

April 25, 2025

The Honorable Mike Johnson Speaker of the House The Capitol Washington, D.C. 20515 The Honorable Hakeem Jeffries House Minority Leader The Capitol Washington, D.C. 20515

Re: Congressional Repeal of U.S. Gas Vehicle Bans

Dear Speaker Johnson and Minority Leader Jeffries:

Alliance for Automotive Innovation urges the House to repeal the Environmental Protection Agency rule permitting California and affiliated states to *ban* the sale of new gas vehicles – and *mandate* 100 percent electric vehicle sales by 2035.

Congress can prevent these harmful gas vehicle bans required by <u>California's Advanced Clean Cars II</u> program – and adopted by Oregon, Washington, New York, Massachusetts, Vermont, New Jersey, Rhode Island, Maryland, Colorado, Delaware and New Mexico – from going into effect in some states *this year*.

Allowing these gas vehicle bans (something never attempted before in the United States) to proceed will increase automobile prices and reduce vehicle choices for consumers across the country at precisely the same time they are adjusting to the marketplace shock of 25 percent tariffs on imported vehicles and auto parts.

In turn, this will increase the overall age of the U.S. vehicle fleet and keep higher emitting/less fuel-efficient vehicles – that lack the latest safety innovations – on the roads for more years.

In a <u>letter</u> to the House Energy & Commerce Committee in February, automakers wrote:

It will take a miracle for most states following the California program to meet these electric vehicle sales requirements: 35 percent electric vehicles sales in model year 2026 – this year for automakers – 43 percent in 2027, 51 percent in 2028, 82 percent in 2032 and 100 percent in 2035.

These states not only lack charging infrastructure but sufficient customers. In 2024, electric vehicles represented just 10 percent of <u>new light-duty vehicle sales</u> – highlighting the significant gap between the California EV sales mandate and market readiness.

If automakers cannot sell the required number of electric vehicles in 'California' states, they will be forced to substantially reduce the number of overall vehicles for sale to inflate their proportion of electric vehicles sales.

We've said these electric vehicle mandates will distort the marketplace, depress economic activity, drive up vehicle prices and decimate customer choice.

And we said this *before* the imposition of 25 percent automobile and parts tariffs that will surely exacerbate the volatile automotive market by increasing the cost of new and used vehicles for American consumers.

Time is of the essence. In a matter of months, automakers may be forced by the regulations to start adjusting shipments of vehicles to dealers across the country to comply with the mandates – including major states like New York and New Jersey with gas vehicle bans.

Now is clearly not the time to impose an additional government required shock on American car buyers by allowing a ban on gas vehicles and forcing consumers to purchase a particular type of vehicle.

A vote to revoke EPA's ACC II electric vehicle mandate waiver (and only that waiver) does not challenge California's authority to set or regulate vehicle emissions. Rather, this is a targeted action by the House to avoid automotive marketplace distortion and prevent the inevitable jobs and manufacturing fallout stemming from unachievable regulations.

Most importantly, a repeal vote will restore a degree of balance to vehicle emissions regulations in the U.S., support a healthy and competitive auto industry in America – and ensure customers remain free to choose the type of vehicle that works for them and their family.

Sincerely,

John Bozzella
President and CEO

Alliance for Automotive Innovation

Encl: Alliance for Automotive Innovation <u>letter</u> to House Committee on Energy & Commerce (February 20, 2025)

Alliance for Automotive Innovation memo It's gonna take a miracle: California and states with EV sales requirements