February 11, 2020

House Taxation Committee
The Honorable Steven Johnson, Chair
Kansas State Capitol, Room 112-N
Topeka, Kansas 66612
RE: Testimony in support of HB 2499

<u>Testimony of Oklahoma House Representative Scott Fetgatter (R-Okmulgee)</u> <u>Chair, Appropriations & Budget Finance Subcommittee</u> <u>Assistant Majority Floor Leader</u>

Thank you, Mr. Chairman and Committee members, for permitting me to submit written testimony for the record. I write in support of HB 2499 as a fiscally conservative Republican representing Okmulgee, Oklahoma, a typical rural midwestern community. Economic development is a priority for me and for my constituents.

Towns across Oklahoma have seen firsthand the effects of urbanization on rural communities. Rather than accept the status quo, I firmly believe that lawmakers should embrace change and prepare for the future by fostering new technologies through sound public policy, in this case, a statewide network of direct-current fast charging (DCFC) stations for electric vehicles.

DCFC stations will bring drivers of electric vehicles to communities that have been otherwise ignored. EV drivers are stopping all over the state to sit back, charge their car, eat lunch, purchase goods, see local attractions; the list goes on. Hosting a DCFC creates a destination, and with it a kind of tourism effect. Further, a statewide network of DCFC stations acts as a magnet for businesses looking to re-locate and signals to entrepreneurs across the world that our state is ready to compete in the twenty-first century.

To bring this vision to reality, I co-sponsored legislation – similar to HB 2499 – extending an alternative fuels tax credit, which included electricity. It passed overwhelmingly with bipartisan support because policymakers here are confident that the credit will more than pay for itself in relatively short order and because of the many benefits a network brings to a state, including new business investment, job creation, and increases in tax revenue and in GDP.

Oklahomans seem genuinely excited by the arrival of the Ford F-150 and other makes and models starting in 2021, as just about every other vehicle on the road in Oklahoma is a light-duty pickup truck. Once drivers see the savings inherent in EV ownership over traditional combustion engine vehicles, without sacrificing horsepower, I believe many will become converts. Electric vehicles cost less to "fill up" and are much cheaper to maintain because they have fewer parts. Those consumer savings translate to increased discretionary spending in our communities.

In my international travels with a state delegation, I have witnessed the global evolution of the automotive industry, away from combustion engine vehicles and toward EVs. Major automakers have invested billions of dollars in EV manufacturing; EVs are simply inevitable.

Given that, the best policy is to provide public infrastructure to help the consumer transition rather than to ignore certain, imminent change. Infrastructure investment will provide a direct incentive for manufacturers - and other companies in the automotive industry supply chain - to do business in our state. Manufacturers will not sell EVs in states which lack public charging infrastructure.

For these reasons, I encourage Kansas and other states to support a public-private partnership in the form of a tax credit to incentivize private capital to build out a comprehensive network of DCFC stations.

Feel free to contact me with any questions.

Thank you,

Representative Scott Fetgatter (R-Okmulgee) 405.557.7373