

A Look at Electric Vehicle Policy: The First Six Months of 2023

Electric vehicles (EVs) are growing in popularity and availability. Bolstering this growth is the Inflation Reduction Act (IRA), which includes incentives to purchase EVs. These factors have led legislators to focus on a range of policies impacting electric vehicles. Federal actions have received considerable attention. This includes the recent issuance of rules, which determines which vehicles qualify for credits created by the IRA. State legislatures have also introduced and passed a number of bills with an impact on this space.

Consumer demand for EVs has grown rapidly. A decade ago, EVs accounted for less than 1% of total car sales. In 2021, they accounted for nearly 5% of total sales. Legislators across the country are racing to enact policy to accommodate this growth. Harnessing Plural's unmatched legislative data, our team analyzed legislation surrounding EVs so far in 2023. Read on to see what we found.

ELECTRIC VEHICLE POLICY BY JURISDICTION

Forty-nine jurisdictions (including U.S. Congress, D.C and Puerto Rico) have considered 505 proposals related to EVs so far this year. Of these proposals, 55 have become law.

New Jersey, New York and Massachusetts have been most active in introducing legislation relating to EVs. Colorado has passed the most legislation in this space.



Most Active in Introducing and Passing EV Policy in 2023			
Introduced		Passed	
New Jersey	69	Colorado	6
New York	50	Hawaii	4
Massachusetts	48	Maryland	4
Minnesota	31	Washington	4
Illinois	29	Maine, Montana and Texas	3

