CENTRIST DEMOCRATS OF AMERICA

September 15, 2021

To:

U.S. Senator Joe Manchin 306 Hart Senate Office Building Washington D.C. 20510

U.S. Senator Kyrsten Sinema 317 Hart Senate Office Building Washington D.C. 20510

U.S. Senator Mark Kelly 516 Hart Senate Office Building Washington, DC 20510

Dear Senators Joe Manchin, Krysten Sinema and Mark Kelly:

I am writing to thank you for your leadership in ensuring that our nation's continued support of Electric Vehicles (EVs) is done so responsibly. Like you, I support the environmental benefits that EVs offer. However, I also believe that we must be careful not to allow the importance of EVs overshadow other legitimate concerns about the proliferation of these cars and trucks.

As Congressional Democrats and the Biden administration begin deliberations on a reconciliation package that will likely include regulations to expand America's use of EVs, I am reaching out to you because my organization, the Centrist Democrats of America (CDA), has two primary concerns with EV mandates and subsidies.

- 1. EVs have the potential to create an inequitable cost burden for working-class families, and take spending away from issues that affect them the most.
 - EV tax credits, and taxpayer dollars towards EV infrastructure (like charging stations) means deprioritizing other programs, such as the expansion of health benefits for seniors and veterans, or infrastructure dollars for schools.
 - EVs result in higher costs than gas-powered vehicles for the average American, even with government subsidies.
 - A vehicle is a long-term investment for working people. We cannot tax or penalize those who are making the investment in a gas-powered car today.
- 2. There are legitimate national security concerns that come with our reliance on China for developing the necessary batteries for EVs.
 - U.S. energy independence created hundreds of thousands of jobs and tens of billions in economic activity.
 - The EV and EV-battery supply chains are concentrated in China, where more than <u>70 percent of lithium-</u> ion batteries are produced.
 - China <u>accounts for 80-90 percent</u> of the world's rare earth mineral production.

Finally, your vote to disqualify Americans making over \$100,000 from getting tax credits when they purchase EVs was the right move. CDA stands with you and believes that a federal EV tax credit should not be given to wealthy Americans. After all, these tax credits will only either add to our nation's debt or result in fewer resources to support working-class people.

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Thank you again for your action on this issue. We look forward to working with you and other lawmakers on ensuring that all decisions involving EVs are made in the best interest of the American people.

Sincerely,

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