

## GM Testimony on House Bill 1464

Chairman Bell and members of the Finance and Taxation committee. Good morning, my name is Don Larson, and I am testifying today on behalf of General Motors in opposition to the electric vehicle fee increase that is included in House Bill 1464.

Last session the legislature passed Senate Bill 2061 which for the first time implemented a road usage fee for electric vehicles, plug-in hybrids and electric motorcycles. With passage of SB 2061, in addition to regular registration fees, a fully electric vehicle pays \$120 per year, a plug-in hybrid vehicle pays \$50 dollars. Because General Motors does not manufacture electric motorcycles, I will not be commenting on that portion of the bill.

The bill in front of you today would nearly double the fee for fully electric vehicles and double the fee for plug-in hybrids. The bill in its original form only included a gas tax increase, and these fees were added after the public hearing, so were not given the opportunity to testify on these additions on the House side.

The fees implemented through the 2019 legislation were based off of the Federal Highway Administration's calculation that the average vehicle in North Dakota travels 12,867 miles per year and that the average fuel economy for all vehicles is 24.9 miles per gallon. Assuming the legislature passes a three cent per gallon increase, the equivalent increase in road use fees for an electric vehicle would be approximately \$15.51, not the \$80 as proposed in this legislation.

Section 4 of this bill includes a study of the impact of electric vehicles on transportation funding and directs that the study must review the taxes and fees imposed on electric vehicles in other states. We feel that if the legislature wishes to add additional road usage fees on electric vehicles in our state, we should go through the interim study and bring a proposal to the next legislative session for consideration.

I have attached a chart of the fees assessed in other states on electric vehicles. As you can see, the increase as proposed in this bill would make North Dakota the tied for second highest in the nation behind only Washington state. Of our neighboring states, only Minnesota imposes an additional road use fee for electric vehicles and their fee is \$75 dollars. No surrounding states have road use fees for plug-in hybrids.

Chairman Bell and members of the committee, thank you for your time and consideration.

State	BEV Fee	PHEV Fee
Alabama	\$200	\$100
Alaska	\$0	\$0
Arizona	\$0	\$0
Arkansas	\$200	\$100
California	\$100	\$0
Colorado	\$50	\$50
Connecticut	\$19	\$19
Delaware	\$0	\$0
DC	\$0	\$0
Florida	\$0	\$0
Georgia	\$200	\$0
Hawaii	\$50	\$0
Idaho	\$140	\$75
Illinois	\$100	\$0
Indiana	\$150	\$50
Iowa	\$65	\$33
Kansas	\$100	\$50
Kentucky	\$0	\$0
Louisiana	\$0	\$0
Maine	\$0	\$0
Maryland	\$0	\$0
Massachusetts	\$0	\$0
Michigan	\$135	\$48
Minnesota	\$75	\$0

Missouri	\$75	\$38
Montana	\$0	\$0
Nebraska	\$75	\$0
Nevada	\$125	\$0
New Hampshire	\$0	\$0
New Jersey	\$0	\$0
New Mexico	\$0	\$0
New York	\$0	\$0
North Carolina	\$130	\$0
North Dakota	\$120	\$50
Ohio	\$200	\$200
Oklahoma	\$0	\$0
Oregon	\$110	\$0
Pennsylvania	\$0	\$0
Rhode Island	\$0	\$0
South Carolina	\$60	\$30
South Dakota	\$0	\$0
Tennessee	\$100	\$0
Texas	\$0	\$0
Utah	\$90	\$39
Vermont	\$0	\$0
Virginia	\$64	\$0
Washington	\$225	\$75
West Virginia	\$200	\$100
Wisconsin	\$100	\$75
Wyoming	\$200	\$200