



IWV Supports The Choice In Automobile Retail Sales (CARS) Act

November 2, 2023

Dear Senators and Members of Congress,

On behalf of Independent Women's Voice, I urge you to support **S. 3094** and **H.R. 4468**, the Choice in Automobile Retail Sales Act of 2023, introduced by Senators Mike Crapo and Pete Ricketts and Representatives Tim Walberg and Andrew Clyde. Independent Women's Voice fights for women and their loved ones by effectively expanding support for policy solutions that aren't just well-intended, but actually enhance people's freedom, opportunities, and well-being.

This bill would rescind a new proposed rule **released** in April 2023 by the current administration imposing strict emissions control standards for gas-powered vehicles. These new standards **require** 67% of all new car, truck, and van sales to be electric by 2032. Up to half of new vehicle sales that fall in the heavy-duty category, including 18-wheelers, buses, and other work-related vehicles, are required to be electric by 2032.

Six in 10 Americans say the price tag of electric vehicles (EVs) is too high. Polling data **suggests** the majority of Americans won't ever buy EVs due to their vast shortcomings. As a result, EV adoption rates remain low. In 2022, EVs accounted for just **5.8%** of all the 13.8 million new vehicles sold in the U.S. This is attributed to a limited network of EV charging stations, fueling and charging inefficiencies, and the forced nature of EV adoption that isn't reflective of market demand.

To date, most EV drivers are in households that make at least \$150,000 per year or more. **\$58,000** for a new car, the average cost of a new electric vehicle according to Kelley Blue Book, is simply out of reach for most households.

EV proponents argue that consumers will save money down the road in reduced fuel costs yet studies show that it can take more than **15 years** to recoup the upfront extra costs in fuel savings. And for consumers betting on the \$7,500 federal tax credit when purchasing a new electric vehicle, **new rules proposed by the Treasury Department** could mean that fewer EVs will be eligible for the full \$7,500 come tax filing season.

Yet subsidies from the so-called Inflation Reduction Act (IRA) won't ease woes about EV purchases. A new study from the Texas Public Policy Foundation (TPPF) determined the true cost of EVs, without federal and state subsidies, would **total** about \$50,000. Generally speaking, EVs, on average, cost **\$4,600** more than a comparable gas-powered car.

Car manufacturers that aggressively touted EVs realize this push isn't working. Ford Motor Company **says** it lost \$37,000 on each EV car sold within the last three months. General Motors and Honda also **nixed** their plans to co-develop an "affordable" EV prototype due to "slower-than-expected" demand and inflationary pressures. Mercedes Benz's financial chief **conceded** EV manufacturing is a "pretty brutal space" to operate in today.

The timeline in this phase-out proposal is unrealistic, and frankly, completely tone-deaf. Prices across the board are markedly higher today than they were in 2021. Households, especially those with lower and middle incomes, have been forced to cut back on spending, increase credit card usage, and exhaust their savings due to persistent high inflation.

Forcing unaffordable vehicles on Americans during a time when households are struggling to stay afloat financially is reckless and out of touch. This new rule will also fail to substantially reduce emissions. In fact, the proposed rule could actually **undermine environmental progress** if Americans, understandably, opt to hold on to their older cars for longer to avoid amassing serious debt to acquire a new car that is less reliable.

For all these reasons, we urge all senators and members of Congress to work toward the swift passage of the Choice in Automobile Retail Sales Act of 2023. IWV thanks Senators Crapo and Rickett, along with Representatives Wallberg and Clyde, for their leadership on this issue.

Respectfully,



Hadley Heath Manning
Vice President for Policy
Independent Women's Voice