## Testimony on Assembly Bill 161

Chairman Swearingen, Vice-Chair Green, Ranking Member Sinicki, and esteemed members of the Assembly Committee on State Affairs,

Thank you for the opportunity to present testimony on Assembly Bill 161, a reintroduced 2023 AB 141 and AB 142.

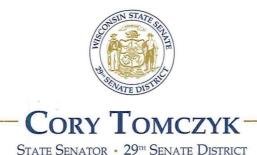
This bill seeks to ensure that no state agency or local governmental unit may impose restrictions on using or selling motor vehicles or other devices based solely on the energy source used for propulsion or other functions. By doing so, AB 161 safeguards the freedom of choice for Wisconsin citizens, businesses, and families in selecting the appliances, vehicles, and machinery that best suit their needs.

Top-down mandates from unelected government agencies risk stifling innovation and economic growth. Instead, we must trust the market and the individuals who drive it to make informed decisions. The power of choice is a far more reliable measure of progress than bureaucratic intervention. If there is to be a shift away from specific energy sources, it should occur organically at the market level, guided by cost-benefit analyses and consumer preferences.

AB 161 is a commonsense reform that preserves Wisconsinites' freedom of choice. It ensures that decisions about energy sources remain in the people's hands rather than being dictated by unelected officials.

I urge you to support AB 161 to empower our constituents and strengthen Wisconsin's economic standing.

Thank you for your time and thoughtful consideration of this legislation.



Assembly Committee on State Affairs April 9, 2025

Assembly Bill 161

Assembly Bill 161 is a combined redraft of AB 141 and AB 142 from last session. These bills were passed by both the Senate and Assembly, but unfortunately were vetoed by Governor Evers. Hence, I am re-introducing this legislation along with Rep. Tucker to ensure Wisconsinites' freedom of choice in the vehicles and devices that they may buy and use.

In recent years states and municipalities across the country have taken steps to outlaw the sale and use of vehicles and devices based on the type of fuel or energy they use. Just last year, Minnesota followed the lead of California, introducing legislation that would BAN the sale and use of common gas-powered devices like lawnmowers and snowblowers. And even in more dramatic fashion, California has adopted and begun implementing, the "Advanced Clean Car II" (ACC II) regulations which require that by 2035 100% of all new cars and light trucks sold in that state be electric vehicles. California is not alone, as eleven other states have adopted these regulations.

While technological capabilities and consumer demand continue to evolve, it is clear that existing limitations, increased costs, and even more importantly, consumer preference means that moving away from traditional technology is not suitable, practical, nor affordable for all residents of our State.

As such, no state agency or local municipality should be able to provide a blanket ban on the purchase or use of commonplace, reliable, affordable technology that would ultimately harm both users and their communities.

At some point in the distant future, technology may reach a point where gas vehicles and devices are rendered obsolete both due to cost and performance. However, until then, our State should ensure that Wisconsin residents and businesses continue to retain the freedom to purchase and operate the vehicle and/or devices of their choice.

This bill is designed to protect consumer choice and freedom by preventing any state agency or local unit of government from banning the sale or use of vehicles or devices based on their power source.



TO:

Members, Assembly Committee on State Affairs

FROM:

Adam Jordahl, Director of Environmental & Energy Policy

DATE:

April 9, 2025

SUBJECT:

Support for 2025 Assembly Bill 161

## Chair Swearingen and Members of the Committee:

Wisconsin Manufacturers & Commerce (WMC) appreciates the opportunity to provide testimony on Assembly Bill 161, which would protect consumer choice and promote a uniform energy policy by prohibiting local governments from restricting the use or sale of motor vehicles or other devices such as home appliances and outdoor power equipment based on the energy source used to power those vehicles and devices. WMC thanks Representative Tucker and Senator Tomczyk for bringing forward this important legislation.

WMC is the largest general business association in Wisconsin, representing approximately 3,800 member companies of all sizes, and from every sector of the economy. Since 1911, WMC's mission has been to make Wisconsin the most competitive state in the nation to do business. That mission includes advocating for policies that 1) promote affordable, reliable energy, 2) protect the ability of businesses and consumers to choose the equipment and fuels that work best for their needs, and 3) avoid the creation of a confusing and costly patchwork of local regulations or the establishment of expensive "Wisconsin only" regulatory mandates.

Wisconsin manufacturers must be able to continue to produce and sell the affordable, reliable products that consumers demand, such as lawn mowers, leaf and snow blowers, outboard motors, and many other kinds of devices and appliances. Wisconsin builders must be able to continue to install the natural gas-powered stoves, furnaces, water heaters, and fireplaces that homeowners desire, some of which are also manufactured in our state. Finally, businesses and consumers alike must be able to choose the vehicles that best suit their needs.

This is not a theoretical issue, as several of our country's largest and most influential states have moved aggressively to ban gas-powered vehicles and devices. California passed a law in 2022 requiring all new cars, trucks, and SUVs sold in the state to be powered by electricity or hydrogen by 2035. Beginning next year, the state of New York will prohibit the installation of natural gas stoves and furnaces in most new buildings.<sup>i</sup>

Unfortunately, recent reports from Wisconsin agencies raise the specter of state bureaucrats and local politicians pursuing similarly restrictive government mandates here, whether through legislation, regulation, or other forms of policymaking.

