



**Testimony of Save the Sound
Before the Transportation Committee**

***In support of* HB No. 5419 AN ACT CONCERNING THE FEDERAL CLEAN AIR ACT FEE ON
MOTOR VEHICLE REGISTRATIONS (with Amendments)**

***In support of* SB No. 127 AN ACT CONCERNING THE SALE OF ELECTRIC VEHICLES IN THE
STATE**

***In support of* HB No. 5423 AN ACT CONCERNING THE EXPANSION OF PASSENGER TRAIN AND
GROUND TRANSPORTATION SERVICES IN EASTERN CONNECTICUT**

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Save the Sound is a nonprofit organization representing over 4,200 member households and 10,000 activists statewide. Our mission is to protect and improve the land, air, and water of Connecticut and the entire Long Island Sound region. We use legal and scientific expertise and bring citizens together to achieve results that benefit our environment for current and future generations.

Dear Co-Chairs Cassano and Lemar, Vice-Chair Simms, Ranking Members Somers and Carney, and members of the Transportation Committee:

I. Save the Sound supports HB No. 5419, An Act Concerning the Federal Clean Air Act Fee on Motor Vehicle Registrations, but recommends that the bill be amended to further improve it.

This bill requires that the state's Clean Air Act fees be devoted to the purpose for which they were originally adopted. No measure could make more sense. Connecticut residents frequently support legislative proposals to establish dedicated funding for issues that they care strongly about, including clean air and the climate. However, all too frequently that intent is thwarted and those funds, once established, are simply diverted to the state's General Fund to fill budget shortfalls or other areas of state spending. This bill ensures that the funding mechanism that Connecticut voters supported for clean air programs goes to its intended purpose.

However, the bill has one omission that should be corrected: Like the Clean Air Act fees, Connecticut residents supported the establishment of a Greenhouse Gas Reduction Fee on vehicle registrations to address climate emissions and to support needed incentives to ramp up adoption of clean electric vehicles in the state. However, only a small portion of that GHG fee goes to support the state's electric vehicle program. The remainder goes into the General Fund, where it does nothing to address clean air or climate priorities.

Accordingly, the bill should be amended to ensure that the Greenhouse Gas Fees established in section 22a-201c of the General Statutes are also required to be the fully dedicated to the state’s CHEAPR electric vehicle incentive rebate program.

Connecticut’s Global Warming Solutions Act requires that the state reduce its climate emissions 45% by 2030 and 80% by 2050. Transportation currently accounts for the majority of those emissions (approximately 38%) and it is generally understood that the electrification of our transportation sector is an essential part of our greenhouse gas reduction strategy. Without large increases in sales of EVs here in Connecticut, we are not going to meet our critical climate goals.

The CHEAPR program has struggled with a lack of sufficient funding to maintain an effective program. To stretch the then-available funding, CHEAPR incentives were reduced in 2019 and, since then, electric vehicle purchases in the state have been sluggish. While a new funding source for the program (through an increase in the Greenhouse Gas Reduction Fee) was identified, the scope of the program was also expanded to provide additional incentives targeted at LMI purchasers. As a result, the funding currently directed to the program continues to fall short of what has proven effective in the past (and that is currently being effectively deployed in neighboring states), and the CHEAPR Board is currently considering competing program designs that present a choice between (1) operating within the currently allocated funding and failing to meet needed performance levels or (2) being fully effective but exceeding the current budgetary allocation.

The changes recommended in this testimony would enable the CHEAPR program to restore incentives to their pre-2019 levels (a level that has proven effective and that is commensurate with surrounding states) while also providing enhanced incentives for low and moderate income households in order to ensure that all residents can benefit from the program.

II. Save the Sound supports SB No. 127, An Act Concerning the Sale of Electric Vehicles in the State.

Connecticut has adopted ambitious, but critical, electric vehicle deployment targets, through its participation in the Multi-State ZEV MOU as well as through the iterative planning process of the Governor’s Council on Climate Change (GC3). Under the terms of the ZEV MOU, Connecticut needs to place approximately 150,000 electric vehicles on the road by 2025, while to meet our greenhouse gas reduction targets Connecticut needs to deploy 500,000 electric vehicles by 2030. As of January 1, 2021 there were only 13,800 EVs registered in Connecticut, less than 3% of our 2030 goal.¹ Moreover, the annual growth of EV registrations in the state is far below what is necessary to place us on a trajectory to meet our targets.² While some of this relatively modest growth in EV adoption can be attributed to the pandemic, the problem has been compounded by the state lowering the base incentive rebate levels associated with the Connecticut Hydrogen and Electric Automobile Purchase Rebate program (CHEAPR).

