

ILLINOIS RENEWABLE  
ENERGY CONFERENCE

# State and Federal EV incentives

---

Aaron Viles  
Senior Director, Campaigns  
Oct. 1, 2024





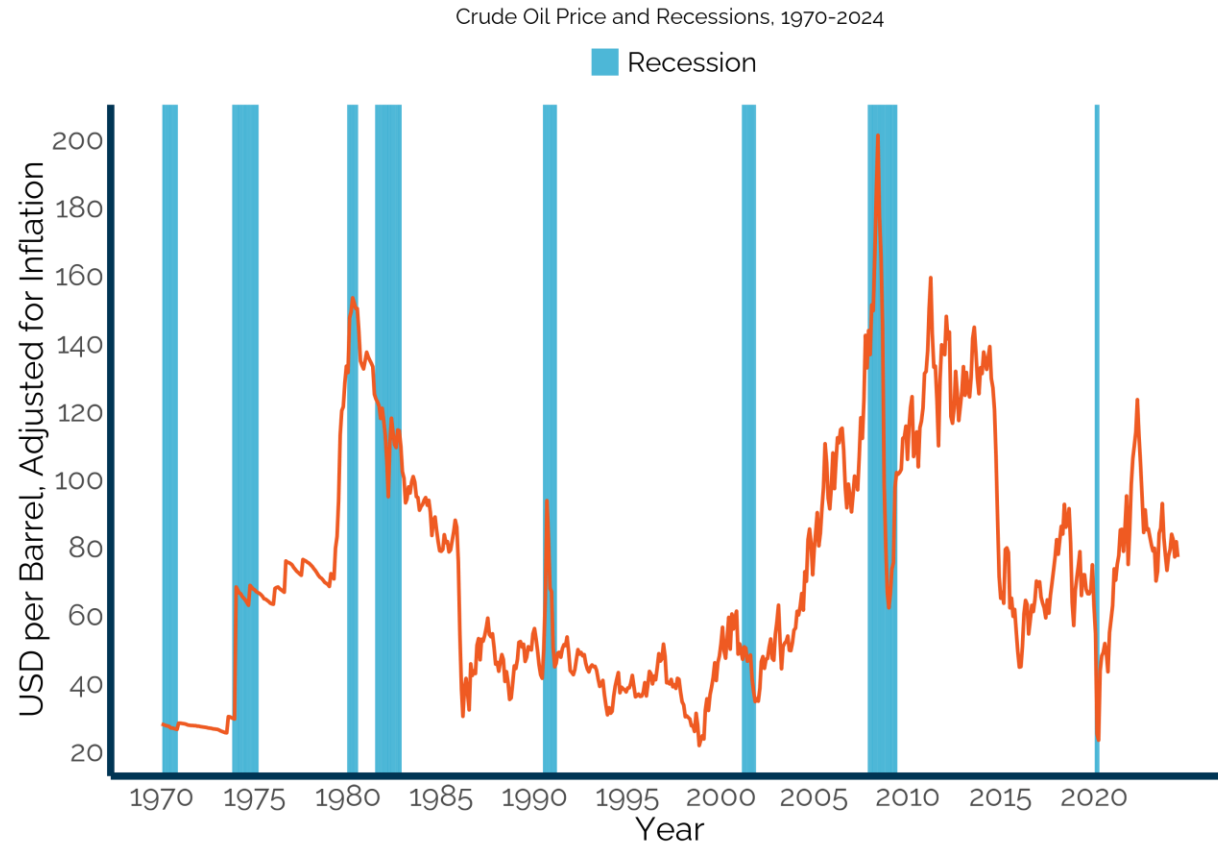
ABOUT THE ELECTRIFICATION COALITION

# Electrifying transportation for our economic and national security

The Electrification Coalition is a nonpartisan, nonprofit organization that develops and implements a broad set of strategies to facilitate the widespread adoption of electric vehicles to overcome the economic, public health, and national security challenges that stem from America's dependence on oil.

## THE PROBLEM:

# Oil Dependence is Costly



Source: Macrotrends

OIL DEPENDENCE IS COSTLY

# Our Nation is At Risk

The U.S. is **the world's largest consumer of crude oil and petroleum**, accounting for nearly **20% of daily global oil demand** with only **4% of the world's population**.

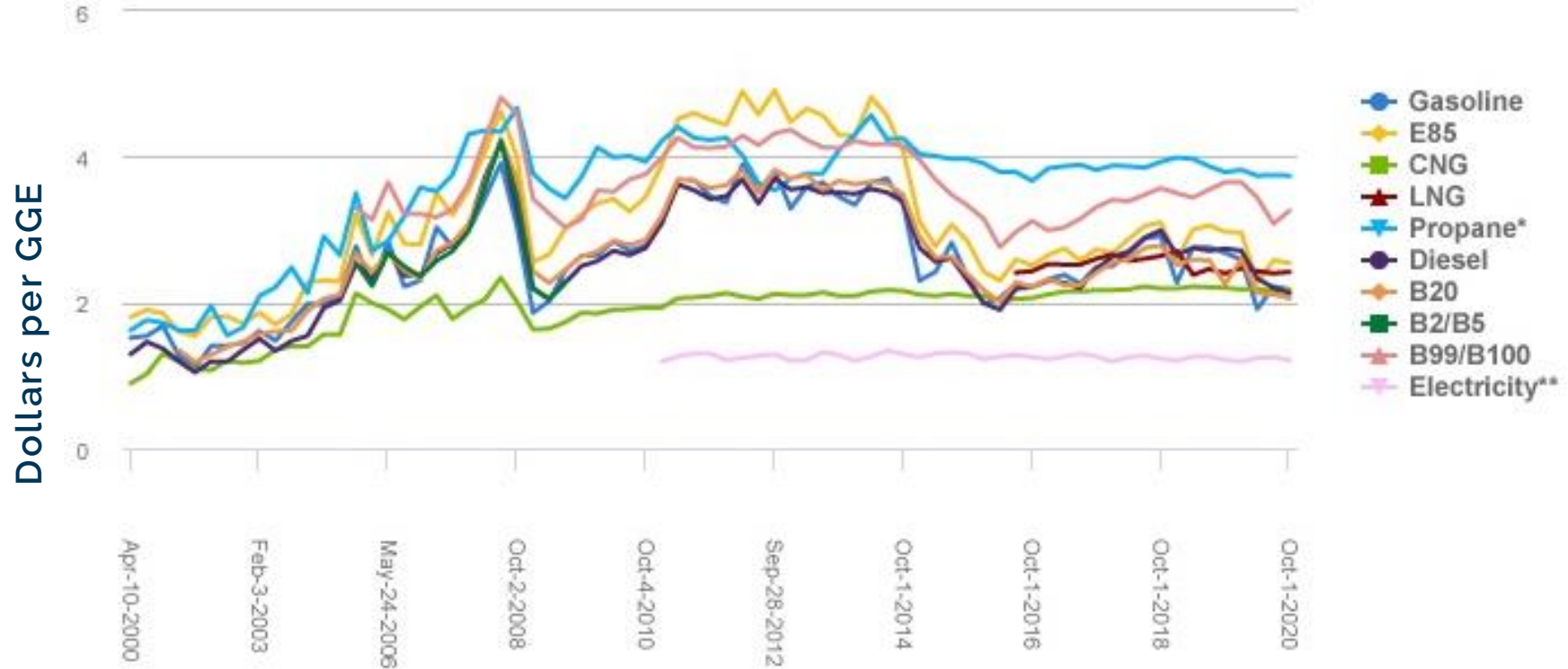
- 92% of America's transportation sector is dependent on oil-based fuels.
- Transportation is responsible for approximately 70% of all U.S. petroleum consumption.



