



House Bill 546
Proponent Testimony
House Transportation and Public Safety Committee
November 17, 2020

Thank you, members of the Committee, for the opportunity to express my support for House Bill 546.

As an Ohio-based small business, Sway Mobility provides electric vehicles to non-profits, rural communities, and other Ohio businesses for shared mobility programs. We also sell and operate electric vehicle charging stations. Users of our vehicles are often driving an EV for the first time, and these trips are taking them to the grocery store, medical appointments, and job interviews.

The EVs that we use are currently subject to the \$200 EV registration fee. However, we acquired two new EVs in 2020 and have paid \$400 for each one because the legislation did not prorate the fee based on the timing difference between the acquisition date and our renewal date.

The vehicles will travel about 2,500 miles in 2020 (use is mostly for short trips and errands). If we use the national fuel efficiency average of approximately 25 miles per gallon as an equivalent, that would equal 100 gallons of gasoline. At the current rate of \$0.385 per gallon in state taxes, that means we would have paid \$38.50 in total tax for 2,500 miles. In reality, we are paying \$800 for those 2,500 miles, or \$8 per gallon equivalent.

So while we support House Bill 546, as it would lower our per gallon equivalent cost to \$2 (at \$100 per EV), that is still over five times what an internal combustion car pays. This isn't taking into account the costs of the echeck program (over \$9 million in 2019), which is provided at no-cost to the vehicle owners, effectively subsidizing internal combustion vehicles while the registration fee penalizes no-emission EVs (we purchase renewable energy credits for all electricity consumed by the vehicles, resulting in no direct or indirect operating emissions).

The penalty is compounded by being collected in a lump sum, which provides a further disincentive for low and moderate income drivers to purchase an EV. Contrary to popular belief, a used EV is arguably the best economic choice for a low or moderate income driver, with resale values of most EVs relatively low (often less than \$7,000 for a first generation Nissan LEAF). With the added benefit of operating costs of about one-third of gasoline cars and very little maintenance, EVs are the smart choice for Ohioans.

Michael Peters
Chief Executive Officer