

Mitigation Working Group (MWG) Recommendations for 2026

Working Draft – August 7, 2026 – These recommendations are under review by the MWG.

Highlights indicate the top recommendations based on a July vote of members.

1. **Revise Maryland's EV incentive program**

- a. Recommendation of the MWG Steering Committee
- b. The General Assembly should pass legislation in 2027 to amend the state's existing electric vehicle (EV) incentive program, which expires this year. Maryland should adopt a program similar to the California program that encourages EV manufacturers to match an incentive provided by the state. With funding from the Strategic Energy Investment Fund, Maryland should provide an incentive of at least \$1,000 to each first-time EV owner who purchases a new EV priced below \$60,000, and a lower amount for used EVs. The state incentive should be matched, at a ratio of at least 1:1, by an incentive provided by participating EV manufacturers. The incentive should be a limited-time offer to encourage consumers to act.

2. **Launch an EV educational campaign**

- a. Recommendation of the MWG Steering Committee
- b. The General Assembly should pass legislation in 2027 to authorize at least \$2 million in the FY28 budget for a multifaceted campaign to educate the public about the benefits of EVs, especially fuel cost savings. The campaign would promote limited-time EV purchase incentives, fuel cost savings with EVs, emissions benefits, and the EV charging network through TV, radio, billboards, social media, community events, and other channels.

3. **Require used car dealers to provide EV battery health reports to consumers**

- a. Recommendation by Morgan Ellis
- b. The General Assembly should pass legislation in 2027 requiring used car dealers to provide car buyers with an EV Battery State of Health Certification for used EVs for sale in Maryland. Battery State of Health certificates/certification can provide crucial information about the condition and performance of an electric vehicle's battery, ensuring transparency and confidence for buyers. The certification should include information about overall battery degradation (e.g. current capacity vs original capacity) and a detailed report about battery performance, cell voltages, and charging patterns.

4. Study having local governments use revenue from environmental fees for environmental initiatives

- a. Recommendation by Ava Richardson
- b. The General Assembly should pass legislation in 2027 to study the idea of requiring local governments to appropriate a minimum of 50% of funds collected to protect the environment for specific environmental sustainability actions, strategies, and/or priorities. Examples include plastic bag bans, fees applied for the removal of trees (outside of the state forest conservation program), environmental violations such as nuisances, debris or other fines issues to address environmental cleanliness.

5. Require local governments to report on climate spending

- a. Recommendation by Ava Richardson
- b. The General Assembly should pass legislation in 2027 to require all local and municipal governments in the state to report on the amount of their operating and capital budgets that contribute to statewide climate goals. This would prompt a climate budgeting process for all counties and municipalities.

6. Require electric utilities to plan for anticipated loads from EVs

- a. Recommendation by Elizabeth Bunn
- b. The General Assembly should pass legislation in the 2027 session directing the Public Service Commission to:
 - i. require utilities to forecast anticipated load from EVs, especially medium- and heavy-duty EVs;
 - ii. analyze their grids' hosting capacity to determine whether there is sufficient headroom to meet customer fleet electrification needs; and
 - iii. identify any necessary grid upgrades to meet customer fleet electrification plans (i.e., any necessary upgrades to feeders, transformers, and/or substations)

7. Require electric utilities to invest in grid upgrades for anticipated EV loads

- a. Recommendation by Elizabeth Bunn
- b. The General Assembly should pass legislation in the 2027 session directing the Public Service Commission to proactively invest in grid upgrades in time to meet reasonably anticipated loads from EVs.

8. Require new data centers to use clean energy and other actions to offset energy use

- a. Recommendation by Garrett Fitzgerald
- b. The General Assembly should pass legislation in the 2027 session to require new large data centers to meet a significant portion of their energy needs through new clean energy and storage and/or other actions to offset that energy use through investments that save energy and create other benefits in Maryland.

9. Refocus the Renewable Portfolio Standard on in-state clean energy generation

- a. Recommendation by Jamie DeMarco
- b. The General Assembly should pass legislation in the 2027 session to enhance Maryland's Renewable Portfolio Standard (RPS) by shifting the program away from generic tier 1 Renewable Energy Credits and focusing the program on the portions of the RPS that have been most successful in building new in-state generation, specifically the in-state solar carve out. Solar has been exploding in Maryland and now generates more electricity every year than coal does in Maryland. By shifting investments away from the generic tier 1 RECs, which are largely being met with Alternative Compliance Payments, towards the in-state solar carve-out, Maryland can generate more electricity quickly at no additional cost to ratepayers.

