

Dear Mr. President,

In November of last year, over 4,000 auto dealers from across the country representing every major automotive brand wrote you a letter asking that you “tap the brakes” on a proposed government electric vehicle mandate. The letter reflected the voice of our customers – the Americans who come to our dealerships every day to buy vehicles that are affordable and meet their needs.

There has been no response to the letter from your Administration.

In the next 8-10 weeks, the proposed regulations are expected to be finalized. As you consider whether to force American consumers to buy electric vehicles at unprecedented levels, we ask that you consider some facts:

- The number of electric vehicles that qualify for the \$7,500 tax credit in 2024 is less than half the number that qualified in 2023 (only 19 versus 43 last year). New rules disqualify vehicles that rely heavily on components and minerals from China, which currently dominates the supply chain for batteries. The cost premium for electric vehicles is a major factor for consumers, and the loss of these credits is bound to depress consumer demand in 2024 and beyond.
- Despite the \$7.5 billion allocated two years ago to build public electric vehicle charging stations, just three have been opened to date. Range anxiety is a major factor in consumers’ reluctance to buy electric vehicles. Based on the government’s estimates, 2.8 million public chargers will be needed by 2032, but only 170,000 public chargers exist today. That means 800 new chargers would have to be built every single day -- for the next nine years. Clearly, this is not even in the realm of possibility.
- Electric vehicles represented just 8% of vehicles sold in 2023. The proposed regulations would require that 60% of vehicles sold in 2030 be battery electric – and two out of every three by 2032. Electric vehicle sales are not remotely on trend to meet those requirements. Indeed, the day supply of electric vehicles on dealer lots today is nearly twice the supply of conventional vehicles.

Mr. President, our letter in November asked that you tap the brakes on the electric vehicle mandate. We now ask that you hit the brakes. It is uncontested that the combination of fewer tax incentives, a woefully inadequate charging infrastructure, and insufficient consumer demand makes the proposed electric vehicle mandate completely unrealistic.

On behalf of our customers, we ask that you pause on the electric vehicle mandate. Wait for the battery supply chain to develop outside the control of China. Wait for the charging infrastructure to support a significant increase in electric vehicles. And wait for the American consumer to make the choice to buy an electric vehicle, confident that they are affordable and won’t strand them because of a lack of charging stations.

Mr. President, we share your belief in an electric vehicle future. We only ask that you not accelerate into that future before the road is ready.

Sincerely,
Supporting Dealerships