

November 16, 2020

Rep. Doug Green, Chair Transportation and Public Safety Committee Ohio House of Representatives

## RE: <u>November 17 Hearing; House Bill 546 & House Bill 202</u>

Dear Chair Green and Members of the House Transportation and Public Safety Committee,

The Sierra Club Ohio Chapter supports House Bill 546, which would reduce the excessive motor vehicle registration fees that were adopted in 2019 for plug-in electric motor vehicles and hybrid electric vehicles.

We also support House Bill 202, which would help guide Ohio's impending transition to zero-emission vehicles.

The additional motor vehicle registration fees that were adopted in 2019 for plug-in electric motor vehicles and hybrid vehicles were pegged at \$200 and \$100, respectively. These "user fees" were intended to match what the average internal combustion engine vehicle owner would pay in gasoline taxes each year. Upon review, it is clear that the established fee amounts are disproportionate and punitive to EV owners.

We have noted previously that the numbers do not line up, and an article in the February 2020 edition of *Consumer Reports* projected that EV owners in Ohio would end up paying 36 percent more in fees than their ICE-driving counterparts would pay in gasoline taxes this year. See <u>https://www.consumerreports.org/hybrids-evs/which-states-have-the-highest-fees-for-electric-vehicles/</u>.

On top of that baked-in bias, gas tax revenues are likely to be lower in 2020 than was projected last year. Earlier this year, the Ohio Department of Transportation reported that traffic activity was down compared to 2019, and we are unlikely to see that trend reversed in the latter half of 2020. See <a href="https://www.cincinnati.com/story/news/local/hamiltoncounty/2020/04/03/fewer-drivers-southwest-ohio-roads-you-bet-statics-reveal-changes/2939853001/">https://www.cincinnati.com/story/news/local/hamiltoncounty/2020/04/03/fewer-drivers-southwest-ohio-roads-you-bet-statics-reveal-changes/2939853001/</a>. And the price of a gallon of gasoline in Ohio has fallen from approximately \$2.59 in November 2019 to \$1.97 at the same time this year. See <a href="https://gasprices.aaa.com/?state=OH">https://gasprices.aaa.com/?state=OH</a>. These factors will conspire to ensure that EV and hybrid owners who pay a fixed annual registration fee will almost certainly be paying even more than the aforementioned 36 percent premium.

Ohio should be promoting the use, ownership and manufacturing of next generation vehicles, rather than setting up artificial and inequitable roadblocks to their widespread adoption. These low and zero-emission vehicles will not only provide environmental and public health benefits to all Ohioans, when they replace dirtier ICE vehicles, but they will also be engines of economic development in areas like Lordstown and elsewhere.

House Bill 202 would help to encourage this transition by providing needed planning and operational support to decision-makers at both the state and local levels. Planning for the construction of future EV infrastructure will

## Sierra Club re HB 202 & HB 546, November 2020 Page 2 of 2

benefit from the perspective of a top-down statewide network. Sierra Club is interested in participating in the work of an EV infrastructure committee.

Please support both House Bill 546 and House Bill 202, and help grow our sustainable economy.

I apologize for not being able to testify in person, and thank you for your time and consideration.

Sincerely,

Nathan Alley Conservation Program Coordinator