The following are recommendations by individual MCCC members for the MWG's consideration

10. Support the deployment of advanced wood heating systems

- a. Recommendation by Jamie Raley
- b. State agencies, specifically the Maryland Energy Administration, Dept of Natural Resources, Maryland Dept of the Environment, and Public Service Commission, should collaborate to support programs and incentives promoting the replacement of aging fossil-fuel heating systems with advanced wood heating systems utilizing sustainably sourced woody biomass. Efforts should focus on clarifying the regulatory environment, streamlining permitting, and (where applicable) creating pathways to public, private, or green-bank investment in such projects. State agencies should also support workforce development, fuel supply infrastructure, and public education efforts to ensure that advanced wood heat contributes to Maryland's climate, forest management, and economic development goals.

11. Legalize autonomous EVs

- a. Recommendation by Jennifer Laszlo Mizrahi
- b. The Maryland legislature should make it legal to use autonomous vehicles that are EVs, which would expand access to autonomous electric vehicles (EVs) for people with disabilities and others. Many Marylanders with disabilities rely on fossil fuel paratransit buses that often transport only one passenger, resulting in high emissions and costs. Safety concerns can make taxis and ride-share services unsuitable. Legalizing and supporting accessible autonomous EVs can increase independence, improve mobility, reduce transportation costs, and significantly lower greenhouse gas emissions.

12. End accelerated cost recovery for gas infrastructure investments

- a. Recommendation by David Lapp
- b. The General Assembly should end all forms of accelerated cost recovery for utility gas infrastructure investments to (1) reduce upward pressure on gas utility rates, slowing otherwise predictable rate increases that are helping to drive the energy affordability crisis, especially during the winter months; (2) slow gas system investments, lowering the risk that ratepayers will bear the high costs of long-lived gas infrastructure as gas systems face increasing competition from electric appliances; and (3) align with State climate goals demanding substantial decreases in gas consumption.

13. Develop an action plan for supporting new multifamily building air conditioning requirements

- a. Recommendation by David Smedick
- b. The Maryland Energy Administration, Department of Housing and Community Development, Office of the Attorney General, and any other relevant state or local agencies should develop, and where appropriate implement, an action plan to support the new multifamily building air conditioning requirements resulting from 2026 Senate Bill 12. The action plan should focus on opportunities to support the installation and operation of efficient air source heat pumps that provide cooling and heating services rather than one-way air conditioning equipment. The development of the action plan should consider and identify:
 - i. various heat pump technology solutions (room heat pumps, ductless split systems, centrally ducted systems, and more);
 - ii. strategies to reduce upfront and installation costs such as leveraging existing incentives and government-supported bulk purchases;

- iii. the climate, economic, comfort, and health impact of installing heat pumps in lieu of one-way air conditioners.

c. Additional Context:

- i. This recommendation is related to Commission recommendation MWG 3 from the 2024 MCCC's 2024 Annual Report, but aims to ensure that implementation of new statute aligns with state climate and economic goals where possible. Senate Bill 12 from 2026 is an exciting, critical intervention for multifamily households facing increasing summer temperatures, potentially saving lives. The bill also presents an opportunity to deploy heat pump technology that will save customers energy and provide both cooling and heating services.
- ii. Across states in the mid-atlantic and northeast, swapping one-way air conditioners for heat pumps can save households energy and money and reduce climate pollution (see below). Programs in the northeast are rolling out new window-unit heat pumps, packaged terminal heat pumps, and ductless heat pump systems in multifamily buildings and Maryland can be the next state to lead on this issue to support renters and other multifamily households.
- iii. Recent report on converting one-way central air conditioners to heat pumps in single-family homes to provide additional context is available here:
https://neep.org/sites/default/files/media-files/NEEP_AC2HP%20Strategy_Final_compressed.pdf
- iv. Examples of room heat pump programs, pilots, and investments in New York:
<https://www.governor.ny.gov/news/governor-hochul-announces-175-million-investment-advanced-clean-heating-and-cooling-solutions>
<https://nychanow.nyc/70-million-initial-investment-will-decarbonize-nycha-buildings-with-new-heat-pump-electrification-technologies/>
- v. News article on room heat pump project in Boston:
<https://www.wbur.org/news/2026/02/10/window-heat-pump-gradient-boston-housing-authority-decarbonization>