STATE OF KANSAS HOUSE OF REPRESENTATIVES

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BILL RHILEY

80TH HOUSE REPRESENTATIVE

January 31, 2023

Chairman Shannon Francis Transportation Committee Room 582-N

Mr. Chair:

I am Bill Rhiley, House District 80. Thank you for a chance to present my bill before this committee. I would also like to thank the Alliance for Automotive Innovation, Change Point, CDM Smith and the Kansas Department of Transportation for their presentation last week.

We developed this bill originally in January of 2022 and were excited when these organizations and others gave testimony last year. Unfortunately, my bill was talked about but did not get a look. If adopted last year, we would have been one of the first in the nation to figure this out.

I used data from the Federal Highway Administration to get an average miles per gallon on gas vehicles in the United States and several sources to get the average amount of electricity in kilowatts to take an electric vehicle (EV) 100 miles. Hence, the comparison our current \$.24 gas tax to get the \$.03 electric vehicle equity road repair tax.

I have been asked about current registration fees on EV and if that is enough to repair roads. You have seen from previous presenters that 80% of EV vehicles will charge at home and only drive within 20 miles of their home. Those fees go to the SGF to be budgeted out to KDOT for their work and eventually to cities and counties. My \$.03 EV Road Repair tax goes directly to KDOT in the same manner that the gas tax does.

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Laura Kelly, Governor

Adam Proffitt, Director

March 15, 2022

The Honorable Richard Proehl, Chairperson House Committee on Transportation Statehouse, Room 582-N Topeka, Kansas 66612

Dear Representative Proehl:

SUBJECT: Fiscal Note for HB 2488 by Representative Rhiley

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2488 is respectfully submitted to your committee.

HB 2488 would establish the EV Energy Equity Road Repair Tax Act, which would impose a road repair tax equal to \$0.03 per kilowatt-hour of electricity provided to an electric vehicle at a public charging station. The road repair tax would be imposed regardless of whether the public charging station charges for the electricity or provides the electricity for free. The owner of the public charging station would remit the tax to the Director of Taxation to be credited to the State Highway Fund. The public charging station owner would also be entitled to charge and collect an amount equal to the road repair tax as part of the selling price. The Secretary of Revenue would be required to adopt rules and regulations establishing the criteria and procedures for the licensing of public charging stations of the energy provided. The bill would make it unlawful for the owner of a public charging station to:

- 1. Fail, neglect, or refuse to render the road repair tax to the Director of Taxation at the Department of Revenue, within the time required by the Director, and under rules and regulations adopted by the Director;
- 2. Fail, neglect, or refuse to pay the Director any tax, interest, or penalties for which the person would be liable;
- 3. Fail, neglect, or refuse to keep and maintain for three years, or fail to make fully and free accessible during business hours to the Department of Revenue all books, papers, and records required by the Act to be kept, maintained, and made accessible;
- 4. Assisting or allowing a person to violate any provision of the Act; or
- 5. Falsify, forge, or willfully conceal from the Department of Revenue any books, papers, and records required by this Act.

A violation of the bill's provision would be a misdemeanor and any person convicted would be punished by a fine \$25 per kilowatt-hour of energy that the tax is found to not have been remitted to the Department of Revenue and a fine of \$5,000 up to \$50,000, or imprisonment in the county jail for not less than 30 days or more than one year, or by both fine and imprisonment for failure to remit the tax and all other offenses.