# Electrification Reduces Oil Risk

Because oil markets are manipulated by OPEC and other national oil companies, our dependence poses significant **economic and national security risks.**

## Average Retail Prices in the United States





EVs are now a question of *when*  
and *where*, not *if*.

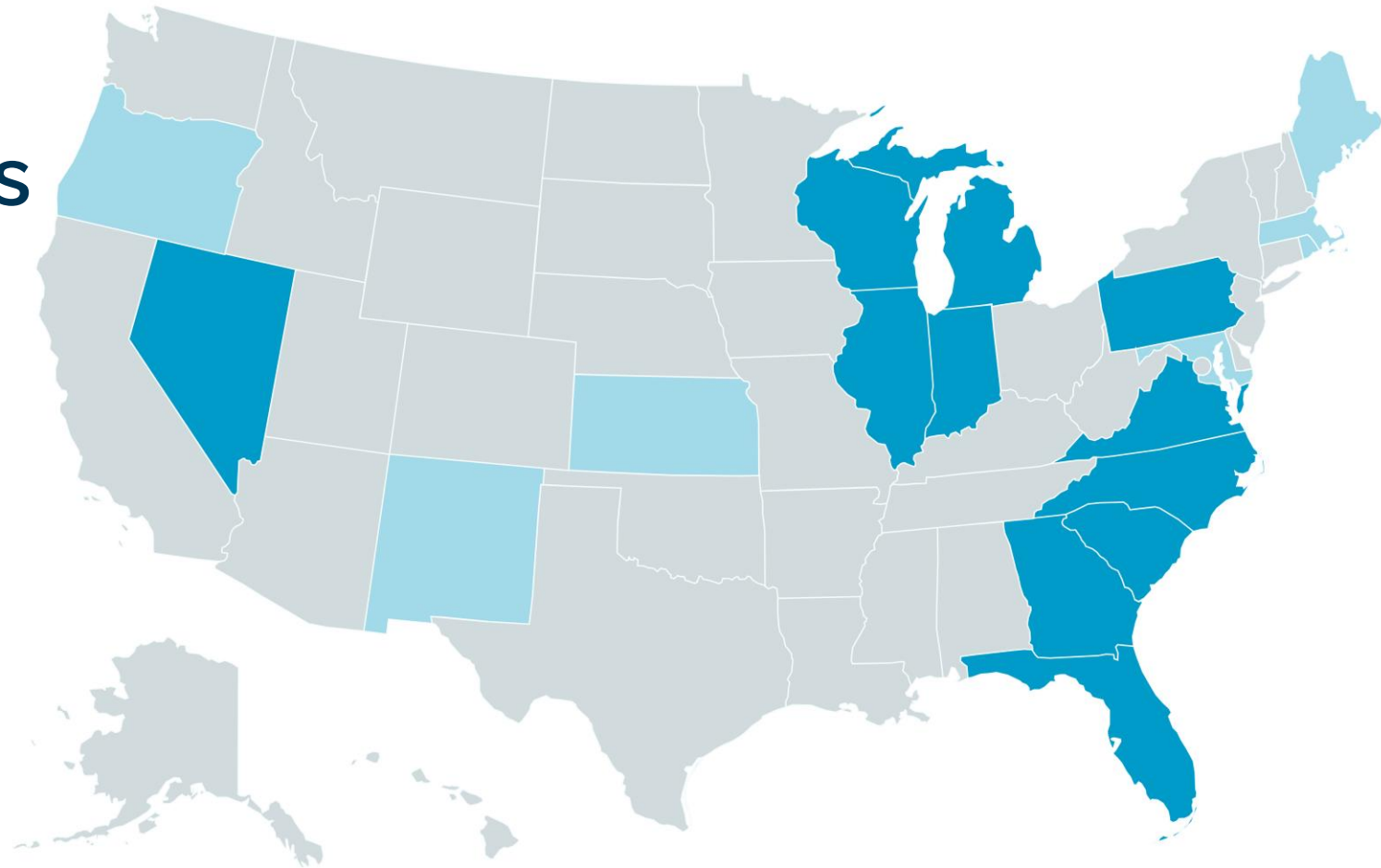


ELECTRIFICATION COALITION

# EV Adoption Programs & Impact

-  Priority states
-  State Fleet Electrification Cohort states

Additional programs impacting **120+ cities** across the U.S.



