



Plug In America  
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May 26, 2020

RE: Policies to Accelerate the Electric Vehicle Industry, Protect Public Health and Save Consumers Money

Dear Members of 116<sup>th</sup> Congress:

On behalf of the more than 1.5 million plug-in electric vehicle (PEV) drivers we represent, Plug In America would like to thank you for your leadership in these challenging times. The pandemic we are currently experiencing highlights all the more the need to support and pass legislation that supports our public health. **Shifting to a transportation future that is clean and electric will significantly improve the health of every American in the nation, as electric vehicles have no tailpipe pollution**, which has been directly linked to asthma, heart disease, and a range of other health issues that put Americans at higher risk for contracting diseases such as COVID-19.

Plug In America is the nation's leading independent consumer voice for accelerating the use of PEVs in the United States to consumers, policymakers, auto manufacturers and others. Formed as a non-profit in 2008, Plug In America provides practical, objective information collected from our coalition of plug-in vehicle drivers through public outreach and education, policy work and a range of technical advisory services. Our expertise represents the world's deepest pool of experience of driving and living with plug-in vehicles.<sup>1</sup>

Recent studies confirm that air pollution can be linked to increased respiratory and heart issues; for example, the Harvard T.H. Chan School of Public Health study showed that small increases in long-term particulate matter exposure are associated with large increases in the COVID-19 death rate.<sup>2</sup> In terms of the quality of our air Americans breathe, the American Lung Association "[State of the Air 2020](#)" report, released April 21, 2020, grades and ranks every county and city based on ozone and particle pollution monitoring data. This year, the study found that nearly five in ten people—150 million Americans or approximately 45.8 percent of the population—live in counties with unhealthy ozone or particle pollution, an increase from the past three reports.

Pollution from vehicle tailpipes is the single largest contributor to this air pollution.<sup>3</sup> Plug In America urges policymakers to take bold steps forward and adopt strong policies that accelerate the transition to an electrified transportation future. Not only will an accelerated transition to an electric transportation future promote public health, but PEVs also save consumers money. In this time of economic recovery, all Americans could use additional dollars in their pockets, dollars that can also be invested back into

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<sup>1</sup> More information available at: [www.pluginamerica.org](http://www.pluginamerica.org)

<sup>2</sup> <https://www.hsph.harvard.edu/news/hsph-in-the-news/air-pollution-linked-with-higher-covid-19-death-rates/>

<sup>3</sup> See more at <https://www.who.int/sustainable-development/transport/health-risks/air-pollution/en/>;  
<https://www.ucsusa.org/resources/cars-trucks-buses-and-air-pollution>



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local economies. On average, PEVs save consumers about \$770 a year in fuel costs.<sup>4</sup> Combined with the low maintenance costs, PEVs save consumers far more money than gas vehicles.<sup>5</sup>

The transition to an electric transportation sector keeps America competitive with the global auto market, which is moving aggressively towards full electrification. Despite what naysayers might try to interpret from the impact of COVID-19 on PEV sales, automakers have invested billions of dollars into this sector and remain committed to an electric transportation future.<sup>6</sup> Supporting the right policies that accelerate the transition to this sector will create thousands of jobs in the technology and innovation sectors as well.

PEVs have always been a bipartisan issue. Recent polling shows that 70% of Republicans and 84% of Democrats have a positive or very positive view of PEVs.<sup>7</sup> Therefore, as the voice of the EV consumer, Plug In America urges that the following policies be adopted in any infrastructure stimulus package to get our nation back on track:

