

April 30, 2025

The Honorable Sam Graves
Chairman, House Committee on Transportation and Infrastructure
2165 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Graves:

The Electrification Coalition would like to express our strong opposition to the Committee's proposal to impose a new \$250 annual registration tax on electric vehicles (EVs) as part of the budget reconciliation bill currently under debate in the Committee. While it is important to ensure that all road users contribute their fair share to fund our transportation infrastructure, this blanket tax is excessive, is charging EV drivers and other more efficient vehicles significantly more than their impact on the infrastructure, and fails to address the underlying challenges facing the Highway Trust Fund (HTF).

The EC has long maintained that drivers of EVs, like their gasoline-powered counterparts, should contribute to system maintenance, safety, and other transportation infrastructure needs. However, the proposed \$250 annual EV tax far exceeds what all drivers of gas-powered vehicles pay in federal gas taxes. For example, the average driver travels about 12,000 miles per year. A typical gas-powered vehicle achieving 25 miles per gallon would burn approximately 480 gallons of gasoline annually. At the federal gas tax rate of 18.4 cents per gallon, that driver pays **just \$88.32 per year** into the Highway Trust Fund. Even less efficient vehicles like the Ford F-150 (approx. 20 MPG) result in a federal gas tax contribution of roughly **\$110.40 per year**. The proposal would charge EVs more than 2.5 times the rate of other vehicles.

Just yesterday, the Committee held a hearing titled America Builds: The Need for a Long-Term Solution for the Highway Trust Fund, and heard directly from witnesses like Jeff Davis of the Eno Center for Transportation that a fair fee on EVs would be much less than the \$200 EV tax proposal under discussion. One day later, the Committee responded by increasing the EV tax to \$250 and removing any fee on vehicles that are fueled solely by gasoline.

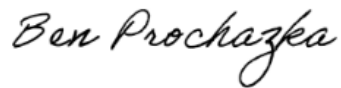
A \$250 flat fee on EVs would punish EV owners for choosing more efficient vehicles to save costs on fuel, plugging into a grid that is domestically generating power, that is diverse in how we generate the power, which ultimately reduces the challenging price volatility that comes from oil's monopoly on U.S. transportation. This approach discourages innovation and the adoption of U.S.-manufactured EVs—an industry that is creating thousands of jobs and boosting domestic manufacturing and is essential to our nation's long-term global competitiveness in the automotive industry as well as the critical supply chains for batteries, critical minerals, and rare earth materials that are also essential components in defense-critical technologies, including jets, radar, and drones. A recent [executive order issued by President Trump](#) called for a robust EV industry to create the needed demand to ensure mineral supply chains are secured.

Moreover, this tax would do virtually nothing to address the structural insolvency of the Highway Trust Fund, which has required over \$270 billion in general fund bailouts since 2008. The primary issue is that the gas tax has not been increased since 1993 and is not indexed to inflation or rising construction costs. Imposing punitive taxes on a small but growing share of drivers avoids the real reforms needed to stabilize transportation funding and will make the Committee's stated goal of transitioning away from the outdated gas tax and excise tax structure much less achievable.

If Congress is serious about fixing the imbalances in our infrastructure financing, it must pursue comprehensive, technology-neutral solutions as part of the ongoing surface transportation reauthorization instead of singling out electric vehicles with disproportionate penalties in a partisan reconciliation bill.

I respectfully urge the Committee to reject this proposal and work toward a fair, future-ready, fuel-neutral funding mechanism that reflects actual road use and supports both fiscal responsibility and American innovation.

Sincerely,



Ben Prochazka
Executive Director
Electrification Coalition