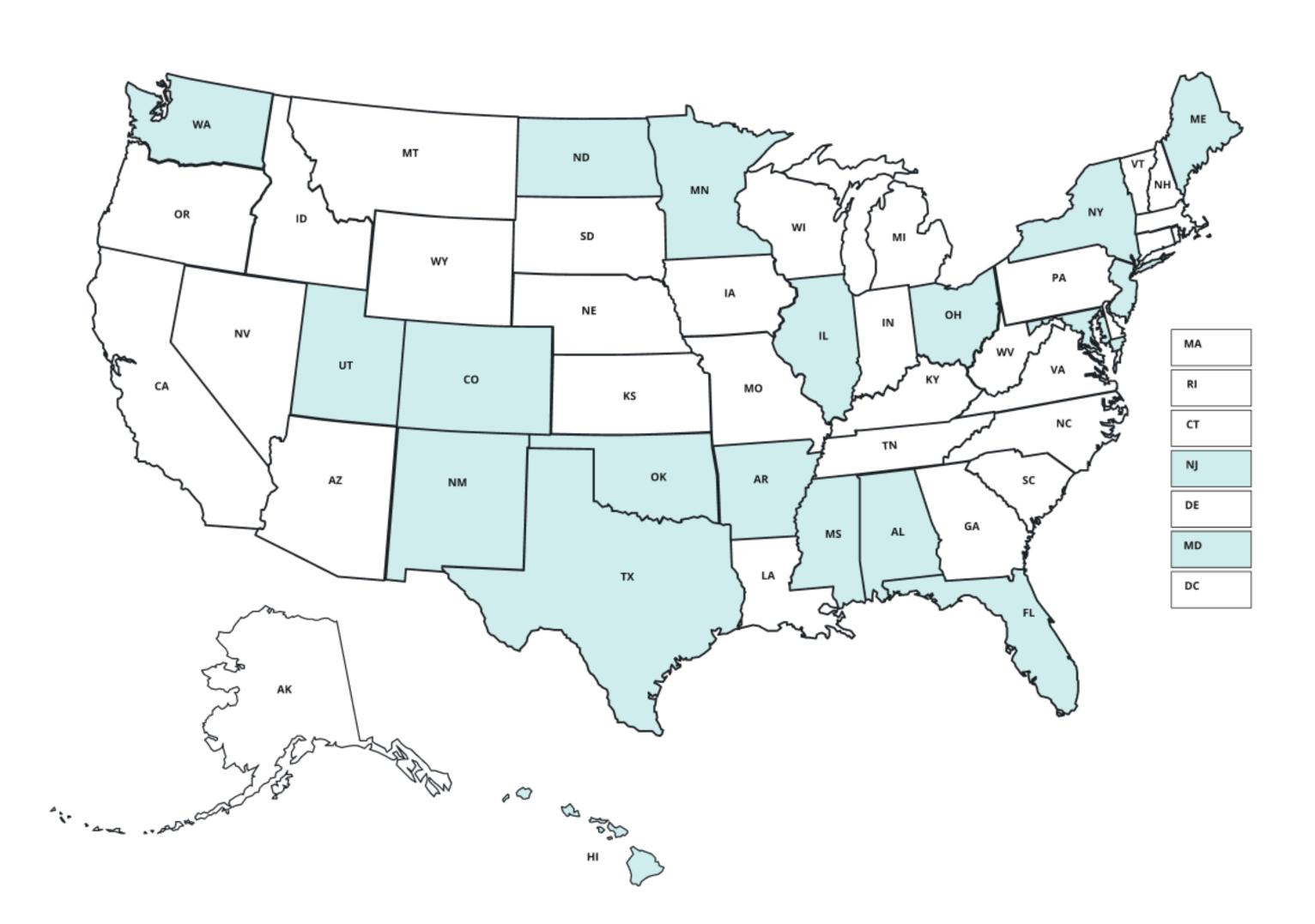
ELECTRIC VEHICLE POLICY TOPICS

Many of the 505 EV proposals closely resemble each other, or address similar needs.

The most prevalent category of legislation is bills that promote EV infrastructure. These bills expand access to EV charging stations through public investment, building code requirements and tax incentives. North Dakota SB 2063, signed into law in late April, is a good example of this category of EV policy. It allows the state government to use federal and public funds to issue grants to create and maintain EV charging stations.

Legislation promoting EV infrastructure represents a majority of the total activity so far in 2023. Legislators have introduced 267 bills, and 29 have passed into law. EV policies have proven popular, even across partisan divides. Legislators from Hawaii to Oklahoma have prioritized investment in EV infrastructure this year.

STATES THAT HAVE PASSED LEGISLATION PROMOTING EV INFRASTRUCTURE



States that have **passed** legislation promoting EV infrastructure in 2023.

Despite their popularity, there has been some pushback to these proposals. Republicans have introduced nine bills to limit the expansion of EV infrastructure. One of such bills is <u>Texas HB 2236</u>. The bill aimed to prohibit the Texas Department of Transportation from using state money for EV infrastructure plans. The bill died in committee.