ELECTRIFICATION COALITION

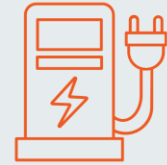
# Programs Around the United States



**Federal Policy**



**State Policy**



**Charging Infrastructure Expansion**



**Fleet Electrification**



**Electric Freight Consortium**



**Port Electrification Network**

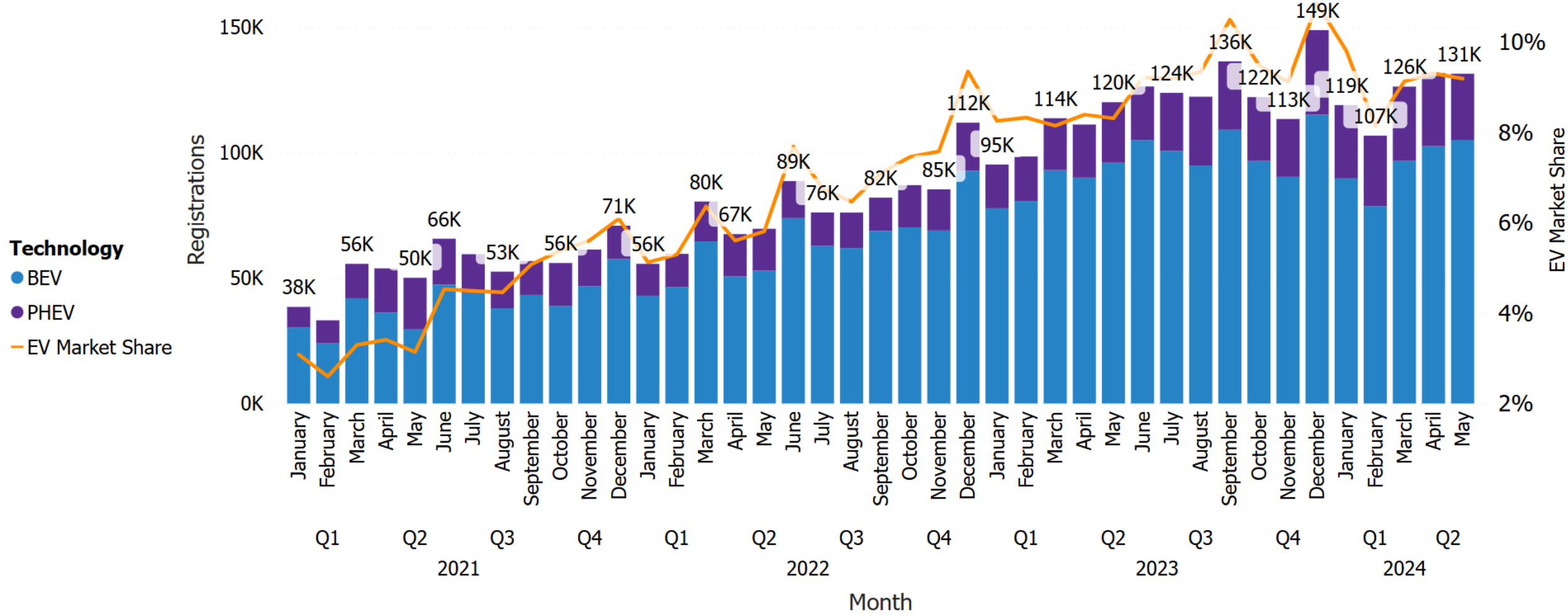


# Electrification Coalition Business Council (ECBC)

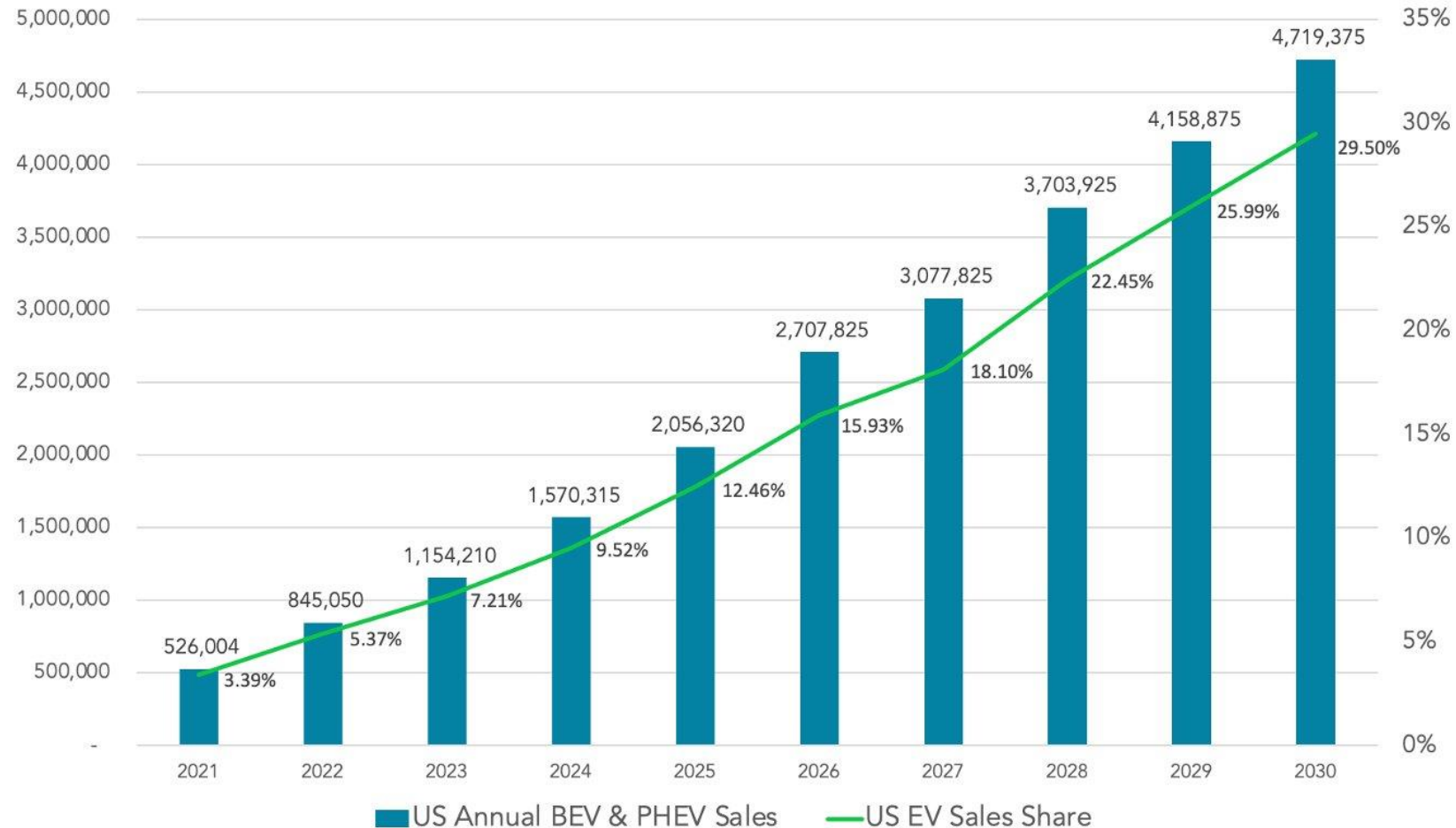
ECBC creates a strategic alliance that can **supercharge support for the policies and actions** needed to accelerate transportation electrification at a mass scale.