1. **Promote clean air and encourage adoption of PEVs among consumers:**
  - a. Pass [HR 2256/S 1094](#), the Driving America Forward Act, which brings PEVs to price parity with gas vehicles and gives Americans the choice of which PEV to drive.
  - b. Pass [HR 5161](#), the Affordable PEVs for Working Families Act of 2019, which creates a new credit for buyers of used PEVs, providing more options to consumers who are low-income.
  - c. Pass a “Cash for Clunkers” style program, similar to the Clean Cars for America Act, to encourage drivers to retire their dirty polluting gas cars and instead reward them with an incentive to purchase a clean PEV.
  - d. Ensure that no punitive fees are placed on PEV drivers.
2. **Create shovel-ready jobs by accelerating PEV infrastructure policies:**
  - a. Extend the [Section 30C Alternative Fuel Vehicle Refueling Property Credit](#) out to 2025 and create thousands of jobs.
  - b. Pass [HR 2616 /S674](#), the Clean Corridors Act of 2019, which creates a grant program through the Department of Transportation to award grants to certain government entities and planning organizations to install PEV infrastructure along designated fuel

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<sup>4</sup> <https://www.ucsusa.org/resources/going-pump-plug>

<sup>5</sup> <https://www.energy.gov/eere/electricvehicles/saving-fuel-and-vehicle-costs>

<sup>6</sup> For example, recent investment and jobs announcements include: Volvo to build Charleston-area battery plant to power SC-made vehicles [https://www.postandcourier.com/business/volvo-to-build-charleston-area-battery-plant-to-power-sc/article\\_c44113a4-33cd-11ea-a049-5f0cafb689af.html](https://www.postandcourier.com/business/volvo-to-build-charleston-area-battery-plant-to-power-sc/article_c44113a4-33cd-11ea-a049-5f0cafb689af.html); GM investing \$3 billion to produce all-electric trucks <https://www.cnbc.com/2020/01/27/gm-investing-3-billion-to-produce-all-electric-trucks.html>; Rivian invests \$29.4 million in Normal facility [https://www.pantagraph.com/news/local/rivian-invests-million-in-normal-facility/article\\_cd4f0392-e955-5f1d-86c2-ed2d0f24b086.html](https://www.pantagraph.com/news/local/rivian-invests-million-in-normal-facility/article_cd4f0392-e955-5f1d-86c2-ed2d0f24b086.html); Volkswagen invests at least \$800 million in Chattanooga to build EVs <https://www.timesfreepress.com/news/business/story/2019/oct/19/chattanooga-volkswagen-electric-vehicles/506026/>; GM partnered with LG Chem in a \$2.3 billion joint venture to manufacture batteries for PEVs <https://www.cnbc.com/2019/12/07/gm-lg-venture-adds-to-multibillion-dollar-partnerships-on-evs-avs.html>

<sup>7</sup> <https://climatenexus.org/wp-content/uploads/2015/09/EV-Poll-Results.pdf>



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corridors, leading to job opportunities for road workers, electricians, utilities and also meeting the needs of PEV drivers with adequate highway charging.

3. **Lead by example in the transition to transportation electrification:**
  - a. Pass [HR 5545](#), the New Opportunities to Expand Healthy Air Using Sustainable Transportation Act of 2020, which would establish minimum targets for the acquisition of new vehicles to federal fleets to be PEVS.
  - b. Install charging infrastructure in the parking lots for House and Senate Members and staff as a part of an updated “Green the Capitol” Initiative and align the Capitol’s complex with the District of Columbia’s transportation electrification goals.
4. **Promote clean air through converting dirty buses to clean electric buses:**
  - a. Pass [S 3373](#), the Low or No Emission Bus Access Act of 2020, which would extend funding at \$165M annually for FY2021-2025 for this competitive grant program for the purchase of electric transit buses and supporting infrastructure.
5. **Prepare for an electric transportation future and create new jobs in battery recycling:**
  - a. Pass [S 3356](#), the Battery and Critical Mineral Recycling Act of 2020, to lead the global effort on recycling batteries from PEVs and bring jobs back to the U.S. in this sector.
6. **Encourage American manufacturing and competitiveness with the global PEV industry.**
  - a. Pass [HR 5860](#), the Advanced Technology Vehicle Manufacturing Program Reform Act (ATVM), which would modify the loan program to cover all types of zero-emission vehicles manufacturing and reform the loan application process to boost PEV manufacturing in the U.S.

We look forward to working with you on all matters related to PEVs and transportation policy and are available to answer any questions you may have. Please see the appendix for further policy descriptions. Any questions can be sent to Katherine Stainken, Policy Director, at [kstainken@pluginamerica.org](mailto:kstainken@pluginamerica.org).

