



April 27, 2023

The Honorable Ed Neilson
Chairman
House Transportation Committee
House Box 202174
Main Capitol Building
Harrisburg, PA 17120-2174

The Honorable Kerry Benninghoff
Minority Chairman
House Transportation Committee
House Box 202171
Main Capitol Building
Harrisburg, PA 17120-2171

RE: Submitted Testimony for May 1, 2023, hearing on electric vehicle user fees

Chairman Neilson and Chairman Benninghoff:

The Associated Pennsylvania Constructors (APC) supports the implementation of highway user fees on electric vehicles in Pennsylvania. Electric powered vehicles create the same wear-and-tear costs to our highway and bridge infrastructure as vehicles powered by fossil fuels. Therefore, electric vehicle owners must pay their fair share towards road maintenance and upkeep in a similar manner to owners of gasoline and diesel vehicles.

Electric vehicle fees are necessary because as more of these vehicles are sold in the Commonwealth, tax revenues used to maintain our roadways are lost because they are not paying fuel taxes as other drivers. Establishing such a fee would also ensure that all drivers contribute to the maintenance of roads, regardless of whether they use gasoline or electricity.

Attached are two charts from the Transportation Investment Advocacy Center showing that as of January 2023, 32 states have already adopted some level of electric vehicle fee. In addition, you will notice that our neighboring states of Ohio, West Virginia, and Virginia have enacted an electric vehicle fee. The second chart lists the frequency of those fees and the year of enactment.

Additionally, we recommend that you redraft and consider House Bill 948 from the 2021-22 Session, which represents a good framework and starting point for establishing an electric vehicle fee in the Commonwealth.

It is time to act. Every day that Pennsylvania fails to enact a fair, reasonable, and sustainable electric vehicle user fee is another day the state is losing revenue to maintain our aging infrastructure adequately.

Finally, the recently enacted federal Infrastructure Investment and Jobs Act (IIJA) contains many positive incentives for purchasing and operating electric and alternative-fueled vehicles. But APC believes the adoption of these policies must be balanced with the ability to continue to maintain our state's vital infrastructure systems.

Thank you for allowing us to submit some information regarding electric vehicle fees for your consideration. APC remains willing and ready to work with you in advancing policies that include equitable road user fees but also support the environment and promote sustainable transportation options.

