

The Affordable American-made Automobile Act

The United States is at an historic pivot point. It either takes the steps to compete for global leadership in electric vehicles, or it faces a rapid erosion of jobs, new skills, and industrial innovation together with increased threats to our communities from flood, wind, fire and toxic pollution.

The Global Threat to U.S. Jobs - The automobile industry is our largest industrial sector employing more than 4 million people. It develops new technologies with widespread civilian and military applications. Hundreds of thousands of jobs are potentially at stake.

The global automobile industry has begun an historic transformation to electric vehicle technology. The U.S. is far behind China and is projected to fall further behind.

China sells half the electric vehicles in the world. China's percent of electric vehicles in its new car market is twice that of the United States. It is projected to exceed the new car market share in the United States by 4 or 5 times by 2025.

China is predicted to control about 75% of the global battery capacity.

Global investment in electric vehicles is expected to reach \$300 billion or even more; half of which is intended for China and only 10 percent for the United States.

There are 17 Chinese automobile manufacturers that have announced or undertaken electric vehicle investment. Even assuming some consolidation of the Chinese industry, it will dwarf the number of U.S. headquartered manufacturers which is currently 4.

China supports its electric vehicle industry through an array of practices including state owned enterprises, direct subsidies, special access to financing, government guarantees of financing, exemptions from various regulatory requirements, public purchasing, favoritism for Chinese firms, restrictions on market entry to foreign competition, and regulatory mandates.

The rechargeable battery industry is entering a phase of rapid innovation and increasing importance in our economy. This battery industry will be crucial to light duty vehicles, but also to heavy duty vehicles, industrial uses and back-up for the renewable grid. There will be important spin-offs from this innovation. It is in our national interest to create incentives for battery innovation to occur within the United States.

The Pentagon has determined that there is a national security supply line risk from the lack of domestic rechargeable battery cell production.

HR 5393 – Congresswoman Jackie Speier

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The Global Threat from Pollution – American communities are being ravaged by drought, fire, flood and wind. Already historic levels of damage are expected to get even worse.

Vehicles contribute 25% of the carbon pollution that is heating our planet. Vehicle pollution also includes toxic chemicals that threaten public health, especially for children and the elderly.

The AAAA would make Electric Cars Affordable

- It would increase the tax credit to \$15,000 for new battery electric vehicles that cost \$35,000 or less, putting a battery electric vehicle at price parity with an entry level gasoline vehicle.
- It would provide a \$5000 credit for purchase of a used battery electric vehicle.
- The existing credit of \$7500 would remain available for more expensive electric vehicles.
- The tax credit would be immediately available at the point of sale by allowing assignment of the credit to the entity providing financing of the purchase or lease.
- After 5 years, the tax credit for new battery electric vehicles costing \$35,000 or less would be adjusted to \$12,000.

The AAAA would Stimulate American Jobs and American Innovation

- To qualify for a credit, the battery cell, battery pack, management system, and cooling system must be manufactured in the U.S. and the vehicle must be assembled in the U.S.

The AAAA would create Incentives for Electric Vehicle Charging Infrastructure

- The AAAA would provide a tax credit for 30% of cost.
- The credit would be available for charging in a person's garage, but also for multiple fast charging stations at office parks, shopping centers, multi-family housing, factories, sport stadiums, airports and the like.

The AAAA would authorize tax exempt bonds to finance industrial expansion

- \$15 billion would be authorized for private activity bonds to help finance battery electric vehicle manufacturing and assembly line retooling and battery manufacturing.

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Cosponsors

Rep. Norton, Eleanor Holmes [D-DC-At Large]	Rep. Sires, Albio [D-NJ-8]
Rep. Torres, Norma J. [D-CA-35]	Rep. McNerney, Jerry [D-CA-9]
Rep. Takano, Mark [D-CA-41]	Rep. Matsui, Doris O. [D-CA-6]
Rep. Pocan, Mark [D-WI-2]	Rep. Crist, Charlie [D-FL-13]
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Rep. DeSaulnier, Mark [D-CA-11]	Rep. Eshoo, Anna G. [D-CA-18]
Rep. Kaptur, Marcy [D-OH-9]	

Statements

“Rep. Speier’s forward-looking legislation helps pave the way for good jobs for American workers building clean cars, promotes investment in domestic auto manufacturing, and makes electric vehicles more affordable for consumers,” said **UAW President Rory Gamble**.

"The Sierra Club endorses Rep. Speier's important legislation expanding consumer access to affordable electric vehicles, both new and used, because it's critical to decarbonizing our transportation system and maintaining American competitiveness in a growing global market for cleaner vehicles," said **Gina Coplon-Newfield, Director of the Sierra Club's Clean Transportation for All campaign**.

"Lyft commends Representative Speier on crafting thoughtful, innovative public policy that will increase access to sustainable, affordable transportation in communities across the United States," said **Lauren Belive, Director of Federal Public Policy for Lyft**.

“American workers deserve policies that create jobs, boost US competitiveness, and drive towards a clean energy future,” said **Josh Freed, Senior Vice President of Third Way’s Climate and Energy Program**. “Congresswoman Speier’s bill is the exact kind of bold and ambitious leadership needed to place the United States on the fastest, fairest path to net-zero emissions by 2050.”

Endorsements

350.org, Advanced Energy Economy, American Federation of Teachers, Blue Green Alliance, California League of Conservation Voters, Ceres, Enel X North America, League of Conservation Voters, Lyft, Natural Resources Defense Council, Progressive Policy Institute, Third Way, United Auto Workers, United Steelworkers, Volta Charging