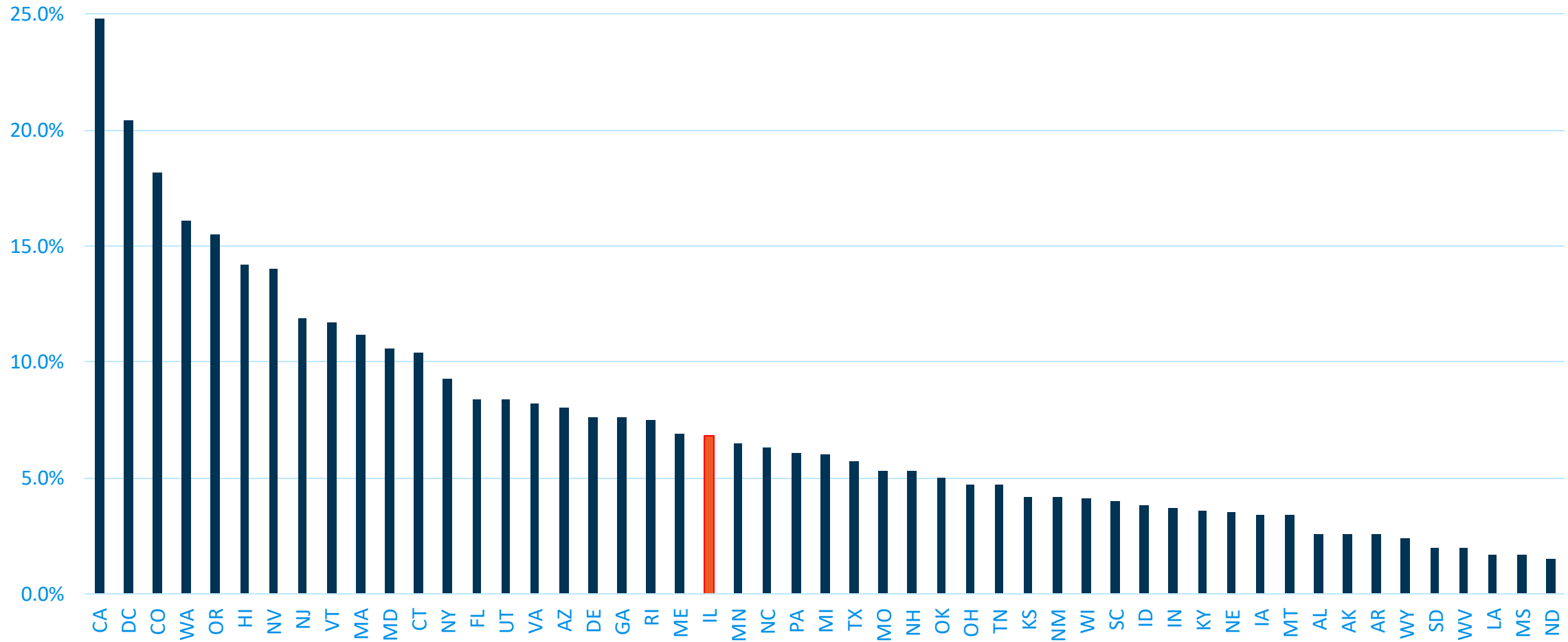
# Sales and EV Market Share



# US EVs (BEV & PHEV) Sales & Sales Share Forecast: 2021-2030

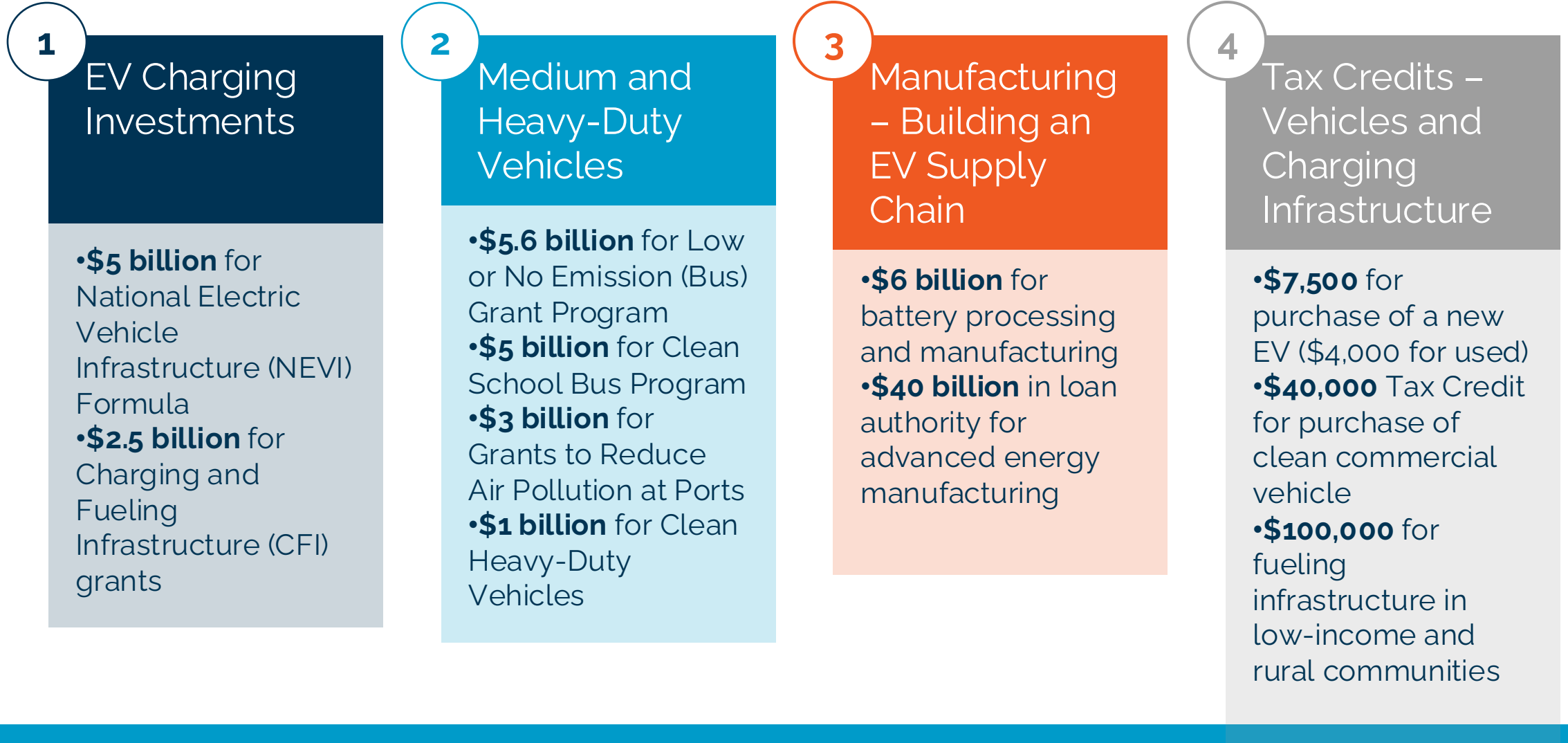


# EV MARKET SHARE, 2 QTR, 2024



## FEDERAL POLICIES TO DRIVE EV ACTION

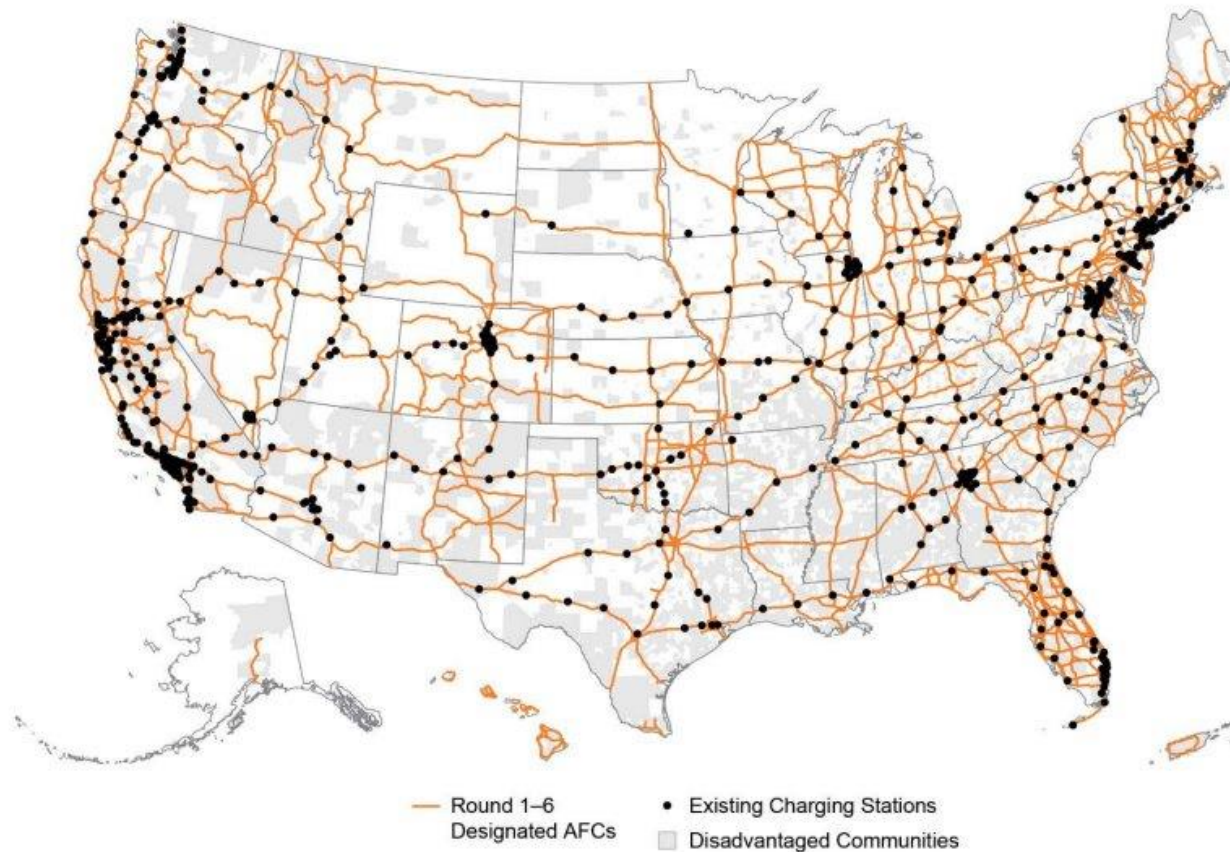
# Inflation Reduction Act & Bipartisan Infrastructure Law





