



**Date:** January 31<sup>st</sup>, 2023

**To:** House Committee on Transportation  
Representative Shannon Francis, Chair

**From:** Justin Cobb, Government Relations Manager  
The Nature Conservancy in Kansas

**RE:** Oral Neutral Testimony - HB 2004

Thank you for the opportunity to provide testimony on HB 2004. The Nature Conservancy is a nonpartisan, conservation nonprofit that has worked for over 30 years in Kansas to fulfill our mission of preserving the lands and water on which all life depends. We have permanently protected over 150,000 acres in Kansas including five preserves that are open to the public. We are dedicated to protecting the natural heritage of the state by pursuing science-based initiatives, including the reduction of carbon emissions. In 2021, we announced a partnership with Rivian to increase of the use of electric vehicles in our field work.

As acknowledged by HB 2004, recent development in technology and newly available tax incentives mean that electric vehicles will become increasingly prominent in the upcoming years. Increased usage of electric vehicles has been proven to decrease overall carbon emissions and should be incentivized as a step in the promotion of a profitable and sustainable economy.

Understanding the benefits that electric vehicles bring to the state, including the \$4 billion Panasonic investment, it is also worth noting that electric vehicles will alter the way that the infrastructure on which they rely upon must be funded. We applaud the legislature for the foresight into this opportunity but have some hesitations concerning HB 2004.

Owners of electric vehicles in Kansas currently pay higher annual registration fees than owners of gas vehicles to subsidize the fuel taxes they would otherwise pay. If the state feels that those higher fees will not be enough to sustain maintenance costs over time and a new tax is needed, then we recommend the reduction of the registration fees to the same price of a gas vehicle to not discourage Kansans from investing into an electric vehicle.

A charging station tax is beneficial as it charges drivers based on usage, instead of possession, and captures monies from out-of-state travelers who might otherwise go untaxed while using Kansas roads. However, the fiscal note for HB 2004 raises many concerns about whether this measure is appropriately timed. The projected overhead costs associated with the change mean that the state would lose money for the first two to three years and would produce little meaningful profit in the long run. We would encourage the committee to consider options that are more effective. If the state is to place a new burden on an applaudable consumer decision, then there should exist a tangible benefit for the taxpayers. Currently, HB 2004 taxes just to tax.