

November 16, 2020

The Honorable Doug Green
Chair, Transportation and Public Safety Committee
1 Capitol Square
Columbus, Ohio 43215

HB 546: Alter definitions-hybrid/plug-in vehicles/halve registration fee
Position: Support

Dear Chair Green:

The Alliance for Automotive Innovation¹ (Auto Innovators) is writing in **support of HB 546** which reduces registration fees for electric vehicles. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents the manufacturers producing nearly 99 percent of cars and light trucks sold in the U.S.

Automakers have made enormous investments to promote electric vehicle technologies, spending tens of billions of dollars on research and development, assembly plant modifications, production and promotion of plug-in hybrid electric vehicles (PHEVs), battery electric vehicles (BEVs), and fuel cell electric vehicles (FCEVs).

Electric Vehicles Should Be Supported

Auto Innovators and our members support the long-term goal of reducing greenhouse gas emissions and are pushing innovative ways to protect the environment and lessen the nation's reliance on fossil fuels. Increasing consumer adoption of electric-drive vehicles should also be a priority of your state, because of their positive economic and environmental impacts. When additional taxes and fees are levied on vehicles, they hinder innovation, sales, and manufacturing.

¹ Formed in 2020, the Alliance for Automotive Innovation is the singular, authoritative and respected voice of the automotive industry. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents the manufacturers producing nearly 99 percent of cars and light trucks sold in the U.S. The organization, a combination of the Association of Global Automakers and the Alliance of Automobile Manufacturers, is directly involved in regulatory and policy matters impacting the light-duty vehicle market across the country. Members include motor vehicle manufacturers, original equipment suppliers, technology and other automotive-related companies and trade associations. The Alliance for Automotive Innovation is headquartered in Washington, DC, with offices in Detroit, MI and Sacramento, CA. For more information, visit our website <http://www.autosinnovate.org>.

Although we understand the state's need to increase revenues, the funds raised by the imposition of these fees on vehicle registrations will be minimal in meeting that end. In 2019, electric vehicle sales in Ohio were only .8% of all new vehicles sold. Moreover, hybrid and plug-in hybrid electric vehicles already support the state's funding, because they are fueled by gasoline, which is subject to gas taxes; these vehicles should not be subject to additional fees when they are already paying their fair share. We also recommend a separate definition for hybrids and plug-in hybrid vehicles.

High registration fees or additional taxes on electric vehicles create a chilling effect on consumer purchases. Given that the market for these vehicles is still developing, now is the time to remove barriers to their purchase. It is through investments in infrastructure, incentivization and consumer education that we see increased sales and production of electric vehicles.

Thank you for your consideration of Auto Innovators' request. Please do not hesitate to contact me at jfisher@autosinnovate.org or 202-326-5562, should I be able to provide any additional information.

Sincerely,

A handwritten signature in black ink that reads "Josh Fisher".

Josh Fisher
Director, State Affairs
Alliance for Automotive Innovation