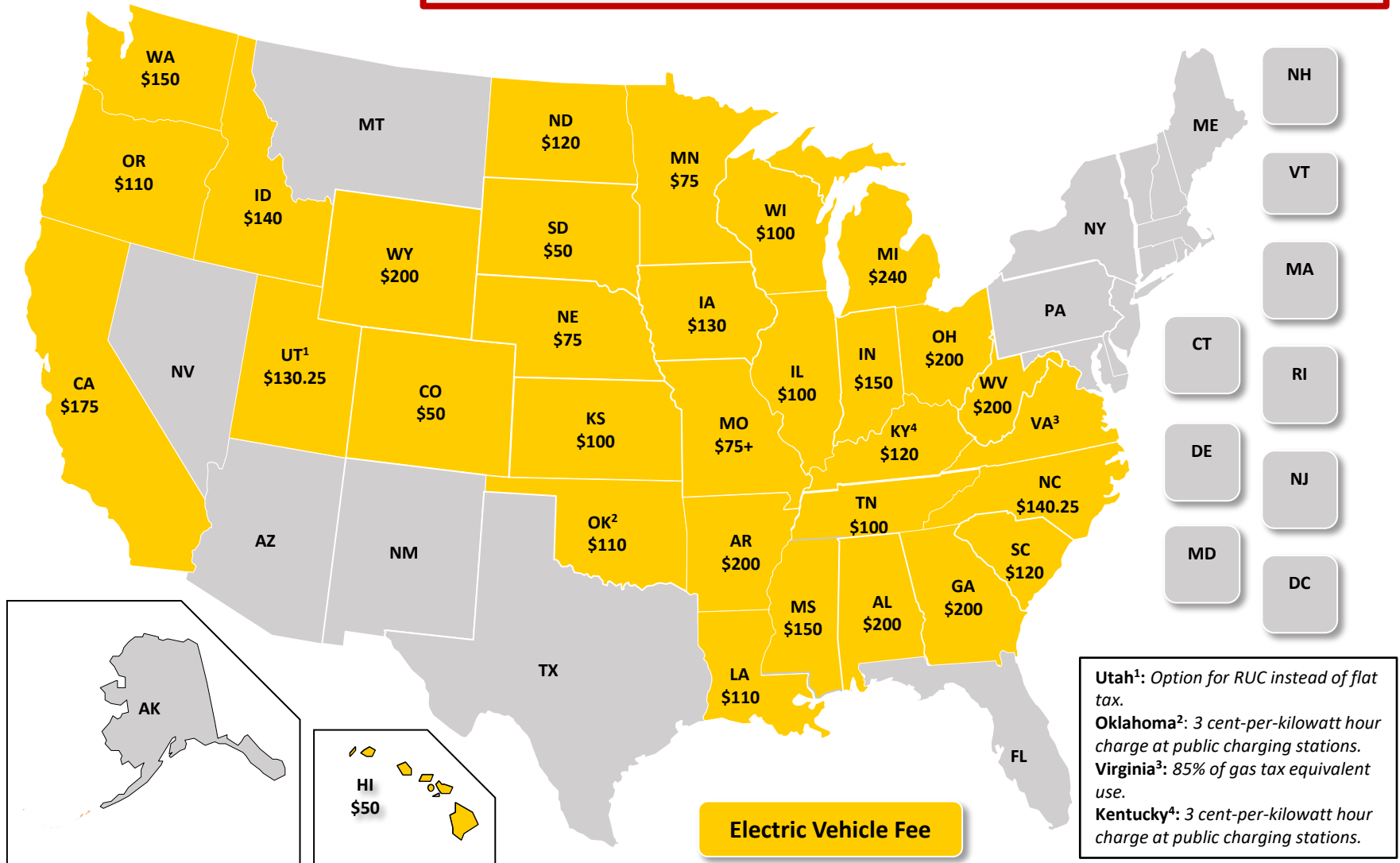
Respectfully,

A handwritten signature in black ink, appearing to read "R. E. Latham".

