HYDROGEN INFRASTRUCTURE TO MEET THOSE
18 DEMANDS, BASED ON PUBLICLY AVAILABLE INFORMATION AND EXISTING
19 ANALYSES;

20 (II) THE NUMBER OF ZERO-EMISSION MEDIUM- AND
21 HEAVY-DUTY VEHICLE RECHARGING AND REFUELING STATIONS RECOMMENDED
22 FOR IMPLEMENTATION OF THE REGULATIONS, AND THE COSTS, PERMITTING
23 PROCESSES, AND TIMELINES FOR INSTALLING THOSE STATIONS;

24 (III) THE PURCHASE INCENTIVES AND OTHER MECHANISMS
25 RECOMMENDED FOR SUCCESSFUL IMPLEMENTATION OF THE REGULATIONS,
26 INCLUDING INCENTIVES FOR RECHARGING AND REFUELING STATIONS AND
27 RELATED INFRASTRUCTURE, AND THE EXISTING AND POTENTIAL SOURCES OF
28 FUNDING FOR THOSE INCENTIVES AND MECHANISMS; AND

29 (IV) THE TIMELINE, ECONOMIC FEASIBILITY, AND MODELS
30 AVAILABLE FOR TRANSITIONING MEDIUM- AND HEAVY-DUTY VEHICLES IN THE
31 STATE VEHICLE FLEET, INCLUDING STATE-CONTRACTED MEDIUM- AND
32 HEAVY-DUTY VEHICLES, TO ZERO-EMISSION VEHICLES.

1 (ii) powered by electricity that is stored in a battery or produced by
2 a hydrogen fuel cell.

3 **[(5)] (6)** “Qualified medium-duty or heavy-duty zero-emission vehicle
4 supply equipment” means property in the State that is used for recharging or refueling
5 medium-duty or heavy-duty zero-emission vehicles or zero-emission heavy equipment
6 property.

7 **[(6)] (7)** (i) “Zero-emission heavy equipment property” means
8 construction, earthmoving, or industrial heavy equipment, including any attachment for
9 the equipment, that:

10 1. is mobile; and

11 2. does not use an internal combustion engine.

12 (ii) “Zero-emission heavy equipment property” includes:

13 1. a self-propelled vehicle that is not designed to be driven
14 on a highway; and

15 2. industrial electrical generation equipment, industrial lift
16 equipment, industrial material handling equipment, or other similar industrial equipment.

17 (b) (1) There is a Medium-Duty and Heavy-Duty Zero-Emission Vehicle
18 Grant Program.

19 **(2)** **THE PROGRAM APPLIES ONLY TO VEHICLES AND EQUIPMENT**
20 **INTENDED FOR COMMERCIAL OR INDUSTRIAL USE.**

21 **(3)** The Administration shall administer the Program.

22 (c) (1) For each of fiscal years 2024 through 2027, a person or a unit of local
23 government may apply to the Administration for a grant under the Program.

24 (2) For the purpose of calculating the amount of a grant, the
25 Administration may allow an applicant to include reasonable installation costs in the cost
26 of qualified medium-duty or heavy-duty zero-emission vehicle supply equipment.

27 **(3)** **IN ISSUING PROGRAM GRANTS, THE ADMINISTRATION SHALL**
28 **GIVE PREFERENCE TO:**

29 **(1)** **QUALIFIED MEDIUM-DUTY OR HEAVY-DUTY**
30 **ZERO-EMISSION VEHICLES THAT ARE:**

1 1. EXPECTED TO BE PRIMARILY DOMICILED AND
2 OPERATED IN THE STATE; AND

3 2. TO BE OWNED OR OPERATED BY AN ENTITY ENGAGED
4 IN BUSINESS ACTIVITY THAT IMPACTS PUBLIC HEALTH, THE ENVIRONMENT, OR
5 INFRASTRUCTURE IN AN OVERBURDENED OR UNDERSERVED COMMUNITY, AS
6 DEFINED IN § 1-701 OF THE ENVIRONMENT ARTICLE; AND

7 (II) ZERO-EMISSION HEAVY EQUIPMENT PROPERTY THAT IS
8 EXPECTED TO BE USED PRIMARILY AT LOCATIONS IN THE STATE.

9 (d) Program grants are subject to available funding and § 9-20B-05(j)(4) of this
10 title.

11 (e) [(1)] Notwithstanding § 9-20B-05(g) of this title, in each of fiscal years 2024
12 through 2027, the Governor shall include in the annual budget bill an appropriation of at
13 least [\$1,000,000] \$10,000,000 from the Strategic Energy Investment Fund for grants for
14 qualified NEWLY MANUFACTURED medium-duty or heavy-duty zero-emission vehicles OR
15 ZERO-EMISSION HEAVY EQUIPMENT PROPERTY under the Program.

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

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
21 1, 2023.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.