



Transportation Bill EV Fee Talking Points

Overall message

- Ohio lawmakers have an opportunity to preserve Ohio's auto industry for future generations in the transportation budget.
- The current fees are among the highest in the country and send a message to auto manufacturers that the state is not open to looking toward the future.
- It's time to create a future where the public and private stakeholders in Ohio work together to ensure our state is continuing to innovate and encourage advancements in technology.

EV fee discourages adoption

- The current EV fee is disproportionate and beyond what owners will pay with a gas tax.
- Ohio gas taxes are based on the amount of fuel consumed times the tax per gallon. Comparable gas-powered vehicles pay between \$85 to \$100 per year.
- *Compared with the pay-as-you-drive gas tax, these up-front fees are regressive and hit seniors and moderate-income consumers especially hard.*
- While it's important for EV owners to pay their fair share, the current structure is creating a road block to innovation and job growth.
 - Electric vehicle (EV) drivers pay almost twice as much tax as owners of gas-powered vehicles. Then they are hit again with utility taxes for the electricity they use.
 - Plug-in hybrid vehicle (PHEV) are triple taxed, since they already pay gas taxes plus utility taxes on top of the fee.
 - Hybrid electric vehicle (HEV) drivers already pay gas taxes, in some cases more per mile than conventional vehicles, then are punished with the HEV fee on top of that.
- Studies in other states show up-front fees of \$100 or more could slow the adoption of electric vehicles by as much as 20% over the first few years.
- Georgia has experienced an actual decline in EV registrations following the imposition of its \$200 up-front fee.

EV Innovation and Jobs

- Ohio's current EV fee signals the state's unfriendliness to trends in the auto sector. Automakers are investing \$300 billion in EVs over the next decade and pay close attention to these signals when making decisions about their facilities and jobs.
- EV ownership is rapidly increasing in the U.S. and globally. Auto and related supply chain manufacturing jobs will be tied to EV growth.
- Ohio's automotive sector currently employs over [108,000 people](#).
- In 2018, the number of people employed in the EV sector increased by nearly 17% to 16,646 Ohioans.

- Ohio EV sales grew by 28% from 2016 to 2017, and 113% from 2017 to 2018.
- Ohio's direct competitors for auto jobs charge lower annual fees.
 - Ohio: \$200 for all-electric vehicles, \$200 for plug-in hybrids (PHEV) and \$100 for internal combustion hybrids
 - Michigan: \$135 for EVs and \$47.50 for PHEVs.
 - Indiana: \$150 on battery electric vehicles (BEV), \$50 on PHEVs and non-plug-in hybrids
 - Iowa: \$65 for BEVs, \$32 for PHEVs in 2020; in 2021, increases to \$97 for BEVs, \$48.75 for PHEVs; in 2022, increases to \$130 for BEVs, \$65 for PHEVs; nothing for non-plug-in hybrids
 - Colorado: \$50 on BEVs and PHEVs, nothing for non-plug-in hybrids
 - California is aggressively adding auto jobs and levies a \$100 fee on EVs and [no fee on PHEVs or HEVs](#).

EV Ohio Road Funding

- Revenue from EV fees represents less than one percent of the Ohio road fund revenue.
- Today, there are less than [20,000 registered EVs](#) and PHEVs in Ohio – about 0.22% of all registered passenger vehicles.
- The existing EV and PHEV fees will produce only about \$3 million per year, and less if registrations take a hit.