



OEC [Action Fund]

**Proponent Testimony - Ohio House Bill 346 (Weinstein, Miller)
Nolan Rutschilling, Managing Director of Energy Policy
December 12, 2022**

Chair Baldrige, Vice Chair McClain, Ranking Member Sheehy and members of the House Transportation and Public Safety Committee, my name is Nolan Rutschilling and I am the Managing Director of Energy Policy for the Ohio Environmental Council (OEC) Action Fund. Our organization works to secure healthy air, land and water for all who call Ohio home. Thank you for the opportunity to provide proponent testimony for Ohio House Bill 346.

I'm here today to support substitute HB 346, common-sense legislation that addresses a barrier to Electric Vehicle adoption: burdensome registration fees for owners of hybrid and plug-in hybrid vehicles.

Because Ohio's transportation infrastructure is heavily funded through the gas tax, an annual registration fee was passed as part of the 2019 transportation budget to ensure that electric vehicle (EV), plug-in hybrid vehicle (PHEV), and hybrid electric vehicle (HEV) owners pay their fair share for upkeep of our transportation infrastructure. The OEC Action Fund agrees with this premise, and is not advocating to completely remove the fee, but to reduce the fee to better reflect driving habits and be more in line with surrounding states.

The current \$200 annual fee on EVs and plug-in hybrid vehicles, and \$100 annual fee on all hybrid vehicles send the wrong signals to the auto industry and consumers. In the last year, we've seen major investments investment in Electric Vehicle manufacturing in Ohio, including:

- \$3.5B for Honda LG Battery plant in Fayette County (2,200 new jobs)¹
- \$760M for GM EV propulsion units in Toledo ²
- \$1.5B for Ford EV manufacturing in Lorain County (1800 new jobs)³

¹ <https://www.utilitydive.com/news/honda-announces-ohio-battery-plant/633976/>

²

<https://investor.gm.com/news-releases/news-release-details/gm-investing-760-million-toledo-ohio-propulsion-plant-ev-drive>

³

<https://www.cleveland.com/business/2022/06/ford-to-build-electric-vehicle-at-ohio-assembly-plant-in-lorain-county-invest-15-billion-in-plant.html>

- \$915M for manufacturing of materials in lithium-ion batteries in Shelby County (1,199 jobs)⁴

These good paying jobs are real, and there are major opportunities to grow and diversify our clean energy economy. Ohio is poised to be a national leader in electric vehicle production. So why would we want to punish consumers for buying these efficient, practical vehicles that protect our environment and health? Additional fees for hybrid and plug-in hybrids, which already pay fuel taxes because they still use gas, punish Ohioans for purchasing vehicles that typically save them money. In a time of rising energy costs and fluctuating fuel prices, the Ohio legislature should not pick winners and losers, or punish Ohioans who want to save on fuel costs while reducing harmful emissions.

This proposed legislation reduces costs for plug-in hybrid vehicles and eliminates the extra fee for standard hybrids, removing a costly barrier to adopting more efficient, affordable vehicles that save folks money while improving air quality. EVs and hybrids play an important role in reducing air pollution. A report published by the American Lung Association ⁵ in March 2022 found that a widespread transition to vehicles, coupled with a transition to clean, renewable electricity, would yield tremendous air quality, public health and climate benefits across the United States. The report asserts that by switching to zero-emission passenger vehicles (by 2035) and zero-emission medium- and heavy-duty trucks (by 2040), the US would see over \$1.2 trillion in public health benefits, including:

- \$735 billion in public health benefits due to cleaner air
- 66,800 fewer premature deaths
- 1.75 million fewer asthma attacks
- 8.5 million fewer lost workdays

It is critical that we ensure these public health benefits are available to Ohioans by reducing barriers to purchase.

The OEC Action Fund believes we should all pay our fair share for Ohio's road infrastructure, and this legislation would ensure EV and hybrid owners aren't paying an artificially and unfairly high amount while still contributing to Ohio's infrastructure. We look forward to working with you on supporting Ohio vehicle owners and the growing clean transportation and clean energy industry.

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<https://www.daytondailynews.com/local/just-in-company-chooses-sidney-to-build-giant-plant-bringing-nearly-1200-new-jobs/SZL7J7K2BRG7RIZXYHBQPP42TI/>

⁵ <https://www.lung.org/getmedia/e1ff935b-a935-4f49-91e5-151f1e643124/zero-emission-truck-report>