



# ***Facts About...***

## **Amendments to COMAR 26.11.34 Low Emissions Vehicle Program**

August 15, 2014

### **Purpose of Amendments**

The purpose of these amendments is to update COMAR 26.11.34.02 Incorporation by Reference to reflect the changes made to the California regulations since their last update.

### **Submission to EPA as Revision to Maryland's SIP**

These amendments will be submitted to the U.S. Environmental Protection Agency (EPA) as a revision to Maryland's State Implementation Plan (SIP).

### **Background**

Vehicles sold in the United States must be certified under one of two certification programs: the federal program (Tier 2) or the California program (the Clean Car Program). Section 177 of the Clean Air Act Amendments of 1990 provides states the ability to adopt the California program in lieu of the federal program as long as the adopted state program is identical to the California program and the state allows two model year lead time from adoption to implementation.

The Maryland Clean Cars Act of 2007 required the Maryland Department of the Environment (MDE) to adopt regulations implementing the California Clean Car Program (also referred to as the California Low Emissions Vehicle Program-CAL LEV) in Maryland. Maryland's implementing regulations adopted, through incorporation by reference, the applicable California regulations. The Cal LEV program is a dynamic, changing program in which many of the relevant California regulations are continuously updated. To retain California's standards, Maryland must remain consistent with their regulations, hence when California updates its regulations, Maryland must reflect these changes by amending our regulations.

The proposed changes are in effect in California as well as some of the other states that have adopted the CALEV program. The only regulatory change in this proposed action is to the ZEV portion of the regulation. It will have minimal, if any, impact on the cost or implementation of the program in Maryland. Reference updates to the incorporated by reference documents have also been included.

### **Sources Affected and Location**

These amendments apply to automobile manufacturers that produce new motor vehicles for sale in Maryland. All vehicle types that have a gross vehicle weight rating of less than 14,000 pounds are affected.

### **Requirements**

These amendments update Maryland's program requirements to be consistent with California's program requirements. This action is necessary since many of the California regulations that are incorporated into the Maryland regulation have been updated. These individual regulatory changes can be grouped into 3 areas:

- Adjustments to the optional Section 177 state compliance path (OCP).
- Maintain a minimum ZEV credit requirement for manufacturers for each model year.
- Amend the fast refueling definition for determining ZEV types.

These changes are described in greater detail in the Technical Support Document for this action. The biggest change that will affect Maryland is the elimination of certain credits from being used to meet the OCP requirements. Manufacturers will only be allowed to meet the requirements from credits generated by vehicles actually placed in the state, which was the original intent of the OCP as negotiated with the manufacturers.

### **Expected Emissions Reductions**

The changes to the ZEV portion of the regulation may have a small positive impact on the benefits, as it is designed to ensure more ZEVs are actually delivered to the Section 177 States in order to comply with the OCP. The emissions impact is expected to be minimal though, as the manufacturer fleet average emission requirement remains the same.

### **Economic Impact on Affected Sources and the Department**

Minimal additional burden or cost is expected as a result of these amendments. The changes to the OCP, and maintaining a minimum ZEV credit requirement will require manufacturers to introduce more actual ZEVs to Maryland and the other Section 177 states. However, provisions to allow pooling across states and from the east and west regions from different model years will give manufacturers greater flexibility to meet the regulatory requirements in a way that is best for their business situation.

These amendments will have no economic impact on the Department. They also will have no impact on the Motor Vehicle Administration's registration, data management, and dealer oversight activities related to this program.

### **Economic Impact on Consumers and Dealers**

The economic impact of these amendments upon Maryland consumers is minimal as there are no significant changes to the vehicle requirements.

These amendments should have no impact on Maryland dealers. The increase in ZEVs that will result from this amendment will be minimal, and enable the dealers to provide consumers with more of the most advanced and fuel efficient technology vehicles available.

### **Economic Impact on Small Businesses**

These amendments will have no impact on small businesses. These amendments impact the vehicle production and certification processes that are only applicable to the manufacturers of new motor vehicles.

### **Is there an Equivalent Federal Standard to this Proposed Regulatory Action?**

No.