



April 3, 2022

The Honorable Rob McColley
Chair, Senate Energy and Public Utilities Committee
Senate Building
Columbus, OH 43215

SB 307 – Transportation Electrification Position: Support

Dear Chair McColley:

The Alliance for Automotive Innovation (Auto Innovators) is writing in support of SB 307, which will provide crucial incentives for the manufacturers and citizens that call Ohio home. Auto Innovators represents automakers producing nearly 99 percent of cars and light trucks sold in the U.S., original equipment suppliers, as well as technology and other automotive-related companies.

Our industry's footprint in Ohio is significant. Collectively, our members have invested billions of dollars in the state, employ tens of thousands of Ohioans at numerous facilities, create billions in annual wages and salary, and account for hundreds of millions in annual tax revenue for the state. These investments have made Ohio one of the top auto producing states.

Advancing the market for electric vehicles (EVs) requires states and automakers to work together with the spirit that **“More is Better”** to develop policies that will encourage electric EV adoption. That is why we support policies like those in SB 307, and we applaud the sponsor's efforts to support the industry's shift to electrification.

Industry Commitment to EVs

There are over 70 models of plug-in hybrid (PHEV), fully electric (BEV), and fuel cell electric vehicles (FCEV) available now to consumers — and more are on the way. Automakers are providing our customers with record-breaking choice in energy-efficient models, while also providing even safer, more environmentally friendly, affordable vehicles. The automotive industry is investing more than \$330 billion by 2025 in its commitment to vehicle electrification. EVs are an important part of our mission, both in the U.S. and around the world. The auto industry has shown its commitment to EVs, but supportive state policies, like those in SB 307, are critical to increasing EV deployment.

Ohio's EV Market

In 2021, roughly 4 percent of all light-duty vehicles sold nationwide were EVs. In Ohio, EV sales accounted for only 1.9% of new vehicle sales in 2021. Clearly, more work needs to be done in Ohio to support the shift to electrification. For 2021, the following states had the highest

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number of EV sales: California (13 percent); the District of Columbia (10.9 percent); Washington (7.7 percent); Hawaii (7.7 percent); Oregon (7.6 percent); and Colorado (6.2 percent). Consumer focused incentives in these states have played a critical role in achieving these robust sales figures.

Supporting EVs Supports Ohio's Economy

Development of electric vehicles (EVs) is one of the most exciting innovations, and manufacturers and dealers alike are investing heavily in this new technology. The supportive policies continued in SB 307 will provide support to Ohio residents, dealers and manufacturers and will encourage additional private sector investment in EV infrastructure and both the supply chain and manufacturing capacity to ensure that the U.S. remains a leader in the transition to EVs.

Even still, purchase incentives are just one of the support measures needed for a successful shift to a net zero-carbon transportation future. Infrastructure (both electric charging and hydrogen), low charging/hydrogen refueling prices, critical mineral and battery supply chains, manufacturing incentives, workforce training, and consumer education and awareness are also critically important.

SB 307 Supports Ohio Consumers

Purchase incentives can be a persuasive and effective way to address vehicle affordability and interest customers in purchasing an EV. Coupled with federal incentives, state-based incentives continue to play an important and necessary role in EV adoption. EVs continue to cost substantially more than a comparable gasoline-fueled vehicle, and so the compounded effect of the federal and state incentives are necessary to equalize purchase costs. Additional rebates provided for low- and moderate-income communities are also being used in numerous states to reduce the costs of purchasing an EV.

We believe that Ohio can be an electrification leader – and to do so, it must make real and necessary investments in both EV incentives and EV infrastructure. We look forward to working with you on these and other initiatives necessary for a growing, robust, and sustainable EV market.

Thank you in advance for your consideration of our views. For more information, please contact me at jfisher@autosinnovate.org.

Sincerely,



Josh Fisher
Director, State Affairs
Alliance for Automotive Innovation