We have noted above that the CHEAPR program has not been funded at a level necessary to achieve meaningful progress. EV sales numbers in the state are still far too low. Ramping up EV adoption in the state will require critical action from not just state agencies, but also electric utilities, automakers, and auto dealers. To go from a few thousand, to 500,000 EVs on the road by 2030, Connecticut needs to adopt an all-hands-on deck approach to increasing EV sales. Allowing direct sales of electric vehicles by manufacturers would

¹ CT DMV, “Number of Registered Electric Vehicles in Connecticut.” <https://portal.ct.gov/DMV/News-and-Publications/News-and-Publications/Electric-vehicle-stats>.

² See EV Club of Connecticut, “EV Ownership Increases 18.2% In a Difficult Year,” January 22, 2021. <https://evclubct.com/ev-ownership-increases-18-2-in-a-difficult-year/>

increase public awareness, encourage build-out of public charging infrastructure, and provide motivation for existing dealerships to promote their electric vehicles more than they already do.³

There is no doubt that allowing direct sales by EV manufacturers as proposed by SB 127 will help us come closer to meeting the state's ZEV sales targets and GWSA pollution reduction targets. Save the Sound urges the legislature to support SB 127 in order to ramp up the state's efforts to transition away from fossil fuels and move toward a cleaner, healthier transportation future.

III. Save the Sound supports HB No. 5423, An Act the Expansion of Passenger Train and Ground Transportation Services in Eastern Connecticut.

Eastern Connecticut has long been under-invested in when it comes to transit and transportation planning. This bill recognizes the vital role that eastern Connecticut plays in the state's economy as well as the need for a deliberate and focused plan to improve transportation options in the region.

The bill would:

- Direct the Department of Transportation to conduct a feasibility study and develop an operational plan for a much needed expansion of the Shore Line East rail service to Westerly, Rhode Island (the functional terminus of Eastern Connecticut).
- Establish a new branch line of the service to run north from Groton to Norwich (with the potential for further extensions to Massachusetts) and that would connect major job centers such as Pfizer, Electric Boat, and the Navy's Groton Submarine Base.
- Create new train stations in Groton and Stonington.
- Provide for better ground transportation interconnections among these systems, allowing for convenient, efficient, and attractive transit options for commuters, shoppers, and residents generally.

This transportation planning is critical to the region, not only to address past under-investment but to support the region's economic development future. The region's major employer, Electric Boat, has already begun planning for a major increase in its workforce and plans are well underway for the development of the New London state pier into a hub to support the construction of Connecticut's Revolution Wind offshore wind projects, and subsequently serve as an assembly and staging area for other offshore wind projects. These efforts will bring thousands of new jobs to the area.

While the economic benefits of this growth is clear, it also threatens to bring increased traffic congestion, more air pollution from passenger cars, and additional parking challenges in areas already overcapacity.

This proposal would begin to proactively address all those potential adverse consequence while maximizing the economic development opportunities. It would reduce the number of cars on city streets, as well as on the crowded I-95 highway corridor, open up significant opportunities for transit-oriented development in the region, support economic development, better connect the region with the rest of the state, and reduce the state and region's overall pollution burden.

Conclusion

Expanding electric vehicle adoption through better sales outlets and increased incentives, directing Clean Air Act and Greenhouse Gas Reduction fees to fund clean transportation programs, and expanding train and ground

³ See Sierra Club, *Rev Up Electric Vehicles, Multi-State Study of the Electric Vehicle Shopping Experience*, November 2019, https://www.sierraclub.org/sites/www.sierraclub.org/files/program/documents/2153%20Rev%20Up%20Report%202019_3_web.pdf.

transportation services in eastern Connecticut will ensure our residents a clean, safe, and mobile future. We urge you to support these bills.

Thank you for your time and consideration of this testimony.