Robert E. Latham, CAE
Executive Vice President

CC: Members of the House Transportation Committee

32 States Have an Electric Vehicle Fee



STATE ELECTRIC VEHICLE FEES

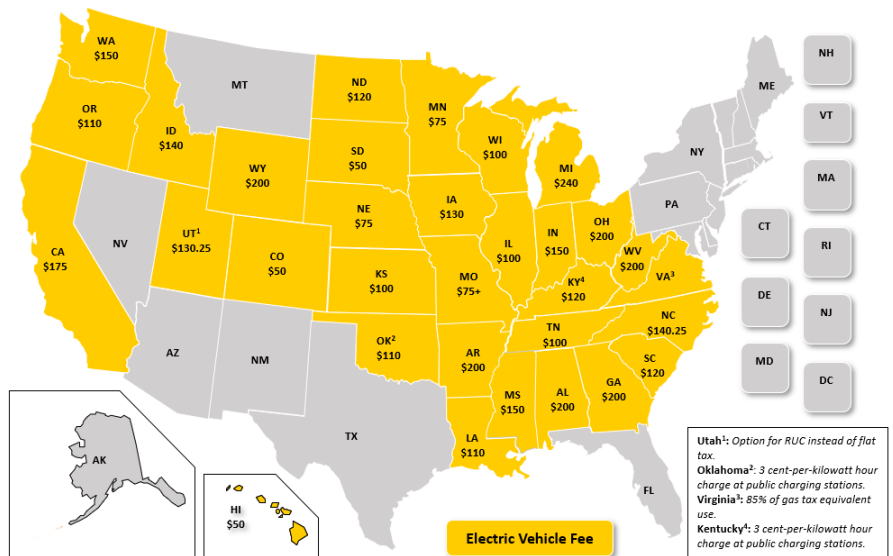
	ELECTRIC VEHICLE (EV) FEE	HYBRID VEHICLE FEE	FREQUENCY FEE IS CHARGED	YEAR EV FEE PASSED
Alabama	\$200	\$100	Annual	2019
Arkansas	\$200	\$100	Annual	2019
California	\$175 (Indexed)		Annual	2017
Colorado	\$50		Annual	2013
Georgia	\$200 / \$300		Annual	2015
Hawaii	\$50		Annual	2019
Idaho	\$140		Annual	2015
Illinois	\$100		Annual	2019
Iowa	\$130	\$65**	Annual	2019
Indiana	\$150 (Indexed)	\$50 (Indexed)	Annual	2017
Kansas	\$100	\$50	Annual	2019
Kentucky*	\$120	\$80	Annual	2022
Louisiana	\$110	\$60	Annual	2022
Michigan	\$140 - \$240 (Indexed)	\$50 - \$120 (Indexed)	Annual	2015
Minnesota	\$75		Annual	2017
Mississippi	\$150 (Indexed)	\$75 (Indexed)	Annual	2018
Missouri	\$75 - \$1,000	\$37.50 - \$500**	Annual	1998
Nebraska	\$75		Annual	2011
North Carolina	\$140.25 (Indexed)		Annual	2013
North Dakota	\$120		Annual	2019
Ohio	\$200	\$100**	Annual	2019
Oklahoma*	\$120		Annual	2021
Oregon	\$110		Annual	2017
South Carolina	\$120	\$60	Biennial	2017
South Dakota	\$50		Annual	2021
Tennessee	\$100		Annual	2017
Utah	\$130.25 or RUC (Indexed)	\$56.50/\$21.75(Indexed)	Annual	2018
Virginia	85% of gas tax equivalent	85% of gas tax equivalent	Annual	2020/2014
Washington	\$150	\$50**	Annual	2012
West Virginia	\$200	\$100	Annual	2017
Wisconsin	\$100	\$75	Annual	2017
Wyoming	\$200		Annual	2015/2019

Scale indicates fees differentiated by passenger/
commercial vehicle, or based on vehicle weight.

* Additional 3 cent per kilowatt hour charge at
public charging stations.

** Plug-in hybrids only

32 States Have an Electric Vehicle Fee



THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 948 Session of
2021INTRODUCED BY CARROLL, IRVIN, KINSEY, NEILSON, R. BROWN,
SCHLOSSBERG, DELLOSO AND SCHWEYER, MARCH 17, 2021AS REPORTED FROM COMMITTEE ON TRANSPORTATION, HOUSE OF
REPRESENTATIVES, AS AMENDED, MAY 5, 2021

AN ACT

1 Amending Title 75 (Vehicles) of the Pennsylvania Consolidated
2 Statutes, IN GENERAL PROVISIONS, FURTHER PROVIDING FOR <--
3 DEFINITIONS; IN PRELIMINARY PROVISIONS, FURTHER PROVIDING FOR
4 DEFINITIONS; in liquid fuels and fuels tax, further providing
5 for definitions and FOR IMPOSITION OF TAX, EXEMPTIONS AND <--
6 DEDUCTIONS AND providing for electric vehicle road use fee;
7 and making editorial changes.

8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

10 ~~Section 1. Chapter 90 of Title 75 of the Pennsylvania~~ <--
11 ~~Consolidated Statutes is amended by adding a subchapter heading~~
12 ~~to read:~~

13 SECTION 1. THE DEFINITION OF "HYBRID ELECTRIC VEHICLE" IN <--
14 SECTION 102 OF TITLE 75 OF THE PENNSYLVANIA CONSOLIDATED
15 STATUTES IS AMENDED TO READ:

16 § 102. DEFINITIONS.

