

Wednesday, September 11, 2024

Opposing the End Chinese Dominance of Electric Vehicles in America Act (H.R. 7980)

Dear Representative:

We, the nineteen undersigned organizations, strongly urge you to oppose the *End Chinese Dominance of Electric Vehicles in America Act (H.R. 7980)*. This bill attempts to prevent the 30D federal EV tax credit from benefiting companies with ties to China to protect domestic manufacturing, but it will do the opposite – pushing jobs and economic activity overseas.

H.R. 7980 undermines the intent of the IRS 30D consumer tax credit (“Clean Vehicle Tax Credits”) provision by restricting the ability of domestic automakers to onshore their supply chain and reduce the overall cost of electric vehicles (EVs) to consumers. The transportation sector accounts for more greenhouse gas emissions than any other sector in the United States. Battery electric vehicles and plug in hybrid electric vehicles driving on electricity produce no tailpipe emissions, playing an important role in the overall strategy to reduce emissions from transportation.# Clean Vehicle Tax Credits help spur electric vehicle adoption.

Today, thanks to the Biden-Harris Administration’s investments, American companies are bringing that technological innovation back to the United States to power domestic manufacturing and strengthen the United States’ global competitiveness. Since the passage of the Inflation Reduction Act (IRA), investment in domestic EV and battery manufacturing has surged, with \$68.3 billion invested so far.# These investments have been largely driven by the 30D Clean Vehicle Credit, which includes important provisions that support the onshoring of critical mineral and battery component supply chains and domestic manufacturing and assembly. The recently finalized regulations for this credit from the IRS and Treasury provided clarity for automakers manufacturing the vehicles, dealers and sellers administering the credits, and consumers seeking to utilize them. The End Chinese Dominance of Electric Vehicles in America Act would dramatically reduce demand for upstream investments in domestic critical mineral processing and battery component production that are critical to the future of energy security.

Furthermore, this legislation would threaten thousands of good-paying domestic jobs. Since the passage of the IRA over 100,000 jobs in EV and battery manufacturing have been announced.# For certain facilities, these jobs are the direct result of U.S. manufacturers' ability to bring advanced, cost-effective battery technology, to the United States. This Act would pull these job opportunities from American auto workers and throw away the ability of American firms to bring advanced battery technology to the United States. The clear guidance finalized in the 30D provides consistency and instills confidence for private investment in the U.S. manufacturing and supply chain.

Clean Vehicle Tax Credits play a crucial role in addressing the climate crisis, lowering costs for consumers, spurring automotive manufacturing in the U.S., and bolstering domestic supply chains. For the above reasons the undersigned set of organizations who wish to see the creation of a strong domestic EV and battery industry, urge you to vote no to the *End Chinese Dominance of Electric Vehicles in America Act*.

Sincerely,

Alliance of Nurses for Healthy Environments

Center for American Progress

Center for Biological Diversity

Ceres

Change the Chamber

Change the Chamber*Lobby for Climate

Climate Action Campaign

Earthjustice

Earthworks

Electric Vehicle Association

GreenLatinos

Interfaith Power & Light

League of Conservation Voters (LCV)

Michigan Sustainable Business Forum

National Consumer Law Center

Plug In America

Sierra Club

Southern Environmental Law Center

Union of Concerned Scientists