



# THE NEED FOR SPEED

## The Economic Urgency for Bold Action on Clean Vehicles

**Speeding the transition to electric and other zero-emissions vehicles (ZEVs) is critical to the future of America's auto industry.** It will save jobs, save money for consumers and businesses, and keep the U.S. auto industry competitive with the rest of the world. As transportation is now the country's biggest source of carbon emissions, it is also key to addressing the economy's biggest threat - climate change.

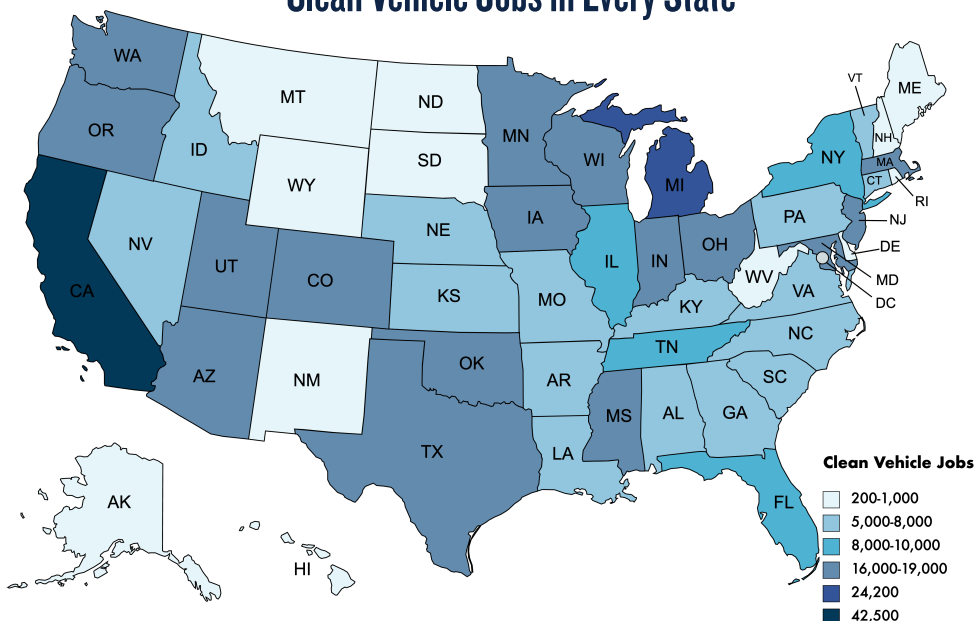
**The Biden Administration must enact strong vehicle emissions and fuel standards and Congress needs to invest in accelerating America's transition to cleaner vehicles.**

**JOBS:** More than 273,600 Americans worked in the electric vehicle (EV) and plug-in vehicle sector at the beginning of 2021.<sup>1</sup> These jobs are in every state. Thousands more work across electric vehicle charging companies. With bold federal standards and investments we can protect these jobs and create more of them in the face of foreign competition. A federal investment of \$274 billion would produce an estimated 11 million job-years in American clean vehicles and infrastructure.<sup>2</sup>

Clean vehicle employment by state for 2020. From E2 2021 Clean Jobs America Report.

STATE	JOBS	STATE	JOBS
Alabama	6,371	Montana	617
Alaska	220	Nebraska	1,693
Arizona	3,188	Nevada	1,339
Arkansas	1,896	New Hampshire	868
California	42,503	New Jersey	4,299
Colorado	3,392	New Mexico	785
Connecticut	1,992	New York	8,977
Delaware	377	North Carolina	7,197
District of Col.	256	North Dakota	665
Florida	9,302	Ohio	16,668
Georgia	6,858	Oklahoma	2,020
Hawaii	376	Oregon	2,596
Idaho	1,075	Pennsylvania	7,602
Illinois	10,695	Rhode Island	338
Indiana	16,919	South Carolina	5,804
Iowa	2,881	South Dakota	927
Kansas	1,915	Tennessee	10,522
Kentucky	7,668	Texas	18,265
Louisiana	1,589	Utah	2,365
Maine	740	Vermont	1,442
Maryland	2,776	Virginia	5,452
Massachusetts	4,880	Washington	3,302
Michigan	24,268	West Virginia	899
Minnesota	3,252	Wisconsin	4,808
Mississippi	2,516	Wyoming	312
Missouri	5,960	United States	273,630

### Clean Vehicle Jobs in Every State



1. E2 2021 Clean Jobs America Report (linked).

2. Advanced Energy Economy. 2021. Economic Impact of Stimulus Investment in Transportation Electrification (linked).

## COST SAVINGS:

EVs save consumers an estimated \$6,000-\$10,000 over the lifetime of their vehicle. That includes as much as \$1,000 per year in fuel costs and \$4,600 in maintenance costs.<sup>3</sup> Businesses with commercial fleets can expect to save \$200,000 over the lifetime of one of their heavy-duty electric trucks.<sup>4</sup> That's money that can be reinvested into our economy.



