

To: Chairman Sean Tarwater and Members of the House Committee on

Commerce, Labor and Economic Development

From: Kevin Walker, Executive Vice President and Chief Policy Officer

Overland Park Chamber of Commerce

Date: 29 February 2024

Chairman Tarwater and Members of the Committee, I am Kevin Walker, Executive Vice President and Chief Policy Officer for the Overland Park Chamber of Commerce. Thank you for the opportunity to submit testimony in support of HB 2471.

While traditionally fueled vehicles still account for the vast majority of the vehicles on the road today, there is a technological shift occurring in the automotive industry. According to Kelley Blue Book, "a record-breaking nearly 1.2 million U.S. vehicle buyers chose to go electric" in 2023. They further state that "electric vehicles represent the fastest growing car sales category, holding 7.6% of the total U.S vehicle market in 2023, up from 5.9% in 2022." The United States Department of Transportation reports that alternative fueling stations for vehicles have increased nearly 90% since 2020.

On the commercial side SAE International, a leader in automotive and commercial trucking, regards fleet demand for battery-electric vehicles to be "enormous" and states that demand exceeds available supply. While these numbers are still relatively small and only account for battery-electric vehicles, the future for alternatively fueled vehicles is bright.

The bill targets assembly, component, and subassembly manufacturers along with their headquarters and research and development facilities. In addition to clawback provisions contained in the legislation, there are also specific requirements for job creation and wages.

The recruitment of Panasonic and its suppliers opened the door for Kansas to be at the forefront of this burgeoning industry. The recent application of the Harvest Hydrogen Hub Coalition showed that public and private entities in Kansas believe our state has much to offer in this new frontier.

HB 2471 builds on a foundation of success and increases the momentum toward Kansas being an innovator and leader in the future of the automotive industry creating high-quality jobs and investment for our residents and communities. We encourage your support of this bill.