# POLICIES DRIVE MARKET GROWTH

## NEVI Program



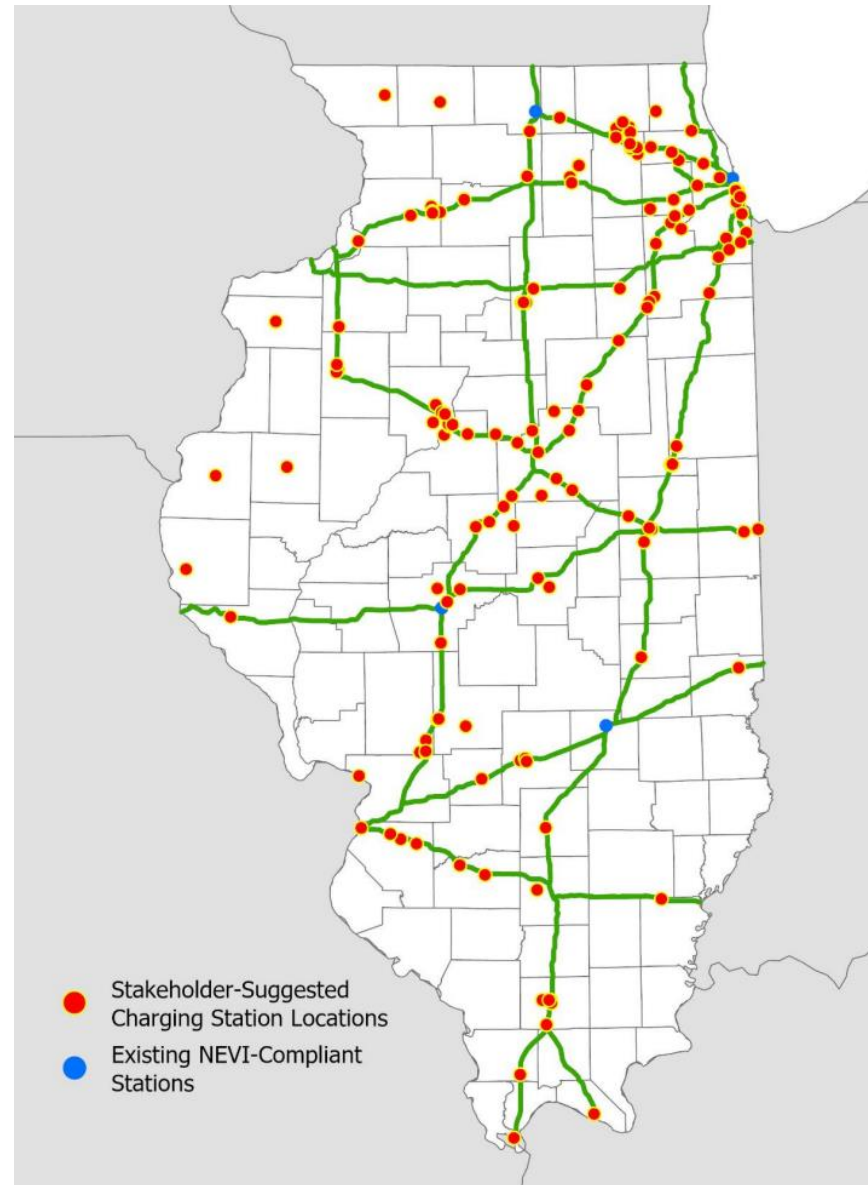
**Figure 7. Round 1-6 designated AFCs with existing DCFC stations that meet NEVI distance, port, and power requirements are shown as single black points, and disadvantaged communities are shaded in gray. Detailed regional maps are provided in Appendix E.**





