



May 30, 2024

The Honorable Pete Ricketts
139 Russell Senate Office Building
Washington, D.C. 20510

The Honorable John James
1319 Longworth House Office Building
Washington, D.C. 20515

Dear Senator Ricketts and Representative James,

On behalf of the National Automobile Dealers Association (NADA), which represents over 16,000 franchised auto dealerships, I am writing in strong support of H.J.Res. 136/S.J.Res. 75, joint resolutions you have introduced which would disapprove the Environmental Protection Agency's (EPA) "Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles" rule.

Franchised new car and truck dealers have promoted, and will continue to promote, electrification of America's fleet with billions of dollars of their own capital already committed to investments in facilities, training and inventory. Despite the dealers' efforts and investments, however, the EPA's rule remains far ahead of consumer demand. As a result, this rule, which Congress did not direct, is not achievable in the time frame provided and would severely limit the ability of consumers to choose a new vehicle that meets their budget and transportation needs.

EPA's rule could effectively require 56% of U.S. light-duty vehicle sales to be electric by 2032. Last year, electric vehicle (EV) sales were only 7.6% of new light-duty sales. Our experience working with consumers every day makes us highly skeptical that consumers will adopt EVs anywhere near the levels required. Although EV demand varies dramatically by market, dealers are seeing significant consumer hesitancy regarding EVs, and new car buyers are not purchasing sufficient EVs for automakers to meet EPA's requirements. Consumers express concerns regarding EV affordability, a sufficient and reliable charging infrastructure, and acceptable charging speeds. The EPA's EV rule would also have a significant negative impact on consumer choice by gradually restricting the sale of gas-powered vehicles to meet EPA's new standards.

America's franchised new vehicle dealers are doing their part to be ready to meet the needs of their customers as car shoppers increasingly consider an EV purchase. However, other market conditions must be present for customers to purchase EVs in the volume required by EPA, and those conditions simply do not yet exist. The charging infrastructure is not ready, current incentives are not sufficient, and high EV prices will price out millions of consumers, particularly low-income Americans, from the new-car market.

NADA urges Congress to pass H.J.Res. 136/S.J.Res. 75. Unless Congress acts, EPA's rule will result in a new vehicle market that is unaffordable and does not meet the transportation needs of average Americans.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Stanton", written over a light blue horizontal line.

Mike Stanton
President and CEO