

Federal Legislation Update

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Drive Electric PA Coalition Meeting
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Electrification
Coalition

Infrastructure Investment and Jobs Act Security

- Infrastructure Investment and Jobs Act, the IJA, or 2021 infrastructure bill
- It is the reauthorization **legislation that will guide the federal transportation program through at least late 2026**. In the mix with the IJA is the Build Back Better Act (the BBBA, or 2021 reconciliation bill), which has additional investments in sustainable and equitable transportation.
- Between these two pieces of legislation, **it will be a record investment in transportation—over \$1 Trillion (~\$13 billion for EVs)**: These bills offer a new opportunity for expanding transportation electrification, transit and other clean transportation opportunities.
- A little over \$100 billion is for discretionary, competitive grants with a sizable amount of that funding supporting new transportation funding programs.

Infrastructure Investment and Jobs Act Security

Passed the Senate in August and waiting on House vote

- Originally anticipated by Sept. 27, but politics and negotiations on the budget reconciliation put a snag in that moving forward.

IIJA provided the following for EVs and EVSE:

- \$5billion for EVSE along highways, determined by the National EV Charging Formula – each state gets funding. The factsheets show what this could be.
- \$2.5 billion for grants, of which \$1.25bn is for community grants to disadvantaged communities and rural areas
- \$2.5 billion for electric school buses, and another \$2.5bn for all alt fuel school buses
- Also includes many other EV provisions

Build Back Better Act Reconciliation

\$52.5 billion for EVs, EVSE, the supply chain and manufacturing:

- \$2bn **EVSE rebates** at DOE for publicly accessible locations, MUDs, workplaces.
- \$1bn for **EV Charging Equity program** at DOE for grants on EVSE
- \$500M to do **state energy transportation plans**
- \$4 billion for competitive grants at EPA under Section 131b of EISA (**EPA's Plug-In Electric Drive Vehicle Program**)
- \$6 billion for grants for EVSE projects at EPA: MHD, rural, urban routes, **smart charging, battery recycling** and 2nd use
- \$7 billion in multiple loan and grant programs at DOE to support development of **innovative technologies**
- \$5 billion in **vehicle replacement** of class 6 and 7 heavy-duty vehicles (refuse trucks and school buses) with EVs – new grant program at EPA
- \$17.5 billion in decarbonizing federal buildings and fleets. Supports **build out of EVSE** for fleets

Build Back Better Act Reconciliation (cont'd)

- **30D Credit:** makes it transferable, with a long term sunset out to Jan. 1, 2027 and beyond if certain requirements are met.
- **Used EV Credit:** creates a new refundable credit for the purchase of used EVs until 2031. Base credit of \$1,250 for the purchase of qualifying used EVs, with additional incentives for battery capacity. The credit is capped at the lesser of \$2,500 credit or 30% of the sale price.
- **Commercial EV tax credit:** Creates a new credit for qualified commercial EVs. 30% of the cost of a vehicle. In the case of vehicles acquired by tax exempt entities, the person who sold the qualified vehicle to such entity shall be treated as the taxpayer that placed such vehicle into service. 10 year credit, sunset Dec. 31, 2031
- **30C credit:** 10 year extension until 2031. Beginning in 2022, the provision expands the credit for EV charging infrastructure by providing a base credit of 6% for expenses up to \$100,000 and 4% for allowable expenses in excess of such limitation (i.e., it allows a credit for expenses beyond the limit if certain requirements are met).
- **48C is revived.** Provides an additional \$2.5 billion in credits for each year from 2022 through and including 2031. Exempt facility bonds for zero-emission vehicle infrastructure.



So, what's next?

What's Next

THIS WEEK

- Democrats to agree on a framework on BBBA

October 31

- IIJA either to be voted on or FAST Act will need to be extended

Before Thanksgiving?

- House to vote on both the IIJA and BBBA

Thank you!

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