SB 127 Fact vs Fiction

For those following the saga of SB 127, the bill that would enable EV-exclusive manufacturers to open stores in CT, this is a short Fact vs Fiction YouTube video that is worth watching: https://www.youtube.com/watch?v=Ht4avMaukn0

Then go to EVFreedomCT.com and sign the petition.

Myth — Consumers will lose protections.

Fact — Consumer protections are written into state laws other than the franchise laws. These laws apply to any licensed seller and would include direct sellers of EVs since they would have to obtain a license. These include the new car lemon, law, used car lemon law, Magnus and Moss Warranty Act, bonding requirements, and a number of others. The video has a clip of Senator Haskell giving a detailed rundown of these protections.

Myth - Dealers sell EVs

Fact — A few do, most not so much. While it is true that there are a lot of EVs for sale at dealerships, most do a poor job of selling them. In testimony, they exaggerate their effectiveness which can easily be disproved by the data from the DMV and CHEAPR.

- 68% of the growth in EV registrations in the state in 2020 came from Tesla. If I restrict this to battery electric vehicles, the number is 84%.
- I review <u>CHEAPR rebate data</u> by dealership. There are a small number of dealers who do a good job. In my testimony at the public hearing, I noted that 61% of dealers awarded fewer than 10 rebates since the program's inception through August of 2020. The link above goes to data updated through the end of 2020.
- Our club was recruited by the Sierra Club to help with the fieldwork for the second EV Shopper Study, conducted in 2019. While the metric highlighted by the Sierra Club in the report was that 74% of dealers, nationally, did not have an EV present on their lot, the club members that I spoke to reported that the bigger issue was that most of the time when they inquired about an EV, the

salesperson tried to switch-pitch them to ICE, whether or not EVs were present. In the appendix of the report, the Sierra Club lists "5-star" dealers based upon the experiences reported by the interviewers. There were zero of these in CT (among the dealerships included in the sample).

Myth — Tesla doesn't play fair. They have a proprietary charging network and don't let anyone else use it.

Fact — Tesla should get credit for having the vision to understand that access to charging is an important part of selling electric vehicles. But that said, Tesla has offered to open their network to other manufacturers, as long as these other manufacturers would invest. Any takers?

Myth - Direct sales would cause job loss at dealerships.

Fact — The data simply don't support this. The <u>Acadia Center</u> did a pre-post study of dealership employment in states that permit direct sales and found no impact on dealership employment. Data from the dealers' own national association (NADA) show dealership sales and employment gains in open states outpaced those in closed states like CT. Senator Haskell references several of these in the video.

This Bill is Pro EV and Pro CT

SB 127 permits direct sales from manufacturers that do not have a dealer network. It does not undercut the existing dealer relationships with their affiliated manufacturers. It provides consumers with the ability to buy the EV of their choice and to be able to do so within CT.

We believe in competition and innovation. A recent poll found 83% of CT residents support SB 127. Don't let CT be a backwater!

FACT VERSUS FICTION EV FREEDOM SB 127