# NEVI Progress

- 37 Sites awarded last month
- \$25 million in projects



## FEDERAL POLICY

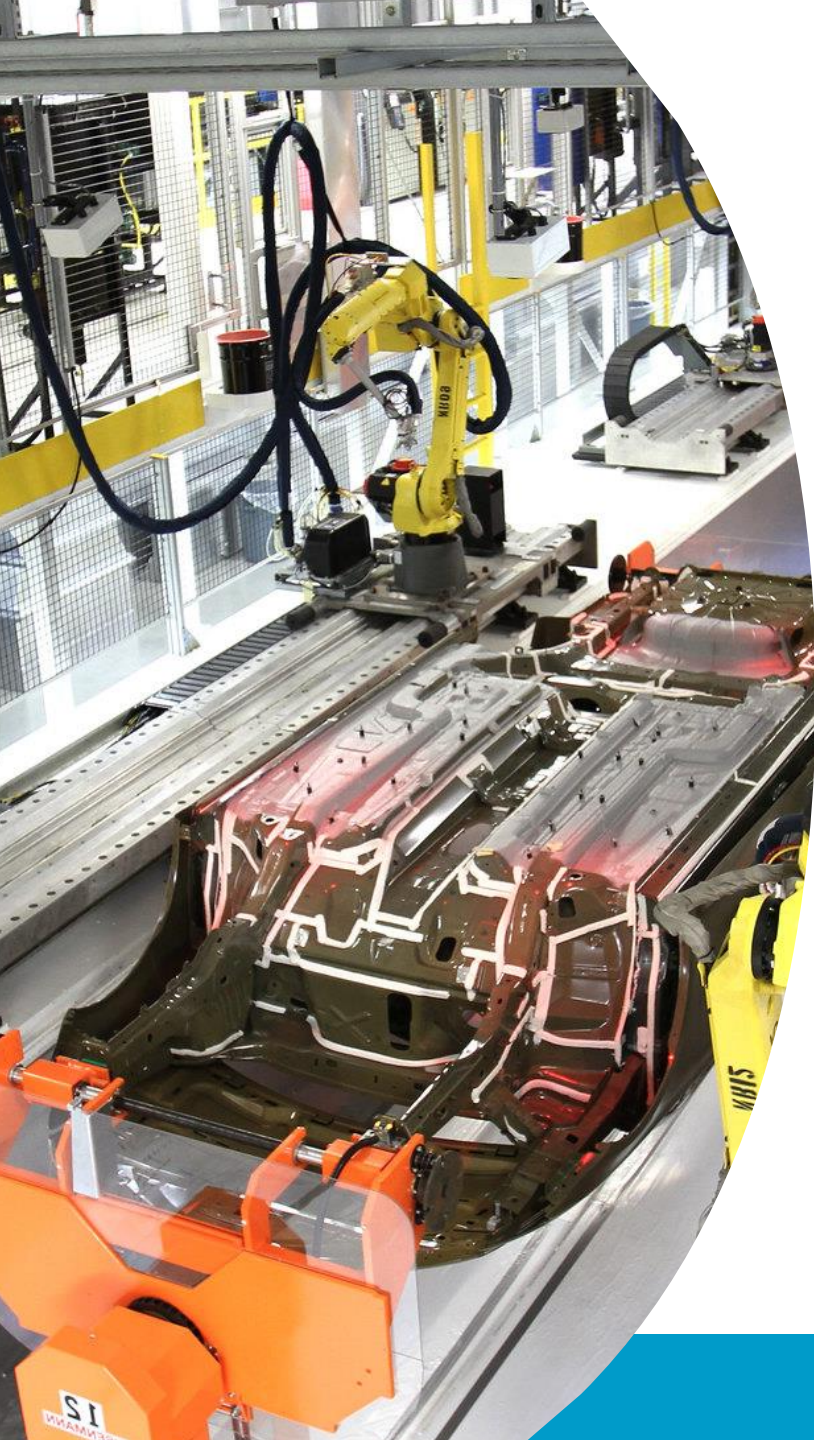
# EV Incentives

---

- **Clean Vehicle Tax Credit (Sec. 30D)**
- **Up to \$7,500 tax incentive**
- Participating dealers can apply as a POS rebate
- Fine print:
  - \$80,000 SUVs, vans, pick-ups MSRP
  - \$55,000 for other vehicles MSRP
  - \$150,000 income limit/\$225,000 HH/\$300 joint filers







## FEDERAL POLICY

# EV Incentives

---

### 30D – More fine print

- **Domestic Sourcing Provisions: Final Assembly in North America for \$3,750 vehicle tax credit**
- **Critical Minerals: \$3,750 battery tax credit**
  - **50% 2024, 60% 2025, 70% 2026, 80% 2027 on**
  - **0% from FEOC 2025 on**

## FEDERAL POLICY

# EV Incentives

---

- **USED EV Tax Credit (Sec. 25E)**
  - **\$4,000 (or 30% of the sales price)**
  - **Price of vehicle capped at \$25,000**
  - **Must be 2+ years old**
  - **Income limits:**
    - **\$75,000 individual**
    - **\$112,500 Head of HH**
    - **\$150,000 filing jointly**





## FEDERAL POLICY

# EV Incentives

---

- **Commercial Clean Vehicle Tax Credit (Sec. 45W)**
  - **Consumer leases can qualify for \$7,500 tax credit.**
  - **Consumer needs to ensure it's applied to down payment**
  - **Income, Battery materials not considered**
  - **Not all manufacturers are taking part for all vehicles**
  - **Businesses also can get \$7,500 LD and \$40,000 MHD credit**





## FEDERAL POLICY

# EV applicable

---

- Alternative Fuel Vehicle Refueling Property Tax Credit
  - Residential: 30%, up to \$1,000
  - Commercial: 6% with \$100,000 limit per unit
- Elective or Direct Pay
  - Tax-exempt entities can utilize the federal tax credits. Eg State and city governments, non-profit organizations.
  - See EC's [Elective Pay page](#) for details

Photo Source: Shutterstock, rights purchased for DC Roadmap



## STATE POLICY

# Illinois EV Rebate

---

## \$4,000 state tax rebate

- New or Used vehicles qualify
- Licensed in IL, purchased from IL dealer
- \$14 million in this year's budget
- Next cycle opens in January. Applicants must apply for the rebate during an open rebate cycle and within 90-days of vehicle purchase
- Buyers and vehicles only able to utilize the credit once
- \$1,500 for EV motorcycles







# EVs Have A Problem

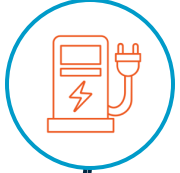
# What the public is **seeing**, **hearing**, and **reading** about EVs