Best regards,

A handwritten signature in blue ink that reads "Joel Levin".

Joel Levin  
Executive Director  
Plug In America



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## Appendix

1. **Promote clean air and encourage adoption of PEVs among consumers:**
  - a. Pass [HR 2256/S 1094](#), the Driving America Forward Act, which brings PEVs to price parity with gas vehicles and gives Americans the choice of which PEV to drive.
    - i. One of the key policies that is helping to move the PEV market from the early adopter stage to the mass market stage is the federal tax credit for PEVs. The Driving America Forward Act provides each vehicle manufacturer with an additional 400,000 credits, and reduces the maximum credit amount allowed to \$7,000. These changes have the support of the entire auto industry, and allow consumers to purchase the PEV of choice as PEVs reach price parity with gas vehicles. However, the Driving America Forward Act should be modified to allow for the consumer to apply the tax credit over a 5-year period, or the ability to convert the tax credit into a grant – similar to the Section 1603 Treasury Grant Program under the American Recovery and Reinvestment Act.
  - b. Pass [HR 5161](#), the Affordable PEVs for Working Families Act of 2019, which creates a new credit for buyers of used PEVs, providing more options to consumers who are low-income.
    - i. Low-income consumers are generally disproportionately affected by air pollution, as they live near busy roads and freeways, increasing their exposure to higher levels of air pollutants that cause higher rates of asthma, cancer, and leading to higher health costs. These consumers typically purchase used cars due to the lower purchase price. As the price of PEVs come down, these low-income consumers also need to be encouraged and incentivized to make the switch to driving electric. This bill offers a base credit of \$1,250 for the purchase of qualifying used PEVs, with additional incentives for battery capacity capped at a maximum \$2,500 credit and capped at 30% of the sale price. The used PEV must not exceed a sale price of \$25,000, and must be a model year that is at least two years earlier than the date of sale. Buyers with up to \$30,000 (\$60,000 for married couples filing jointly) in adjusted gross income can claim the full amount of the credit. Then, the credit phases out so that buyers with below \$40,000 (\$70,000 for married couples) in adjusted gross income can claim a partial credit.
  - c. Pass a “Cash for Clunkers” style program, similar to the Clean Cars for America Act, to encourage drivers to retire their dirty polluting gas cars and instead reward them with an incentive to purchase a clean PEV.
    - i. A “cash for clunkers” style program is nothing new – many states have supported vehicle trade-in programs. The Clean Cars for America Act would not only help consumers, but could be modified to help dealers as well. The Clean Cars for America Act allows consumers to receive a point-of-sale rebate starting at \$3,000, and ramping up based on the battery range in return for trading in a



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dirty gas vehicle. Low-income consumers with incomes less than or equal to 200 percent of the federal poverty would receive an additional \$2000 rebate for new vehicles, or a 20% rebate to purchase clean, used vehicles. The Clean Cars for America Act calls for an additional incentive of \$500 for vehicles with 50% domestic content and a U.S. manufactured battery. Plug In America recommends that there be an incentive added in this program for the dealer, in the range of \$100-200 per PEV sold. This is similar to current dealer incentive programs to sell PEVs in CA, MO and NJ.<sup>8</sup> Dealers have been impacted severely by the COVID-19 pandemic and need incentive to sell PEVs as they take longer to sell because customers have more questions about the vehicles – and in auto sales at dealerships, where pay is largely commission based, the time it takes to sell a vehicle matters immensely.

