



Dear Senate Majority Leader Thune, Minority Leader Schumer, Chairman Crapo, Ranking Member Wyden and Members of the Senate Committee on Finance:

As a unique coalition of diverse organizations advocating for smart and affordable transportation electrification policy, we are writing to urge Congress to reject policies affecting transportation electrification in the budget reconciliation process that impose additional costs on Americans.

Using the reconciliation process to impose new fees on drivers circumvents important, bipartisan discussion in the surface transportation reauthorization process that must be resolved.

The Highway Trust Fund (HTF) has been unsustainable for far longer than electric vehicles have been on the road in meaningful numbers. With the federal gas tax unchanged since the 1990s, inflation, construction cost increases, and, to a lesser extent, improved efficiency of the internal combustion fleet have caused the HTF to rely on general fund infusions since 2008, even despite increased overall vehicle travel. To reach fiscal sustainability, Congress should examine how all drivers, including EV drivers, contribute to the HTF. That conversation must occur during a robust bipartisan surface transportation reauthorization process, not within a partisan reconciliation.

EV drivers should contribute to the transportation system's upkeep and efficiency. However, current proposals, including the House's annual \$250 EV and \$100 hybrid tax from the Transportation and Infrastructure Committee and new proposals for an annual \$500 EV tax and \$250 Hybrid tax, are neither fair to drivers nor appropriate, doing little to address the HTF's structural challenges while being excessively punitive. The Congressional Budget Office found that, before factoring in repeals of incentivizing tax credits, the taxes would raise just \$64 billion over ten years, far below the nearly \$330 billion needed over that same period to bring the HTF into solvency.¹ While individuals' use of the transportation system varies, the average fuel consumption per light-duty vehicle in 2023 was 447 gallons.² At the current federal gas tax rate of 18.4 cents per gallon, the average light-duty vehicle would have paid only \$82.25 in federal taxes to federal trust funds that year. Combined with state EV fees, which are similarly high compared to state gas tax revenues per user,³ EV drivers would be paying disproportionately and discouragingly high taxes under such a proposal.

Further, the nearly 10 million Americans driving hybrids would be taxed twice, paying both the federal gas tax and hybrid tax.⁴ Language in the House-passed reconciliation bill breaks from bipartisan policy established in the Reagan administration and does not contribute revenues to the Mass Transit Account of the HTF. Cutting out transit gas tax revenues would risk the stability of crucial Federal Transit Administration programs that communities rely on, including the Seniors and Individuals with Disabilities Grants and Rural Formula Grants. Further increases to the size of taxes would only exacerbate their punitive nature and reduce consumer choice while failing to address overall transportation policy and funding issues, which can only be resolved in reauthorization.

¹ CBO, [Reconciliation Recommendations of the House Committee on Transportation and Infrastructure](#)

² FHWA, Highway Statistics Series 2023. [Table VM-1](#)

³ Atlas Public Policy, [EV drivers in 36 states pay a surplus of fees each year](#)

⁴ US Energy Information Administration, Annual Energy Outlook 2025. [Table 39](#).

The undersigned respectfully urge Congress to reject the inclusion of poorly conceived EV and hybrid taxes in any reconciliation package, and instead advocate for a fair and transparent approach to policy development through surface transportation reauthorization.

Sincerely,

Acterra EV Charging for All Coalition

Alliance for a Just Society

Alliance of Nurses for Healthy Environments

Ample

Center for Biological Diversity

ChargePoint

Chesapeake Climate Action Network Action Fund

Clean Fuels Michigan

Coltura

Conservation Law Foundation

CURE

Drive Electric Dayton

Earthjustice Action

East Metro Strong

Ecology Center

Environmental Law & Policy Center

Forth

Fresh Energy

Generation 180

GreenLatinos

Health Care Without Harm

It's Electric, Inc.

League of Conservation Voters (LCV)

Michigan Energy Innovation Business Council

Mobilify Southwestern Pennsylvania

Move Minnesota

MN350

National Consumer Law Center, on behalf of our low-income clients

Natural Resources Defence Council (NRDC)

NETWORK Lobby for Catholic Social Justice

Plug in America

Public Citizen

Reno + Sparks Chamber of Commerce

Respiratory Health Association

Sierra Club

Southern Alliance for Clean Energy

Southern Environmental Law Center

Texas EV Alliance

Transportation for America

Union of Concerned Scientists

Womxn From The Mountain