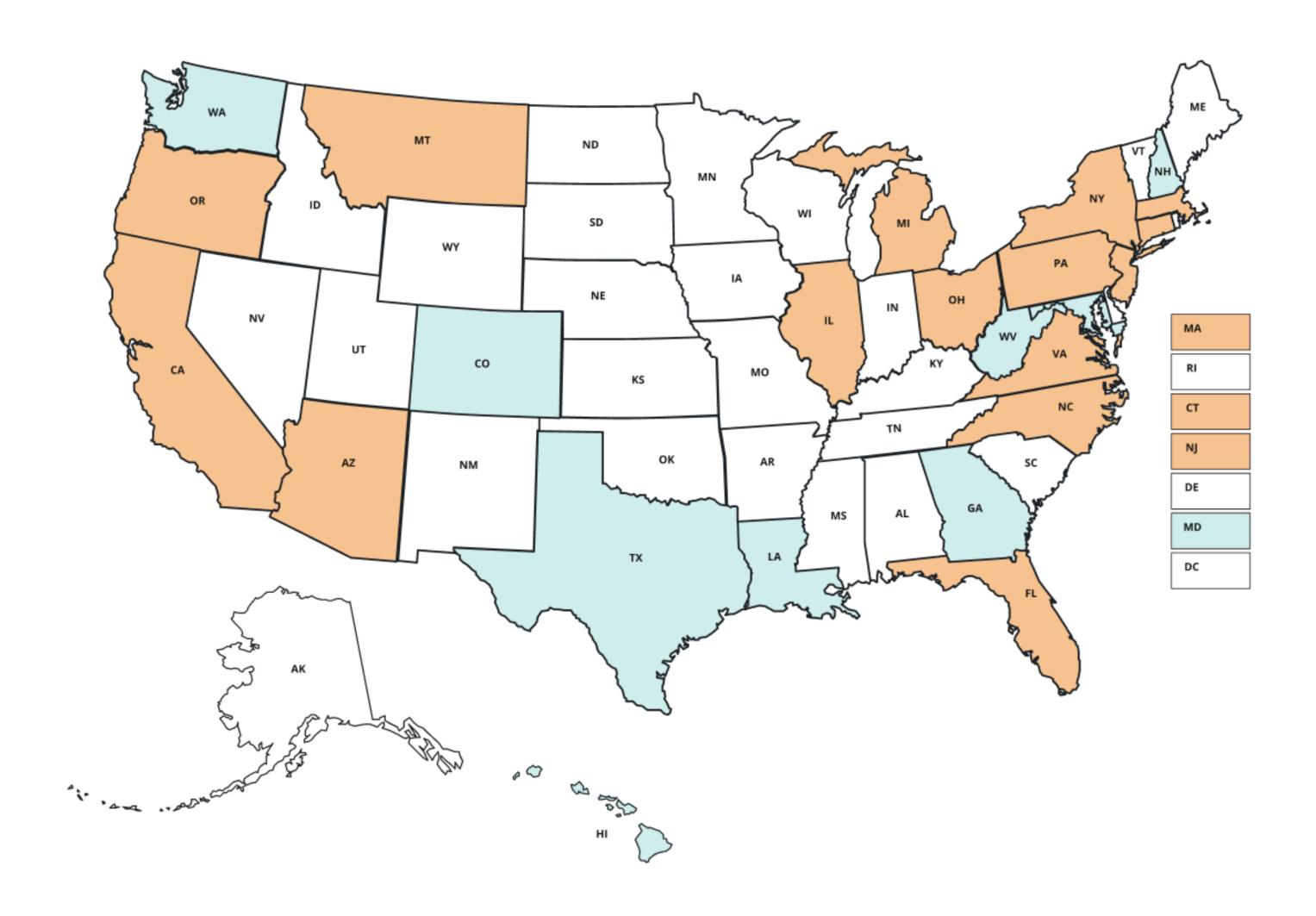
Another exciting trend has been a growth in legislation that expands or creates EV incentives and rebates. This trend is especially exciting for consumers. These proposals expand existing incentives, or create new ones, to buy or build EVs and their related infrastructure. Minnesota HF 2310 was a massive environment, natural resources, climate, and energy bill. The bill included a \$5,000,000 appropriation to an EV



rebate program that awards rebates for the purchase or lease of electric vehicles. This bill was one of six within this category that passed into law this year, and one of 69 introduced.

Some states have gone beyond incentivizing private use of EVs to introduce or pass legislation that would expand the public fleet of EVs. Nevada, New Jersey and Washington have passed legislation this year to allow state agencies to use EVs in greater capacities. New Jersey A 1282, for example, requires the Department of Environmental Protection to put in place an electric school bus program.

STATES THAT HAVE PASSED OR INTRODUCED LEGISLATION RESTRICTING EVS, THEIR WASTE, OR THEIR INFRASTRUCTURE



States that have passed legislation: Blue States that have introduced legislation: Orange

The majority of legislation considered thus far in 2023 has sought to expand access to EVs. However, some states have imposed new regulations on this growing market. These regulatory restrictions are of importance for manufacturers, dealers and drivers. Legislators have introduced 74 bills imposing regulations on EVs, their infrastructure or the waste they produce. Texas SB 1001 grants the Texas Department of Licensing and Regulation the ability to adopt and enforce standards related to the accuracy of electric fuel charges. The bill was passed into law in June.

CONCLUSION

Legislation impacting the EV marketplace is a growing trend. These bills may affect the pace of EV transition and the automotive industry's impact on the environment. Using Plural's data, it's clear that the first six months of 2023 have been the busiest for EV policy in history. These changes will drive policy development through the rest of 2023 and into next year. Understanding the state of play at this moment is important to prepare for that activity.

