



February 13, 2024

To: Chairman Carpenter and Members of the House Committee on Federal and State Affairs

From: Lynn Granger, American Petroleum Institute – Midwest Region

RE: Proponent Remarks Concerning House Bill 2783, House Committee on Federal and State Affairs

The American Petroleum Institute (API)¹ submits this testimony in support of House Bill 2783.

Today I encourage you to adopt the HB 2783 as it provides the consumer a choice in the vehicle that meets their needs whether that vehicle uses gasoline, diesel, electricity, hydrogen, or some combination of those products. The bill recognizes that preserving the consumers' choice is essential for maintaining a fair and competitive market. Further, the bill will likely result in a better and more expeditious way to reduce carbon emissions in transportation through adopting a technology-neutral approach for passenger and commercial vehicles while maintaining the energy security in our nation.

The bill rightly prohibits a state agency or municipality from restricting the use or sale of motor vehicles based on the energy source used to power the motor vehicle, including propulsion or use for powering other functions of the motor vehicle, without affecting how that government agency spends its own resources on their individual fleets.

Why is it important for Kansas pass this bill now?

Twelve states² have adopted California's Advanced Clean Car II program that mandates automakers offer to sell over one-third (35%) of their new vehicles in the state as electric vehicles by model year 2026³, ramping up to over two thirds (68%) by 2030, and 100% by 2035.

Additionally, multiple states⁴ have adopted California's Advanced Clean Truck rule which currently requires that 55% of Class 2b-3 vehicles (3/4-ton trucks and up), 75% of Class 4-8 vehicles, and 40% of Class 7-8 tractors sold be "zero-emission vehicles" (ZEV) in 2035. The federal EPA has just approved California's request for a Clean Air Act 209(b) waiver which allows the state to implement this rule. California is not only putting mandates on truck manufacturers but to ensure that rule is effective, they finalized the Advanced Clean Fleet rule in December that will require fleets of a certain size to purchase electric vehicles and requires sale of 100% of these medium- and heavy-duty trucks to be zero emission vehicles by 2040.

In all these rules, CARB pre-selected a single technology, ZEVs, instead of assessing alternative technologies using a technology neutral framework of carbon intensity-based fuel requirements linked to new vehicle standards on a well-to-wheels basis.

¹ API represents all segments of America's natural gas and oil industry, which supports more than ten million U.S. jobs and is backed by a growing grassroots movement of millions of Americans. Our nearly 600 members produce, process, and distribute the majority of the nation's energy, and participate in API Energy Excellence, which is accelerating environmental and safety progress by fostering new technologies and transparent reporting. API was formed in 1919 as a standards-setting organization and has developed more than 700 standards to enhance operational and environmental safety, efficiency, and sustainability.

² CA, CO, DE, MD, MA, NJ, NM, NY, OR, VT, VA, WA (note some states only go through 2032)

³ [Note: some states' implementation timeline will be Model Year 2027 or 2028.]

⁴ States that have adopted Advanced Clean Truck (ACT) rule: CA, CO, MD, MA, NJ, NY, OR, VT, WA.

House Bill 2783 is needed to limit the possibility that a state agency or municipality could, on their own initiative, adopt these California rules which would result in the consumer and business person seeing decreased options when they go to purchase a new vehicle.

The free market has a proven track record of demonstrating that competition has achieved policy objectives and effectuated advanced technology at a reduced cost to the consumer. By adopting HB 2783, Kansas would be supporting policies that allow all technologies, including lower-carbon fuels and biofuel blends (for example, E10, E15, renewable diesel, biodiesel), battery electric vehicles, hybrids and efficient gasoline and diesel vehicles to compete in the marketplace. These types of policies can ensure that the most efficient and effective technologies are implemented to achieve the goal of reducing GHG emissions in the transportation sector while maintaining options for the consumer to buy the vehicle that meets their family or business requirements.

Furthermore, this legislation recognizes the significant contributions of the oil and natural gas industry to America's energy security and economic prosperity. By preserving consumer and business access to new vehicles that run on lower-carbon liquid fuels (such as gasoline with higher blends of ethanol or diesel with biocomponents), alongside alternative energy sources, it ensures a diverse and reliable energy mix that supports our nation's transportation needs.

In conclusion, the American Petroleum Institute supports this legislation and urges you to vote to pass it favorably out of committee. By upholding the principles of consumer choice, free-market competition, and energy diversity, we can foster a thriving economy and secure a brighter future for all Americans.

For more information or if you have any questions, please contact:

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