17 SUBJECT TO ADDITIONAL DEFINITIONS CONTAINED IN SUBSEQUENT
18 PROVISIONS OF THIS TITLE WHICH ARE APPLICABLE TO SPECIFIC
19 PROVISIONS OF THIS TITLE, THE FOLLOWING WORDS AND PHRASES WHEN
20 USED IN THIS TITLE SHALL HAVE, UNLESS THE CONTEXT CLEARLY

1 INDICATES OTHERWISE, THE MEANINGS GIVEN TO THEM IN THIS SECTION:

2 * * *

3 "HYBRID ELECTRIC VEHICLE." [AN ELECTRIC VEHICLE WHICH ALLOWS
4 POWER TO BE DELIVERED TO THE DRIVE WHEELS SOLELY BY A BATTERY-
5 POWERED ELECTRIC MOTOR BUT WHICH ALSO INCORPORATES THE USE OF A
6 COMBUSTION ENGINE TO PROVIDE POWER TO THE BATTERY AND WHICH
7 MEETS THE APPLICABLE FEDERAL MOTOR VEHICLE SAFETY STANDARDS. THE
8 PRIMARY SOURCE OF POWER FOR THE MOTOR MUST BE THE ELECTRIC
9 BATTERY OR BATTERY PACK AND NOT THE COMBUSTION ENGINE.] AN
10 ELECTRIC VEHICLE WITH THE ABILITY TO CHARGE AN ONBOARD BATTERY
11 OR BATTERY PACK USING AN EXTERNAL POWER SOURCE WHICH ALLOWS
12 POWER TO BE DELIVERED TO THE DRIVE WHEELS SOLELY BY A BATTERY-
13 POWERED ELECTRIC MOTOR BUT WHICH ALSO INCORPORATES THE USE OF A
14 COMBUSTION ENGINE TO PROVIDE POWER TO THE BATTERY AND WHICH
15 MEETS THE APPLICABLE FEDERAL MOTOR VEHICLE SAFETY STANDARDS. THE
16 PRIMARY SOURCE OF POWER FOR THE MOTOR MUST BE THE ELECTRIC
17 BATTERY OR BATTERY PACK AND NOT THE COMBUSTION ENGINE.

18 * * *

19 SECTION 2. CHAPTER 90 OF TITLE 75 IS AMENDED BY ADDING A
20 SUBCHAPTER HEADING TO READ:

21 SUBCHAPTER A

22 PRELIMINARY PROVISIONS

23 ~~Section 2. Section 9002 of Title 75 is amended by adding~~ <--
24 ~~definitions to read:~~

25 SECTION 3. THE DEFINITION OF "ALTERNATIVE FUEL DEALER-USER" <--
26 IN SECTION 9002 OF TITLE 75 IS AMENDED AND THE SECTION IS
27 AMENDED BY ADDING DEFINITIONS TO READ:

28 § 9002. Definitions.

29 The following words and phrases when used in this chapter
30 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 * * *

3 "ALTERNATIVE FUEL DEALER-USER."

<--

4 (1) ANY PERSON WHO DELIVERS OR PLACES ALTERNATIVE FUELS
5 INTO THE FUEL SUPPLY TANK OR OTHER DEVICE OF A VEHICLE FOR
6 USE ON THE PUBLIC HIGHWAYS.

7 (2) THE TERM INCLUDES A PERSON WHO OWNS AND PROVIDES AN
8 ELECTRIC VEHICLE CHARGING STATION FOR PUBLIC USE, REGARDLESS
9 OF WHETHER COMPENSATION IS RECEIVED FOR THE PUBLIC USE.

10 (3) THE TERM DOES NOT INCLUDE A PERSON WHO OWNS AND
11 PROVIDES AN ELECTRIC VEHICLE CHARGING STATION USED
12 EXCLUSIVELY TO CHARGE:

13 (A) ELECTRIC VEHICLES AT A PRIVATE RESIDENCE.

14 (B) ELECTRIC VEHICLES OWNED BY TENANTS, RESIDENTS OR
15 VISITORS OF A COMMON INTEREST DEVELOPMENT OR OF ANY OTHER
16 GROUP OF PRIVATE RESIDENCES WITHIN A GEOGRAPHIC LOCATION.