- d. Ensure that no punitive fees are placed on PEV drivers.
    - i. Some states have recently imposed punitive registration fees on PEV drivers, at a level above and beyond what a comparable gas-efficient driver would be required to pay. While PEV drivers should pay their fair share for using the roads, any registration fee should not be punitive to the point of disincentivizing the purchase of a PEV or negating any fuel cost savings. In addition, the states that have imposed these fees have mistakenly looked to PEVs to make up for the shortfall in transportation funding from gas tax revenue, when the funding shortfall actually comes from all vehicles on the road becoming more fuel efficient and the fact that the gas tax has not been indexed to inflation for more than two decades. In addition, PEV drivers also pay electricity taxes and usually a higher sales tax to the state and local governments.
2. **Create shovel-ready jobs by accelerating PEV infrastructure policies:**
- a. Extend the [Section 30C Alternative Fuel Vehicle Refueling Property Credit](#) out to 2025 and create thousands of jobs.
    - i. The alternative fuel vehicle refueling property credit was recently extended out to December 31, 2020 and retroactively extended two years. The credit allows for any charging equipment to receive a tax credit up to 30% of the cost of the property, not to exceed \$30,000 for those properties subject to an allowance for depreciation, and \$1,000 for all other properties. This credit should be extended out to 2025, and provide the option for the credit to be converted into a grant, similar to the Section 1603 Treasury Grant Program under the American Recovery and Reinvestment Act. A long-term extension will leverage the ability for public-private partnerships to form, particularly with metropolitan planning

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<sup>8</sup> <https://insideevs.com/features/342033/plugstar-hopes-to-train-dealerships-to-sell-electric-cars/>



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organizations (MPOs) that are planning out investments and strategy years in advance.

- b. Pass [HR 2616 /S674](#), the Clean Corridors Act of 2019, which creates a grant program through the Department of Transportation to award grants to certain government entities and planning organizations to install PEV infrastructure along designated fuel corridors, leading to job opportunities for road workers, electricians, utilities and also meeting the needs of PEV drivers with adequate highway charging.
  - i. One of the major barriers to greater adoption of PEVs is the need for more access to charging infrastructure along highways. PEV drivers need the ability to charge quickly and not be waiting long for a charging station to be available. Direct current fast charging (DCFC) stations are higher upfront investments and generally need financial support. Details on station spacing along the highways (i.e. every 50 miles), charging speed (i.e 50kw or 150kW) and other requirements should be coordinated by the Department of Transportation. A version of this bill is included in the FAST Act reauthorization that passed through the EPW Committee in summer 2019, with a funding allocation of \$1 billion over 10 years. We recommend increasing this funding to \$10 billion.

**3. Lead by example in the transition to transportation electrification:**

- a. Pass [HR 5545](#), the New Opportunities to Expand Healthy Air Using Sustainable Transportation Act of 2020, which would establish minimum targets for the acquisition of new vehicles to federal fleets to be PEVS.
  - i. Section 11 of this bill would amend Section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212) to have the federal government be leading by example in the transition to transportation electrification. Beginning in fiscal year 2025, 100% of the light-duty vehicles acquired by a federal fleet shall be alternative fueled vehicles, of which at least 50% shall be PEVs in years 2025-2034, at least 75% shall be PEVs in years 2035-2049, and 100% shall be zero emission vehicles (ZEVs) in year 2050 and after. The bill also establishes targets for the acquisition of medium and heavy duty vehicles by federal fleets as well.
- b. Install charging infrastructure in the parking lots for House and Senate Members and staff as a part of an updated "Green the Capitol" Initiative and align the Capitol's complex with the District of Columbia's transportation electrification goals.
  - i. In 2007, the Speaker and the Majority Leader directed the Chief Administrative Officer of the House to develop a "Green the Capitol Initiative" that would demonstrate leadership to the nation by providing an environmentally responsible and healthy working environment for employees. The final report should be updated and adopted by both chambers, and include charging



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infrastructure for PEVs for use by Senators, House Representatives and staff.<sup>9</sup> In November 2019, Congressman Neguse introduced the Green Government Resolution, which recommends the Capitol complex align with D.C.'s goal to reach 100% renewable electricity by 2032, and expresses Congress's responsibility to lead by example, following the initiative of communities, cities and states across America.<sup>10</sup> This resolution should be modified to include D.C.'s goals on transportation electrification, at a minimum, as identified by the forthcoming transportation electrification roadmap.<sup>11</sup>

