



Kansas Corn Growers Association

To: Senate Committee on Federal and State Affairs
Senator Mike Thompson, Chair

From: Kansas Corn Growers Association

Re: **Support for HB 2783 – Prohibiting a state agency, city or county from restricting the sale or use of motor vehicles based on the energy source used for the vehicles; allowing a state agency, city and county to have their own purchase policies for motor vehicles.**

Date: Monday, March 11, 2024

Thank you, Chairman Thompson and members of the committee, for the opportunity to address the above organization's views on HB 2783. The Kansas Corn Growers Association (KCGA) represents more than 1,100 members on state and national legislative and regulatory issues and actively works with other organizations to maximize the voice of Kansas corn producers.

Kansas is a large corn producing state, averaging nearly 650 million bushels in production over the last decade, making it the sixth largest corn producing state in the country. Corn is the largest crop in the largest industry in Kansas, contributing over \$3.5 billion to the Kansas economy and creating almost 8,500 jobs. Meanwhile, the ethanol industry, one of corn's largest partners, contributes an additional 4,000 jobs and \$2.2 billion in economic output to the state. With one bushel of corn producing 2.7 gallons of ethanol and over a third of all bushels going to ethanol, Kansas corn contributes nearly 180 million bushels of corn to ethanol each year.

Kansas should be proactive in ensuring that consumer's choices in vehicles are protected. Whether a consumer wants to purchase an internal combustion engine (ICE), an EV, a plug-in hybrid, or a vehicle that burns hydrogen, that choice should not be limited by the government. Our members rely on widespread access to ICE vehicles. Not only do they support a large component of the corn market, but farmers utilize these vehicles to haul trailers, carry heavy loads, and perform farm tasks that existing technology does not allow alternatives to perform. It is imperative that this choice is protected.

KCGA is active in promoting ethanol and protecting consumers choices when it comes to vehicles. We have fought administrative overreach at the federal level on numerous fronts to this end. We have submitted comments against the National Highway Traffic Safety Administration's (NHTSA) proposal from last year on Corporate Average Fuel Economy (CAFE) Standards for Passenger Cars and Light Trucks. We are litigants in the same proposal from a year before. This

proposal created a de facto electric vehicle (EV) mandate. We have submitted comments to the Environmental Protection Agency (EPA) opposing their Multipollutant Emissions rules, which also served as a de facto EV mandate.

KCGA has also been active in supporting federal legislation that would protect consumers choices in vehicles. The Preserving Choice in Vehicle Purchases Act would amend the Clean Air Act (CAA) to preclude EPA from issuing federal preemption waivers for California pollution standards that directly or indirectly limit the sale or use of new motor vehicles with internal combustion engines. Meanwhile, the Choice in Automobile Retail Sales (CARS) Act would prevent the EPA from finalizing, implementing, or enforcing its proposed rule that would ban the sale of new vehicles that use gasoline and other liquid fuels. Thankfully, the CARS Act passed the United States House of Representatives in December.

Further, any ban of one particular vehicle type based on fuel source has economic consequences. We made this clear to NHTSA in our CAFE comments when discussing the de facto EV mandate. According to Kelley Blue Book, in July 2023, the average transaction price of a new vehicle was \$48,334 for a gas-powered vehicle, compared to \$53,469 for electric cars. This price disparity is even after Tesla dropped their prices. NHTSA is making large assumptions about the advancement of technology, while apparently ignoring the current difference in price. This is especially apparent in the lowest vehicle-price category of \$16,000-\$20,000 where EVs are notably absent, according to Car and Drive magazine in 2022. This means that the brunt of these regulations will undoubtedly fall more precipitously on the lowest income earners in society.

Passing HB 2783 would put Kansas at the forefront of protecting consumer's choice of vehicle. While we hope that Kansas agencies, counties, and cities understand and appreciate the importance of maintaining these choices, and of the value that corn and ethanol have in the state, this legislation would guarantee that those hopes are not dashed. Therefore, KCGA supports HB 2783 and encourages its passage.

Submitted on behalf of the Kansas Corn Growers Association by Taylor Williamson, Director of Public Policy, and Regulatory Affairs.