**Disinformation campaigns**



**Falsehoods about the cost of buying and maintaining an EV**



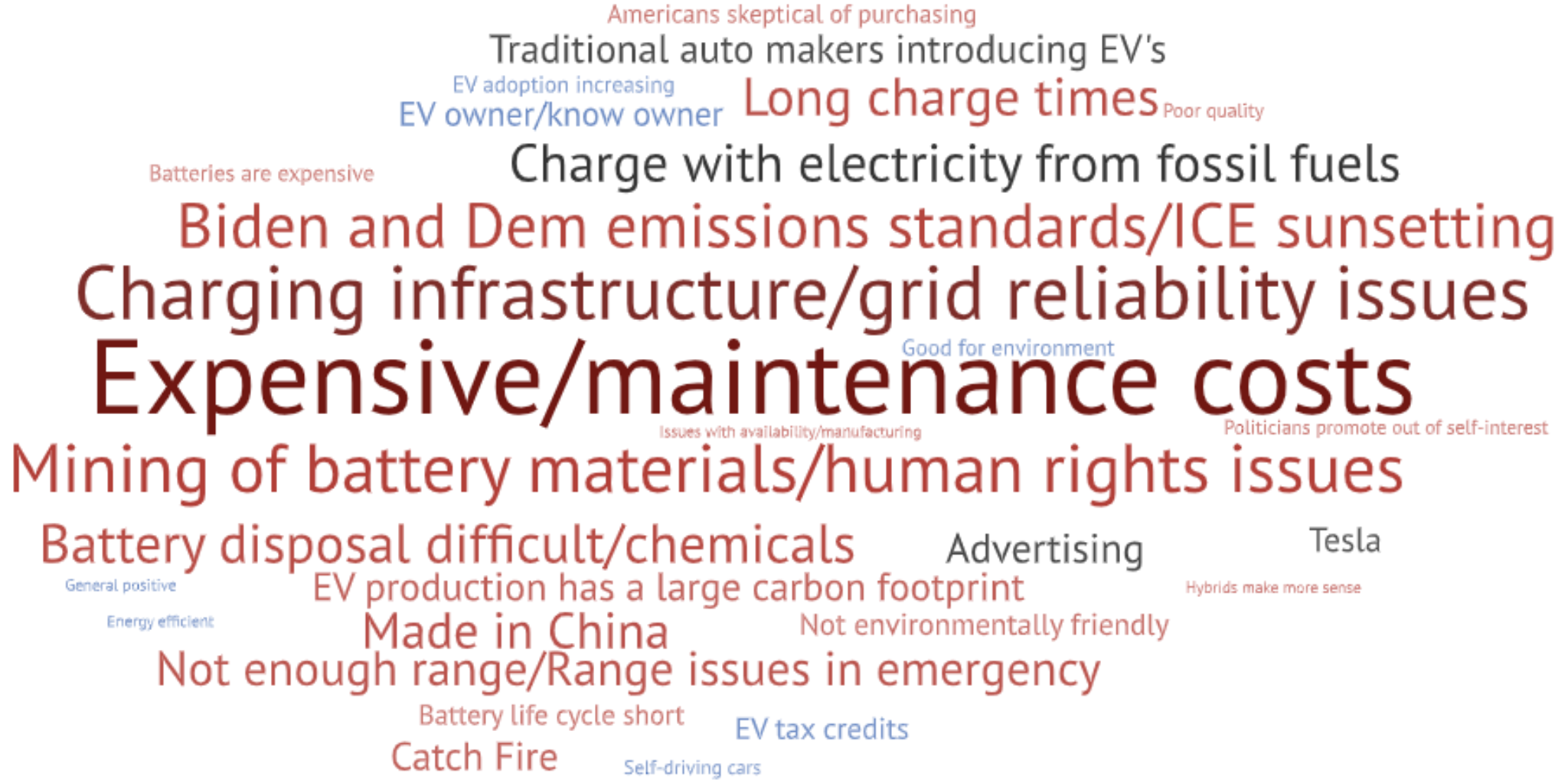
**Negative press about charging infrastructure reliability and the grid**



**Messaging on key policy efforts "mandating EVs" and "banning gas cars"**

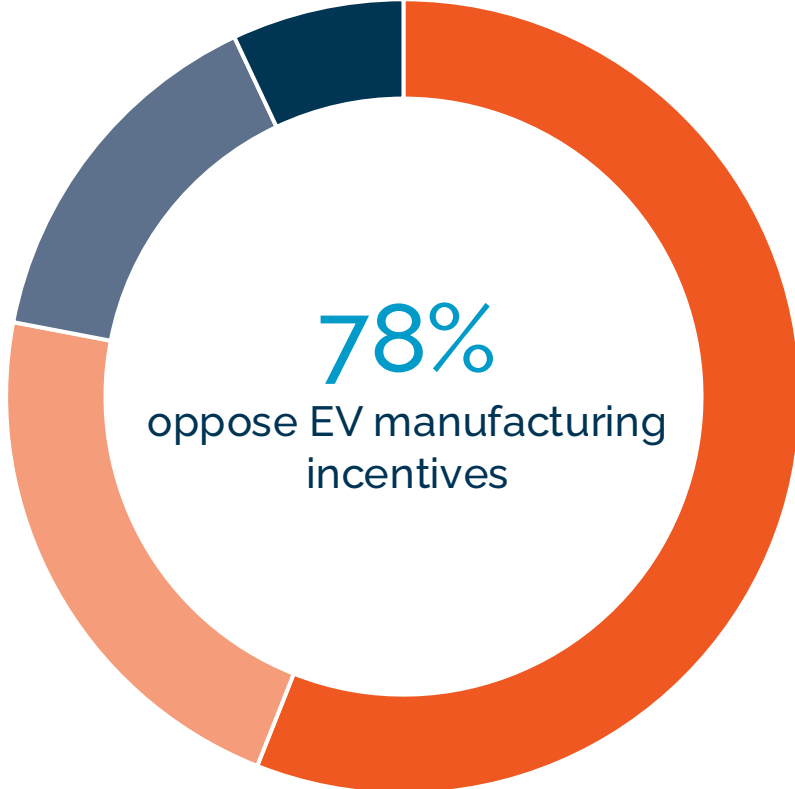
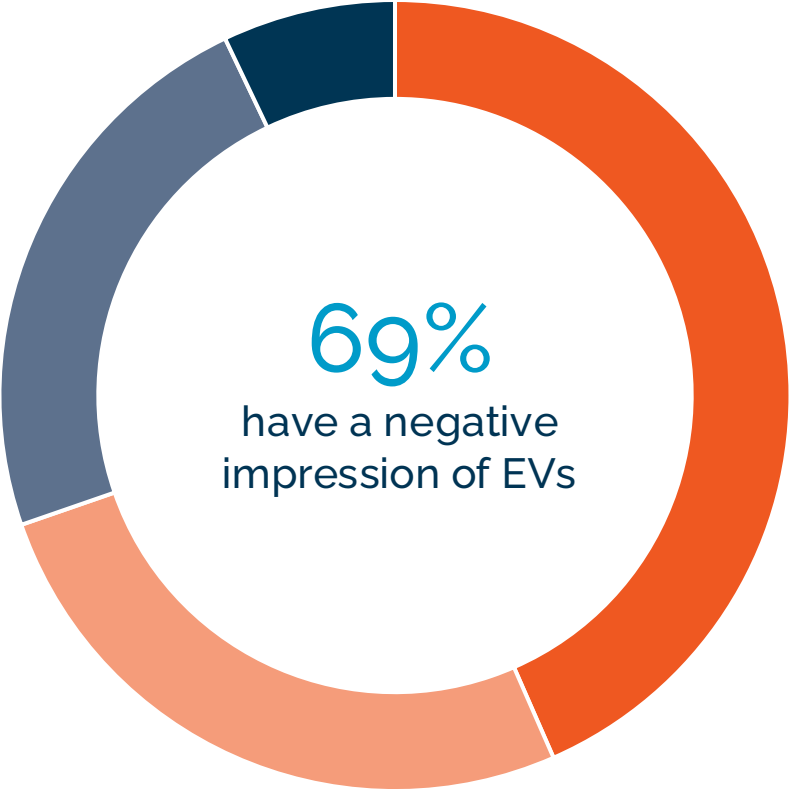


