

MEMORANDUM IN SUPPORT OF <u>S.7767 (Harckham)</u> In Relation to Increasing Sales of Zero-Emission Vehicles

January 2024

The Alliance for Clean Energy New York (ACE NY) supports S.7767 and urges its immediate passage. This bill will amend the environmental conservation law to allow for the issuance of additional certificates of registration for entities that manufacture or assemble only zero-emissions vehicles (ZEVs) to allow them to sell ZEVs in the State.

Specifically, NYSERDA, the Departments of Motor Vehicles and Transportation, in consultation with other state agencies, will be required to report on a bi-annual basis from 2024 until 2034 the sale of ZEVs in the state by new motor vehicle dealers, not including manufacturers specializing exclusively in ZEVs. If the 2024 report finds that ZEV sales projections fail to show that thirty-five percent of their sales will be ZEVs by 2026, then the Department of Motor Vehicles shall issue up to ten certificates of registration for entities that manufacture or assemble ZEVs and have no franchised motor vehicle dealers in New York. The requirement of the ZEV sales proportion will increase to sixty-eight percent in 2028 and up to one hundred percent by 2033, or additional certificates will be issued bi-annually.

This bill will expand competition in the ZEV market by allowing for more ZEV sales centers to open across New York if traditional auto dealers are unable to meet the sales targets needed to reach our climate goals. The results will be greater access to ZEVs for New Yorkers and additional options for buyers. Not only will New Yorkers have a wider range of choices when deciding to purchase a ZEV, but the expansion of sales will also create new job opportunities and build sales tax revenue that could be used to help fund expanded ZEV infrastructure.

The transportation sector is a major contributor to New York's greenhouse gas emissions, accounting for roughly 29% of emissions,¹ and our vehicles will need to transition to ZEVs to meet the Climate Law goals.² Moreover, this legislation will support New York's more recent requirement for all new passenger cars, pickup trucks, and SUVs sold in New York to be zero-emission by 2035.³

For the above reasons, the Alliance for Clean Energy New York supports this legislation. For more information contact Deb Peck Kelleher, Deputy Director, at (c) 518-698-3211. All of ACE NY's memos on legislation are available at https://www.aceny.org/legislative-actions.

¹ <u>https://www.dec.ny.gov/docs/administration_pdf/ghgsumrpt22.pdf</u>

² "New York State Climate Leadership and Community Protection Act." - *State of New York Senate and Assembly*, 17, <u>https://legislation.nysenate.gov/pdf/bills/2019/S6599</u>, 2019.

³<u>https://afdc.energy.gov/laws/all?state=NY#:~:text=Zero%20Emission%20Vehicle%20(ZEV)%20Requirements,must%</u>20be%20ZEVs%20by%202045.