June 12, 2025

The Honorable John Thune
United States Senate Majority Leader
511 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Mike Crapo
Chairman
Senate Finance Committee
219 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Shelley Moore Capito
Chairman
Environment and Public Works
410 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Ted Cruz
Chairman
Commerce, Science and Transportation
554 Dirksen Senate Office Building
Washington, DC, 20510

Dear Majority Leader Thune, Chairmen Crapo, Capito and Cruz,

The Electric Drive Transportation Association (EDTA) is the cross-industry trade association promoting the advancement of electric drive technologies and next-generation transportation. EDTA's members represent the entire value chain of the industry, including vehicle, battery and component manufacturers, electric utilities, fleets, and charging infrastructure developers and operators.

Collectively, the industry is investing billions of dollars in U.S. manufacturing, jobs and innovation that are the foundation of American leadership in the technology race of this century.

As the Senate considers pivotal economic and energy policies, we urge you to provide a continuing platform for domestic investment in market leadership. Targeted incentives support Administration goals for domestic investment, technological leadership, growing domestic jobs, expanding consumer choice, and increasing U.S. competitiveness. Credits for advanced manufacturing, vehicle purchases, and infrastructure investment are working in concert to achieve these goals.

The abrupt termination of the suite of innovation incentives imperils billions of dollars in investments and the jobs they create. It also gives our foreign competitors a potentially insurmountable lead in next-generation technologies.

We urge the Senate to provide a reasonable transition period for the following tax policies to protect U.S. production and give industry and consumers the market certainty needed to promote investment.

Advanced Manufacturing Production Credit (45X) – The credit is driving domestic investment and U.S. competitiveness in domestic mineral, battery, component, and vehicle manufacturing. We support the onshoring of supply chains and urge the Senate to provide a reasonable transition period and workable updates to the constraints on prohibited foreign entities to enable the advanced technology ecosystem to be built here.

Specifically, the prohibited foreign entity provision should be tailored to the goal of ensuring that foreign entities of concern have no actual or effective ownership and not to restrict U.S. manufacturers' access to inputs and intellectual property that are not available in this country. Protection from the threat of prohibited entity influence can be provided without the inclusion of eligibility constraints on subcomponents or other items in the bill of materials used as inputs for the eligible component.

The effective date of new restrictions should be extended and based on the issuance of final guidance from the Treasury Department to allow manufacturers time necessary to establish tracking and compliance protocols once new rules are finalized.

These changes will protect against foreign influence while maintaining the vital effectiveness of this incentive in encouraging the development of U.S. supply chains.

Clean Vehicle Credits (30D/45W/25E) – Production follows markets. Transformational investments in component and vehicle manufacturing in the U.S. are creating jobs and fueling economic development.

An estimated $61.9 billion in announced investment and 91,900 jobs have been directly linked to facilities that currently or intend to manufacture credit-eligible vehicles or batteries.

The future of these investments is tied to the vitality of the U.S. market. In this competitive global marketplace, support for demand is critical to the development of a robust domestic supply chain that will ensure our energy and economic security.

We urge the Senate to provide a reasonable transition in the Clean Vehicle credits, at a minimum in parity with other technology-neutral credits, to maintain U.S. investments, provide manufacturers with market certainty that will accelerate onshoring of the supply chain, and support consumer choice.

Access to Alternative Fuel Vehicle Refueling (30C) – This technology-neutral credit accelerates the deployment and accessibility of charging and alternative fuel vehicle infrastructure. At minimal cost to the taxpayer, the credit is effectively enhancing the resilience of the transportation sector and increasing consumer and business choice.

The 30C incentive enables energy solutions to meet the diverse needs of U.S. families and businesses. The credit is also promoting private sector investment in public infrastructure. The proposed abrupt termination of the credit at the end of 2025 will penalize businesses and strand investments made in reliance on established policy.

We urge the Senate to provide a reasonable transition in the 30C credit, at a minimum in parity with other technology-neutral credits, to maintain U.S. investment, provide manufacturers with market certainty and support consumer choice.

Registration Fees – We support a comprehensive solution to the outdated Highway Trust Fund. The proposal to impose registration fees of $250 on fully electric vehicles and $ 100 on hybrid vehicles would result in these drivers paying more in taxes than gasoline vehicle drivers. That is not a “fair share” – it is a penalty that undermines choice and innovation.

We urge the Senate to oppose new fees proposed without an evaluation of their basis or impact. We ask that Congress undertake comprehensive reform of infrastructure funding to ensure robust U.S. commerce and promote next-generation technology on our roads.

Sincerely,
Genevieve Cullen
President