**COMPETITION:** The number of EVs on the road globally is expected to increase dramatically in the coming decades, with already more than 20 countries committed to limiting all new auto sales to ZEVs by 2035 or 2040.<sup>5</sup> The competition to supply this growing market is on, but the U.S. is lagging. Europe and China have backed bold national targets and incentives to drive innovation, demand, and growth in their own EV auto sectors. Without similar bold federal initiatives in the U.S., our auto industry is in danger of falling further behind. In fact, from 2017 to 2020, the U.S. market share of global EV production dropped from 20% to 18%.<sup>6</sup> It is time to stop lagging and start leading.



## ECONOMIC GROWTH:

Investing in clean vehicles and nationwide car charging infrastructure just makes sense. Allocating \$274 billion in federal stimulus would add an estimated \$1.3 trillion to the national GDP and generate \$231 billion in additional federal, state, and local tax revenues.<sup>7</sup>



3. Consumer Reports. 2020. Electric Vehicle Ownership Costs: Today's Electric Vehicles Offer Big Savings for Consumers (linked).

4. Lawrence Berkeley National Laboratory. 2021. Why Regional and Long-Haul Trucks are Primed for Electrification Now (linked).

5. IEA. 2021. Global EV Outlook 2021 (linked).

6. International Council on Clean Transportation. 2021. Power play: Evaluating the U.S. position in the global electric vehicle transition (linked).

7. Advanced Energy Economy. 2021. Economic Impact of Stimulus Investment in Transportation Electrification (linked).



## ECONOMIC SAVINGS:

In 2020, climate-related disasters cost the U.S. economy \$95 billion. That is double the cost from 2019 and more than any other country. Reducing carbon emissions from transportation and other sources helps to reduce the rising costs of climate change.<sup>8</sup>

## MODERNIZED INFRASTRUCTURE:

Electrifying our transportation system means electrifying our economy, interstate commerce, and global competitiveness. Federal investments in clean charging and fueling stations will revitalize our infrastructure, allow the U.S. to take full advantage of the clean vehicle sector, and create jobs. For example, federal deployment of 500,000 EV charging stations is projected to support 30,000 job-years of new work, and would create a national network of EV infrastructure.<sup>9</sup>



## THE BOTTOM LINE:

**Moving to electric and other ZEVs is good for our economy and good for our environment.**

If we seize the moment now and accelerate America's shift to clean vehicles, we will create millions of jobs and drive billions in economic growth. If we don't, our global competitors will continue to leave us in the dust.

**President Biden and Congress - you're in the driver's seat.  
LET'S GET ROLLING.**

8. Munich RE. 2021. Record hurricane season and major wildfires - The natural disaster figures for 2020 (linked).

9. Energy and Environmental Research Associates, LLC. 2021. Workforce Projections to Support Battery Electric Vehicle Charging Infrastructure Installation. (linked)



# POLICY RECOMMENDATIONS

**"Electric vehicle manufacturing growth happens where there are strong national policies designed to spur the market forward."**

- Nic Lutsey, Program Director, International Council on Clean Transportation

## The **ADMINISTRATION** must:

- **Strengthen and quickly finalize strong vehicle fleet emissions standards for model year 2023-2026 fleets.**

This will send a strong market signal, speed transition, and flatten the curve on current emissions.

- **Move rapidly to write and finalize a post-2026 emissions standard.**

The new standard needs to ensure auto makers are on the path to 100% zero-emission new car sales by 2035 in order to compete globally and meet critical emissions reduction targets.

- **Transition the federal vehicle fleet to ZEVs, fast.**

By fulfilling the American Jobs Plan commitment to green the U.S. vehicle fleet, the government will save taxpayers money and accelerate the pace of transition to ZEVs economy-wide.



## **CONGRESS** must:

- **Invest in domestic clean vehicle manufacturing.** Invest at least \$40 billion in domestic clean vehicle and parts manufacturing, and make added investments in essential supply chains.
- **Fully fund electric vehicle charging infrastructure.** Invest \$40 billion over 10 years in EV charging infrastructure focused on creating reliable charging along highways, in underserved communities, and around ports, warehouses and other transportation hubs. Provide stability in the marketplace by creating long-term manufacturing and installation incentives.

- **Accelerate and increase adoption of zero-emission passenger cars and trucks.** Extend, expand, and improve accessibility of ZEVs for individuals by updating the tax credit to provide incentives for used cars and provide a point-of-sale rebate for low- and moderate-income buyers. Remove the per-manufacturer cap, extend the credit for 10 years, and make it refundable.
- **Increase adoption of medium and heavy-duty zero-emission electric trucks.** Establish a point-of-sale purchase incentive to lower the upfront cost of new, used, or repowered medium and heavy duty zero-emission trucks to speed the transition to cleaner commercial fleets and the adoption and manufacturing of cleaner trucks. Improve port vehicle ZEVs and infrastructure.
- **Increase workforce training.** Meet the growing demand for workers in the clean vehicle industry by increasing or creating funding for training programs and including stipends for trainees so that they can support themselves and their families during training.