



April 10, 2025

Dear Members of the Senate Taxes Committee,

On behalf of the Minnesota Chamber of Commerce, representing 6,300 employers and their more than 500,000 employees across the state, we are writing to share our support for efforts to increase electric vehicles' contribution to the maintenance and upkeep of the state's transportation infrastructure.

Minnesota businesses depend upon a safe, reliable, efficient, and multimodal transportation system to get their goods to market and their employees, customers, and input materials to their door. As the transportation industry continues to move toward a more fuel-efficient vehicle fleet, it is important that the state takes steps to ensure sufficient resources exist to maintain and improve the state's roads and bridges.

Several bills on the agenda today would increase the amount electric vehicles (EVs) contribute to the maintenance and upkeep of our transportation system, and each attempts to do so in a way that is commensurate with what drivers of internal combustion engine vehicles contribute through the gas tax. We believe it is important to begin this work now, while the size of the EV fleet in Minnesota is still relatively small. Whether this is done through an increase in the existing EV registration fee, some sort of mileage-based user fee or road usage charge, or through a mechanism to add a user fee to the electricity used to charge an EV, what is most important is that the state put some mechanism in place in the near term. Current forecasts indicate that the EV fleet will only continue to grow. And, as it does, it will only become more difficult to put a meaningful funding mechanism in place to backfill projected declines in the gas tax.

Thank you for the opportunity to provide this input.

Sincerely,

Brian Cook
Director of Taxes, Fiscal Policy, and Elections

Bentley Graves
Director of Health Care & Transportation Policy