17 (C) ELECTRIC VEHICLES OWNED BY A BUSINESS OR
18 ELECTRIC VEHICLES OWNED BY THE EMPLOYEES OF A BUSINESS.

19 (D) ELECTRIC VEHICLES NOT OPERATED ON PUBLIC
20 HIGHWAYS.

21 (4) THE TERM DOES NOT INCLUDE AN OWNER OF AN ELECTRIC
22 VEHICLE SUBJECT TO THE ELECTRIC VEHICLE ROAD USE FEE,
23 REGARDLESS OF THE METHOD THROUGH WHICH THE OWNER CHARGES THE
24 ELECTRIC VEHICLE.

25 * * *

26 "Electric vehicle." The term includes electric vehicles and
27 hybrid electric vehicles. The term does not include qualified
28 motor vehicles as defined under section 2101.1 (relating to
29 definitions).

30 "ELECTRIC VEHICLE CHARGING STATION." A FACILITY OR EQUIPMENT <--

1 DESIGNED TO CHARGE A BATTERY WITHIN AN ELECTRIC VEHICLE BY
2 PERMITTING THE TRANSFER OF ELECTRICITY TO A BATTERY OR OTHER
3 STORAGE DEVICE IN AN ELECTRIC VEHICLE. THE FACILITIES AND
4 EQUIPMENT MAY CHARGE BATTERIES THROUGH CONNECTIVE OR INDUCTIVE
5 MEANS.

6 "Electric vehicle road use fee." The annual fee imposed
7 under Subchapter C (relating to electric vehicle road use fee)
8 in place of a tax on alternative fuels assessed upon electricity
9 used in electric vehicles.

10 "Exempt entity." A person exempt under section 9004(e)
11 (relating to imposition of tax, exemptions and deductions) from
12 reporting and paying a tax on liquid fuels, fuels or alternative
13 fuels imposed by this chapter.

14 * * *

15 SECTION 4. SECTION 9004(D) OF TITLE 75 IS AMENDED BY ADDING <--
16 A PARAGRAPH TO READ:

17 § 9004. IMPOSITION OF TAX, EXEMPTIONS AND DEDUCTIONS.

18 * * *

19 (D) ALTERNATIVE FUELS TAX.--

20 * * *

21 (3) NOTHING CONTAINED IN THIS CHAPTER SHALL BE CONSTRUED
22 TO:

23 (I) AFFECT THE DUTY OF AN ALTERNATIVE FUEL DEALER-
24 USER TO REPORT AND PAY TO THE DEPARTMENT THE TAX UNDER
25 THIS SUBSECTION FOR ELECTRICITY DELIVERED THROUGH AN
26 ELECTRIC VEHICLE CHARGING STATION PROVIDED BY THE
27 ALTERNATIVE FUEL DEALER-USER TO THE OWNER OF AN ELECTRIC
28 VEHICLE THAT IS SUBJECT TO THE ELECTRIC VEHICLE ROAD USE
29 FEE.

30 (II) PROHIBIT THE ALTERNATIVE FUEL DEALER-USER FROM

PASSING ONTO THE OWNER OF AN ELECTRIC VEHICLE THAT IS
SUBJECT TO THE ELECTRIC VEHICLE ROAD USE FEE ANY COSTS
ASSOCIATED WITH THE REPORTING AND PAYMENT OF THE TAX
UNDER THIS SUBSECTION.

Section 3 5. Chapter 90 of Title 75 is amended by adding
subchapters to read:

SUBCHAPTER B

(Reserved)

SUBCHAPTER C

ELECTRIC VEHICLE ROAD USE FEE

Sec.

9031. Short title of subchapter.

9032. Road use fee imposed on electric vehicles.

9033. ~~Electricity used in electric vehicles.~~ PRIOR NONPAYMENT

OF ALTERNATIVE FUELS TAX.

