

February 11, 2020

American
Fuel & Petrochemical
Manufacturers

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Dear Chairman Steven Johnson and Ranking Member Jim Gartner,

On behalf of the American Fuel & Petrochemical Manufacturers (AFPM), I want to thank the House Committee on Taxation for the opportunity to submit comments regarding HB 2499, legislation that would establish a tax credit for installing qualified alternative-fuel fueling stations in the state Kansas.

AFPM is a trade association representing the manufacturers of virtually the entire U.S. supply chain of gasoline, diesel, jet fuel, and home heating oil, as well as the petrochemicals used as building blocks for thousands of vital products used every day. AFPM membership extends throughout the country and includes members with operations in Kansas.

As proposed, HB 2499 would provide a tax credit for up to 75% of expenditures individuals or businesses utilize to install public access electric charging stations for electric vehicles (EVs) in tax years 2020 and 2021, with no limit on the amount of the tax credit provided. HB 2499 is an attempt to further subsidize an already heavily subsidized EV market for the benefit of only a few drivers in Kansas. In 2018, only 943 electric vehicles were sold in the entire state, while more than 90,000 vehicles in total were sold in the same year. Transportation policies that conflict with the will of the consumer and attempt to force changes in behavior should be considered with caution as they may impose undue costs on consumers and taxpayers with diminishing environmental benefits and unintended consequences. AFPM is strongly opposed to any biased treatment towards one source of fuel, as this bill intends to do, and believes the free-market should dictate the fuels market.

AFPM remains open to good faith discussions about the future of all fuels in Kansas and policies that would create better opportunities for all stakeholders, including consumers. We support the adoption of policies that focus on the consumer, strengthen our energy security, improve our standard of living, and protect our environment.

I appreciate the opportunity to share our perspective. Should you have any questions, please contact me at <a href="mailto:awalker@afpm.org">awalker@afpm.org</a> or (202) 844-5504

Respectfully submitted,

/s/ Airika Walker

Airika Walker Manager, State & Local Outreach American Fuel & Petrochemical Manufacturers

<sup>1 &</sup>quot;EV Market Share by State" https://evadoption.com/ev-market-share/ev-market-share-state/

<sup>2 &</sup>quot;State Facts: Autos Drive Kansas Forward" Automobile Alliance, https://autoalliance.org/in-your-state/KS/pdf/?export