**4. Promote clean air through converting dirty buses to clean electric buses:**

- a. Pass [S 3373](#), the Low or No Emission Bus Access Act of 2020, which would extend funding at \$165M annually for FY2021-2025 for this competitive grant program for the purchase of electric transit buses and supporting infrastructure.
  - i. The Low or No Emission Competitive program, administered by the Federal Transit Administration, provides funding to state and local governmental authorities for the purchase of zero-emission buses as well as acquisition, construction, and leasing of supporting charging infrastructure. Under the FAST Act, \$55 million per year is available until fiscal year 2020.<sup>12</sup> In 2018, 52 projects from 41 states received funding.<sup>13</sup> In 2019, 38 states received funding – all for projects relating to electric buses, electric bus infrastructure and/or training for the workforce on using the buses.<sup>14</sup> This bill clarifies project eligibility and extends funding out to 2025 at \$165M annually. According to a survey of transit agencies with electric buses in their fleet, 77% of respondents were satisfied or very satisfied with their electric buses and 86% of respondents planned to purchase more electric buses.<sup>15</sup>

**5. Prepare for an electric transportation future and create new jobs in battery recycling:**

- a. Pass [S 3356](#), the Battery and Critical Mineral Recycling Act of 2020, to lead the global effort on recycling batteries from PEVs and bring jobs back to the U.S. in this sector.
  - i. While the batteries in PEVs are under warranty by the automaker for typically eight years, the batteries can last anywhere from 15-20 years or longer without losing much capacity to hold a charge, depending on the vehicle is driven and charged. However, it is important to establish the foundation for a strong

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<sup>9</sup> <https://eta-publications.lbl.gov/sites/default/files/lbnl-2605.pdf>

<sup>10</sup> <https://neguse.house.gov/imo/media/doc/Green%20Government%20Resolution%20Text.pdf>

<sup>11</sup> <https://doee.dc.gov/release/notice-funding-availability-district-columbia-transportation-electrification-roadmap>

<sup>12</sup> <https://www.transit.dot.gov/funding/grants/lowno>

<sup>13</sup> <https://www.transit.dot.gov/funding/grants/fiscal-year-2018-low-or-no-emission-low-no-bus-program-projects>

<sup>14</sup> <https://cms7.fta.dot.gov/funding/grants/fiscal-year-2019-low-or-no-emission-low-no-bus-program-projects>

<sup>15</sup> <https://www.nap.edu/read/25061/chapter/7#60>



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battery recycling program now in the U.S. and to create good-paying jobs for Americans. This bill would call for the Department of Energy (DOE) to award multiyear grants to eligible entities for research, development, and demonstration projects to create innovative and practical approaches to increase the reuse and recycling of batteries in PEVs. In addition, the bill would establish a program at the DOE to award competitive grants to states and local government to assist in the establishment or enhancement of state based battery collection, recycling, and reprocessing programs. Finally, the bill would also instruct the Environmental Protection Agency (EPA) to develop best practices for the collection of batteries that may be cost-effectively implemented by states and local governments, and would create a taskforce that would develop an extended battery producer responsibility framework.

**6. Encourage American manufacturing and competitiveness with the global PEV industry.**

- a. Pass [HR 5860](#), the Advanced Technology Vehicle Manufacturing Program Reform Act (ATVM), which would modify the loan program to cover all types of zero-emission vehicles manufacturing and reform the loan application process to boost PEV manufacturing in the U.S.
  - i. The ATVM was created in 2007 to help commercialize domestic manufacturing of the next generation of light-duty vehicles, including PEVs, by leveraging small amounts of upfront funding to provide billions in low cost loans to enable companies to establish or retool facilities to build advanced vehicles or the components that go into them. The ATVM Reform Act would expand the ATVM program to cover all types of zero-emission vehicle manufacturing, including medium- and heavy-duty vehicles. It would also reform the financial viability requirements for loan applicants to track more closely with the DOE's larger Title XVII loan guarantee program. Finally, the ATVM Reform Act would direct the Government Accountability Office (GAO) to conduct a study on the program to determine what other reforms are needed to reduce the barriers in ATVM's approval process.