9034. Fees for highway maintenance and construction.

9035. Exempt entities.

9036. Refunds.

9037. Regulations.

9038. EXPIRATION.

§ 9031. Short title of subchapter.

This subchapter shall be known and may be cited as the
Electric Vehicle Road Use Fee Act.

§ 9032. Road use fee imposed on electric vehicles.

(a) Fee required for registration.--Concurrent with
submitting an annual or biennial vehicle registration
application and fee to the Department of Transportation under
section 1301 (relating to registration and certificate of title
required), an owner of an electric vehicle shall submit the
electric vehicle road use fee. The following shall apply:

1 (1) Registration may not be considered complete without
2 payment in full of the electric vehicle road use fee.

3 (2) The electric vehicle road use fee shall be paid upon
4 initial registration and upon renewal for each electric
5 vehicle registered in this Commonwealth.

6 (b) Computation of electric vehicle road use fee.--

7 (1) The electric vehicle road use fee for any electric
8 motorcycle and neighborhood electric vehicle shall be \$15 per
9 year.

10 (2) The electric vehicle road use fee for any hybrid
11 electric vehicle with a gross vehicle weight rating of not
12 more than 26,000, but not a motorcycle shall be \$75 per year.

13 (3) The electric vehicle road use fee for any electric
14 vehicle with a gross vehicle weight rating of not more than
15 26,000, but not a motorcycle shall be \$175 per year. For
16 purposes of this subparagraph, an electric vehicle shall not
17 include a hybrid electric vehicle.

18 (4) The electric vehicle road use fee for any electric
19 vehicle with a gross vehicle weight rating of 26,001 or more
20 shall be \$250 per year.

21 ~~\$ 9033. Electricity used in electric vehicles.~~

<--

22 ~~Electricity used in an electric vehicle that propels a~~
23 ~~vehicle on public highways is not considered a liquid fuel, fuel~~
24 ~~or alternative fuel as defined under this chapter.~~

25 ~~\$ 9033. PRIOR NONPAYMENT OF ALTERNATIVE FUELS TAX.~~

<--

26 (A) LIABILITY FOR UNPAID TAX AMOUNTS.--THE OWNER OF AN
27 ELECTRIC VEHICLE SUBJECT TO THE ELECTRIC VEHICLE ROAD USE FEE
28 SHALL NOT BE LIABLE FOR ANY UNPAID TAX AMOUNT OWED TO THE
29 DEPARTMENT PRIOR TO THE EFFECTIVE DATE OF THIS SECTION FOR THE
30 TAX IMPOSED UNDER SECTION 9004(D) (RELATING TO IMPOSITION OF

1 TAX, EXEMPTIONS AND DEDUCTIONS).

2 (B) LIENS, PENALTIES AND INTEREST.--THE DEPARTMENT MAY NOT
3 IMPOSE LIENS, PENALTIES OR INTEREST ON THE OWNER OF AN ELECTRIC
4 VEHICLE SUBJECT TO THE ELECTRIC VEHICLE ROAD USE FEE FOR ANY
5 UNPAID TAX AMOUNT OWED TO THE DEPARTMENT PRIOR TO THE EFFECTIVE
6 DATE OF THIS SECTION FOR THE TAX IMPOSED UNDER SECTION 9004(D).

7 (C) CRIMINAL PENALTIES AND FINES.--THE OWNER OF AN ELECTRIC
8 VEHICLE SUBJECT TO THE ELECTRIC VEHICLE ROAD USE FEE SHALL NOT
9 BE SUBJECT TO ANY CRIMINAL PENALTIES OR FINES UNDER THIS CHAPTER
10 FOR ANY UNPAID TAX AMOUNTS OWED TO THE DEPARTMENT PRIOR TO THE
11 EFFECTIVE DATE OF THIS SECTION FOR THE TAX IMPOSED UNDER SECTION
12 9004(D).

13 § 9034. Fees for highway maintenance and construction.