**Virtue signaling/moral arguments against EVs**



# Electric vehicles have become a **wedge issue**

Republican primary voters:



- Very unfavorable: 43%
- Somewhat unfavorable: 26%
- Somewhat favorable: 23%
- Very favorable: 7%

- Strongly oppose: 56%
- Somewhat oppose: 22%
- Somewhat favor: 15%
- Strongly favor: 7%



# What's at stake?

**The  
Guardian**

**'Democrats are losing': a battle on EVs could cost Kamala Harris votes in Michigan**

**PORTCITYDAILY**  
WILMINGTON, NC

**Pender school board pulls plug on EV buses, draws out other votes amid tension**

NEWS

AFPM launches seven-figure issue campaign spotlighting gas car ban policies across battleground states

February 12, 2024

By: AFPM Communications

U.S. NEWS

**GOP attorneys general sue Biden administration and California over rules on gas-powered trucks**

AP

## INOCULATING THE OPPOSITION

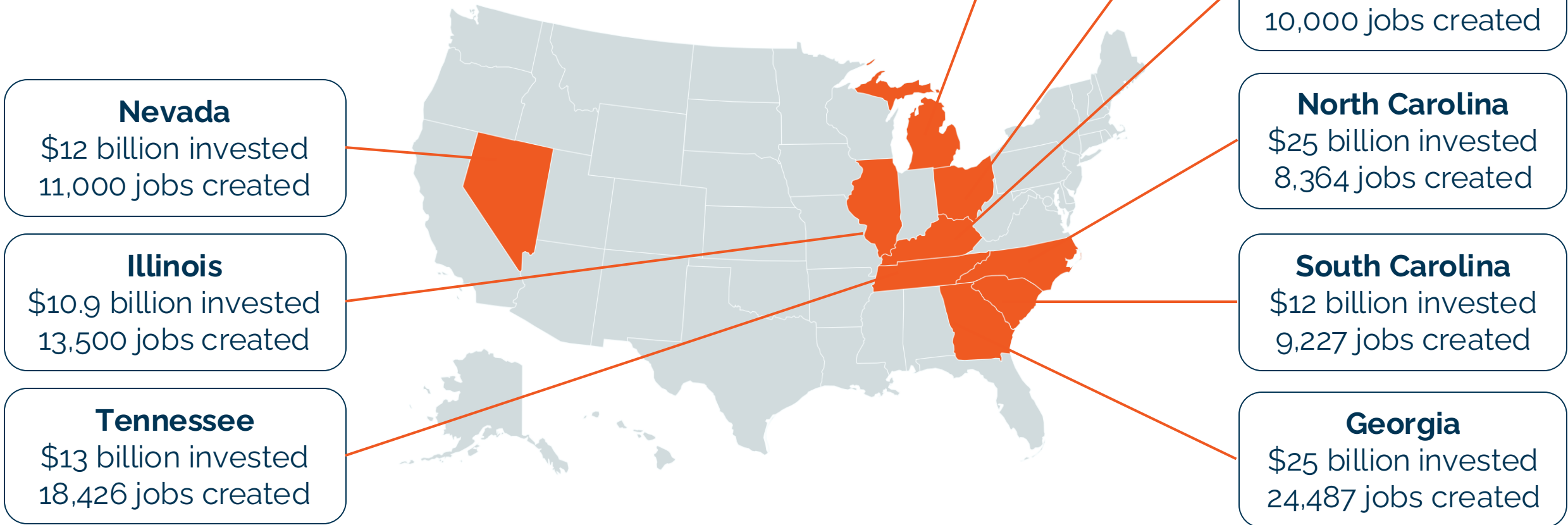
# The path forward

- Messaging to GOP lawmakers requires **non-partisan, non-ideological** messengers and messages
  - Climate/environmental arguments do not resonate with GOP lawmakers
- Local, state, and federal GOP lawmakers need to be convinced:
  - **Jobs, Jobs, Jobs:** From local EVSE installers to large corporate manufacturing investments
  - **Alternative value of electrification:** National and economic security benefits
  - **Actual EV deployments in districts:** City or school bus fleets can speak to fuel cost savings and EV tech functionality



*EC billboard outside Detroit*

# EV manufacturing is benefitting red and purple states



# What arguments do Republican primary voters find convincing?

## Threat from China

"China has become the world's largest manufacturing economy and controls the key minerals needed for the next generation of high-tech products. We cannot lose our country's standing and influence. This means we need to increase the domestic production of EVs."

**50%** of Republican primary voters find this argument convincing.

## American Jobs

"Investing in the domestic production of electric vehicles will allow auto manufacturers to bring even more manufacturing facilities to the U.S. and create more well-paying manufacturing jobs right here in America."

**48%** of Republican primary voters find this argument convincing.

## Gas Vehicle Availability

"Americans will still be able to easily purchase gas-powered vehicles even if the production of electric vehicles increases. It will just mean that they have a choice between gas and electric, just like they have the choice between steak and chicken at the grocery store."

**46%** of Republican primary voters find this argument convincing.



# Electrification Coalition

[ElectrificationCoalition.org](https://www.electrificationcoalition.org)

## Aaron Viles

Senior Director, Campaigns

[aaron@electrification.org](mailto:aaron@electrification.org)

## Will Drier

Illinois Policy Lead

Policy Manager

[Will@electrification.org](mailto:Will@electrification.org)

## Carolyn Bido

Illinois Campaigns Lead

Policy Associate

[Carolyn@electrification.org](mailto:Carolyn@electrification.org)