

July 3, 2017

The Honorable Ben Hueso
Chairman
Senate Committee on Energy, Utilities and Communications
State Capitol, Room 4035
Sacramento, California 95814

**SUBJECT: AB 1184 (TING) – VEHICULAR AIR POLLUTION: ELECTRIC VEHICLES: INCENTIVES
– OPPOSE UNLESS AMENDED**

Dear Chairman Hueso:

The Association of Global Automakers represents the U.S. operations of international motor vehicle manufacturers, original equipment suppliers, and other automotive-related trade associations. We work with industry leaders, legislators, regulators, and other stakeholders in the United States to create public policies that improve motor vehicle safety, encourage technological innovation and addresses environmental needs. Our goal is to foster an open and competitive automotive marketplace that encourages investment, job growth, and development of vehicles that can enhance Americans' quality of life. In the State of California, international automakers have invested \$5.1 billion and employ over 11,500 employees at 124 facilities. In 2016, international automakers accounted for 56% of new vehicles sales and 70% of green vehicle sales in California. For more information, visit www.globalautomakers.org.

Global Automakers **opposes AB 1184 (Ting) unless amended.** We have a number of concerns with the bill, most notably its narrow focus on just one type of Zero Emission Vehicle (ZEV) technology: plug in-electric vehicles. All technologies will be needed to achieve California's ZEV and climate change goals. Our companies are investing billions of dollars in advanced technologies – everything from plug-in hybrids, to battery-electric, to fuel cell-electric vehicles. We appreciate the increased funding provided in this bill, but we are concerned that it is too narrowly focused on plug-in options. We recommend that the plan include hydrogen as well and devote a portion of funds specifically for hydrogen infrastructure. This inclusion will help support the all-inclusive approach needed for ongoing efforts to support low-carbon, light-duty transportation.

Meeting the significant numbers of ZEV sales required in California will be a big challenge. Dedicated funding sources play a key part in creating and supporting markets and we recognize AB 1184's attempt to provide that funding, but money alone will not achieve the arbitrary targets imposed by the state. AB 1184's narrow focus on one electric technology rather than the broad range of ZEV technologies distracts us from what really matters: getting more ZEVs in the marketplace by increasing consumer awareness and acceptance, and it likely leaves benefits to the planet on the table.

Building a robust and sustainable electric vehicle market – for plug-in electric vehicles and fuel cell electric vehicles – cannot be accomplished by the automobile manufacturers alone; it is a shared responsibility. Substantial and ongoing state support is needed to help grow the market, and even then, may not guarantee that the state's 2025 regulatory requirements will be reached. The public and private sectors must collaborate to



exchange best practices, share industry and technical expertise and build the foundation for an organic and sustainable electric vehicle market. We have invested billions in advanced-technology vehicles. We remain committed to developing sustainable markets for them.

Should you have any questions, please do not hesitate to contact us.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. S. Porter".

Damon Shelby Porter
Director, State Government Affairs
Global Automakers