14 Fees collected under this subchapter shall be deposited in
15 the Motor License Fund in accordance with the allocations under
16 section 9511 (relating to allocation of proceeds). For purposes
17 of aligning the electric vehicle road use fee with the
18 allocations of proceeds, the electric vehicle road use fee must
19 be allocated in accordance with the oil company franchise tax
20 for highway maintenance and construction under section 9502
21 (relating to imposition of tax).

22 § 9035. Exempt entities.

23 (a) Exemption.--An electric vehicle registered to an exempt
24 entity under section 9004(e) (relating to imposition of tax,
25 exemptions and deductions) is exempt from paying the electric
26 vehicle road use fee.

27 (b) Requirements.--The following apply:

28 (1) If an electric vehicle registered to an exempt
29 entity is used for a nonexempt purpose during the
30 registration year, the exempt entity shall pay an

1 administrative penalty of \$500 to the department. An exempt
2 entity that improperly uses a vehicle for nonexempt purposes
3 is not eligible to claim a refund for the vehicle under the
4 provisions of section 9036 (relating to refunds).

5 (2) An exempt entity applying for a refund under section
6 9036 shall maintain records of vehicle usage, certifying that
7 an individual trip made by the vehicle was for a qualified
8 exempt use. Individual trip logs, odometer readings and
9 driver signatures shall be among the records required to
10 substantiate exempt use.

11 (3) The department may inspect the substantiating
12 records for an exempt entity at any time.

13 (4) The exempt entity shall cooperate with an agent of
14 the department in an inspection.

15 (5) An exempt entity that refuses to permit the
16 department or an agent appointed by the department in writing
17 to examine the books, records, papers or other equipment
18 associated with the operation of an electric vehicle commits
19 a summary offense and shall pay a fine of \$500 for each
20 electric vehicle owned or operated by the exempt entity.

21 § 9036. Refunds.

22 A person may be entitled to a refund of the electric vehicle
23 road use fee paid for a vehicle that would otherwise have been
24 exempt under section 9004 (relating to imposition of tax,
25 exemptions and deductions). A person entitled to a refund of the
26 electric vehicle road use fee shall apply for an annual refund
27 in a manner similar to the refund process used for liquid fuels,
28 fuels and alternative fuels under section 9017 (relating to
29 refunds).

30 § 9037. Regulations.

1 (A) PROMULGATION.--The department, in coordination with the <--
2 Department of Transportation, may promulgate regulations to
3 implement the addition of this subchapter.

4 ~~Section 4 5. This act shall take effect in 180 days.~~ <--

5 (B) TEMPORARY REGULATIONS.--IN ORDER TO FACILITATE THE <--
6 PROMPT IMPLEMENTATION OF THIS SUBCHAPTER, REGULATIONS
7 PROMULGATED BY THE DEPARTMENT UNDER THIS SECTION DURING THE TWO
8 YEARS FOLLOWING THE EFFECTIVE DATE OF THIS SECTION SHALL BE
9 DEEMED TEMPORARY REGULATIONS, WHICH SHALL EXPIRE NO LATER THAN
10 THREE YEARS FOLLOWING THE EFFECTIVE DATE OF THIS SECTION OR UPON
11 PROMULGATION OF FINAL REGULATIONS. THE TEMPORARY REGULATIONS MAY
12 NOT BE SUBJECT TO:

13 (1) SECTIONS 201, 202, 203, 204 AND 205 OF THE ACT OF
14 JULY 31, 1968 (P.L.769, NO.240), REFERRED TO AS THE
15 COMMONWEALTH DOCUMENTS LAW.

16 (2) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS
17 THE REGULATORY REVIEW ACT.

18 (3) SECTION 204(B) OF THE ACT OF OCTOBER 15, 1980
19 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT.

20 § 9038. EXPIRATION.

21 THIS SUBCHAPTER SHALL EXPIRE ON DECEMBER 31, 2029.

22 SECTION 6. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

23 (1) THE FOLLOWING SHALL TAKE EFFECT IMMEDIATELY:

24 (I) THIS SECTION.

25 (II) THE ADDITION OF 75 PA.C.S. § 9037.

26 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 180
27 DAYS.