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Help Drive America Forward

We Urge You to Co-sponsor H.R. 2256 / S. 1094

Transportation is the largest source of carbon pollution, the top driver of climate change. Getting cleaner cars, particularly electric vehicles (EVs), on America's roads is critical if we're serious about reducing air pollution and acting on climate change.

Extending the federal tax credit for electric vehicles will continue to build out the EV market and leverage the benefits of these clean vehicles, including reduced pollution and lower fuel costs for consumers.

What it is:

The **Driving America Forward Act** is bipartisan, bicameral legislation to bolster the federal EV tax credit introduced by Senators Debbie Stabenow (D-MI), Gary Peters (D-MI), Lamar Alexander (R-TN), Susan Collins (R-ME) and Representative Dan Kildee (D-MI-5).

What it does:

Provides consumers with a \$7,000 tax credit when they purchase an electric vehicle (EV), making these cleaner cars more affordable for American families, while helping to create American manufacturing jobs and reduce greenhouse gas emissions.

Currently, each automaker is allotted 200,000 EVs that are eligible for the existing tax credit, and several automakers have already reached their cap.

This bill would expand the existing EV tax credit from 200,000 EVs per automaker to 600,000. For the additional 400,000 EVs each automaker is allotted, the tax credit for consumers is reduced from \$7,500 to \$7,000. Once a company hits its allotment, the credit will be phased out within six months.

This bill also extends the fuel cell EV tax credit for 10 years, which expired at the end of 2018, so all EVs would be incentivized.

Who supports it:

ABB Inc., Advanced Energy Economy, Alliance of Automobile Manufacturers, Alliance to Save Energy, American Lung Association, Association of Global Automakers, BMW of North America, CalStart, Center for Climate and Energy Solutions, CERES, Charge Forward LLC, ChargePoint, ChargeUp Midwest, Clean Fuels Michigan, Consumers Energy, Copper Development Association, DTE, Eaton, Ecology Center, Edison Electric Institute, Electrify America, Electric Auto Association, Electric Drive Transportation Association, Electric Vehicle Charging Association, eMotorWerks, an Enel Group Company, Environmental Defense Fund, Environmental Law and Policy Center, EV Drive Coalition, EVgo, FCA US, Ford Motor Company, FORTH, Fuel Cell and Hydrogen Energy Association, General Motors Company, Greenlots, Honda North America Inc., ITC Holdings Corp., ITS America, League of Conservation Voters, Lyft, Michigan League of Conservation Voters, Motor and Equipment Manufacturers Association, NAFA Fleet Management Association, National Rural Electric Cooperative Association, Natural Resources Defense Council, Nissan North America, Panasonic Corporation of North America, Plug In America, Rivian Automotive, LLC, Securing America's Future Energy, SemaConnect, Siemens Corporation USA, Sierra Club, Silicon Valley Leadership Group, TE Connectivity, Tesla Inc., The Nature Conservancy, Toyota Motor North America, Union of Concerned Scientists, Volkswagen Group of America, and Volta

Why is this important?

Help Working Families

The EV tax credit is already working—sales of EVs increased by more than 80 percent in 2018. But new cutting-edge technologies, including EVs, are most expensive when they are first introduced. The EV tax credit has been successful in making EVs more affordable, and we need to continue the momentum with the Driving America Forward Act.

Today, because of the EV tax credit, there is more competition in the EV marketplace, meaning increased options and lower prices for consumers. Right now, 14 automakers have 33 different types of EV models on the market, and prices have become more affordable for working class families. For example, a new Chevrolet Bolt starts at \$36,500. When combined with the tax credit, it falls to less than \$30,000. We need to expand the EV tax credit to continue to lower prices for this new technology.

Reduce Greenhouse Gas Emissions

EVs cost less to drive and emit fewer greenhouse gases. The transportation sector is the largest source of greenhouse gas emissions in the U.S. This bill is the most practical way of beginning to reduce fossil fuels from the transportation sector. No matter where an EV is charged and operated, EVs produce fewer total well-to-wheel emissions than the average gasoline-powered vehicle sold today.

Create American Jobs

According to the U.S. Department of Energy, more than 200,000 Americans currently work in the electric drive industry. The Driving America Forward Act makes further critical investments in this growing industry, which has the potential of creating hundreds of thousands of American jobs.

Increase America's Competitiveness

China and other nations are heavily investing in EV technology, and the U.S. must keep up. In fact, currently, the majority of EVs are sold in China. This bill promotes U.S. investments in EVs so that these vehicles, along with their battery components, are manufactured in the U.S. We do not want America to lose its competitiveness in this growing market.

Save Consumers Money at the Gas Pump

According to the Union of Concerned Scientists, consumers save on average \$770 per year in gasoline costs when owning an EV. Domestically-produced grid electricity, on average, can power plug-in cars at the equivalent of roughly \$1 a gallon of gasoline.

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