



April 9th, 2025

Senator Ann Rest
75 Rev. Dr. Martin Luther King Jr. Blvd.
Capitol, Room 328
St. Paul, MN 55155

Chair Rest and Senate Taxes Committee Members:

We Make Minnesota is a coalition of labor and community groups united in support of a fair tax code and a budget sufficient to meet the state's public investment needs. We are writing to state our support for SF 2092 and other proposals being heard today, which would establish new taxes and fees on electric vehicles and electric vehicle charging.

As Minnesota's public and private vehicle fleets shift from gas to electric power sources, the revenue generated by traditional transportation funding sources, which are based on the sale of fossil fuels, will decline. MnDOT estimates that gas tax revenues are declining by 1-2% per year and the California Legislative Analyst's Office estimates their transportation revenue will decline by as much as one-third over the next decade. This will leave the state with insufficient funding for roads, bridges, transit, and other investments in the essential infrastructure network that connects Minnesota businesses and communities.

Automotive vehicles carry with them substantial costs on society and electric vehicles are no exception. EVs demand the same road network as gas-powered vehicles, and they also require new power networks and electric charging stations. It is both fair and necessary that the purchase and operation of these vehicles contribute to the construction and maintenance of the infrastructure they depend on.

There is also an economic equity question to be considered — electric vehicles are newer and often more expensive than internal combustion vehicles. It would be inequitable to exempt the owners of these vehicles from their share of the social cost of automotive operation.

Thank you for your consideration. We hope to see them included in your omnibus tax bill.

Sincerely,

Eric H Bernstein

Eric Harris Bernstein, Coalition Director