For example, consider the proposed transition to electric vehicles. The "State of Wisconsin Clean Energy Plan," published in 2022, contemplates the total or near-total elimination of gasoline- and diesel-powered motor vehicles, including declaring that the state's goal is "to transition most vehicles to be EVs in the next two decades." The report notes that "The percentage of electric vehicles is growing, though not at the levels required" and refers to setting stricter standards "for internal combustion engines for as long as they are part of the vehicle mix," suggesting that those engines may one day be completely eliminated from commerce in Wisconsin."

Similarly, the "Wisconsin Electric Vehicle Infrastructure Plan," published by the Wisconsin Department of Transportation (WisDOT), estimated that EVs could reach 14.7 percent of registered vehicles by 2040, and 31 percent by 2050.<sup>iii</sup> Compare this projection to actual data from WisDOT showing that only about 0.5 percent of motor vehicles registered in Wisconsin were fully electric as of September 2024.<sup>iv</sup> This data demonstrates that politicians who would impose their own world views on consumers through command-and-control policies like product bans are grossly misaligned with the wishes of the citizenry. Consumers deserve protection from these costly, inefficient, and heavy-handed "government knows best" edicts.

Given the current reality of EV adoption, it is unclear how the state expects to achieve its ambitious vehicle electrification goals except through aggressive new government mandates. The same goes for devices such as home appliances and outdoor power equipment.

By contrast, AB 161 provides certainty for the overwhelming majority of Wisconsin businesses and consumers that continue to depend on vehicles and devices powered by traditional fuels. Any "transition" to electric vehicles or other electric devices should be allowed to happen naturally because of consumer demand and free market principles, rather than being forced upon us by government mandates. This legislation also ensures that Wisconsin businesses and consumers are not forced to pay the costs of complying with expensive "Wisconsin-only" regulations or a confusing, conflicting patchwork of varying local regulations.

For the foregoing reasons, WMC respectfully asks the members of this committee to support AB 161. Thank you for your consideration of this testimony, and I am happy to answer any questions.

<sup>&</sup>quot;Wisconsin Legislature moves to preempt state and local bans on gas-powered engines," Associated Press, June 7, 2023, accessed April 8, 2025, available at: <a href="https://pbswisconsin.org/news-item/wisconsin-legislature-moves-to-preempt-state-and-local-bans-on-gas-powered-engines/">https://pbswisconsin.org/news-item/wisconsin-legislature-moves-to-preempt-state-and-local-bans-on-gas-powered-engines/</a>.

ii "State of Wisconsin Clean Energy Plan," prepared by the Wisconsin Office of Sustainability and Clean Energy, Great Plains Institute, and Slipstream, Inc., April 2022, pp. 136-147, accessed April 8, 2025, available at: <a href="https://osce.wi.gov/Documents/SOW-CleanEnergyPlan2022.pdf">https://osce.wi.gov/Documents/SOW-CleanEnergyPlan2022.pdf</a>.

<sup>&</sup>quot;" "Wisconsin Electric Vehicle Infrastructure Plan," WisDOT, September 14, 2022, p. 3-37, accessed April 8, 2025, available at: https://wisconsindot.gov/Documents/projects/WEVI-plan-final-22-0914.pdf.

iv According to WisDOT, there were 27,049 electric passenger vehicles, trucks, and road cycles registered in Wisconsin in September 2024 ("Electrification of Wisconsin," accessed April 8, 2025, available at: <a href="https://wisconsindot.gov/Pages/projects/multimodal/electrification.aspx">https://wisconsindot.gov/Pages/projects/multimodal/electrification.aspx</a>). In December 2024, WisDOT reported 563,0507 total registered vehicles, excluding truck trailers ("Lists of vehicle information, accessed April 8, 2025, available at: <a href="https://wisconsindot.gov/Pages/about-wisdot/newsroom/statistics/veh-info.aspx">https://wisconsindot.gov/Pages/about-wisdot/newsroom/statistics/veh-info.aspx</a>).

v See "Clean Energy Plan," which discusses ideas such as rapidly electrifying the building heating load (p. 130), creating state appliance and equipment efficiency standards (p. 125), and changing state building codes to require more electrification and meet or exceed the restrictive, costly IECC standards (pp. 130 and 132).

Mike Karbo Region Director API 202-682-8304 karbom@api.org

April 9, 2025

Wisconsin Assembly Committee on State Affairs

Subject: AB-161 - Relating to governmental restrictions based on the energy source of a motor vehicle or other device.

Dear Chairperson Rob Swearingen and members of the Assembly Committee on State Affairs,

The American Petroleum Institute (API) appreciates this opportunity to share our support of AB 161, which would promote free market choice for consumers of energy on new vehicles and devices.

API represents all segments of America's natural gas and oil industry, which supports more than ten million U.S. jobs and is backed by a growing grassroots movement of millions of Americans. Our 600 members produce, process and distribute the majority of the nation's energy, and participate in <u>API Energy Excellence</u>, which is accelerating environmental and safety progress by fostering new technologies and transparent reporting. API was formed in 1919 as a standards-setting organization and currently maintains more than 800 standards that enhance operational and environmental safety, efficiency, and sustainability.

As an association, API is guided by a set of principles that are upheld by our member companies. One such principle is to promote free markets and free trade as the cornerstone of the oil and natural gas industry's efforts to compete and innovate to address current and future energy needs. Under this principle, API supports policies that allow the development of all energy sources on a level playing field where innovation, competitive markets, and consumer choice will result in the best, most cost-effective products and services available to the consumer while also meeting policy objectives.

The free market has a proven track record of demonstrating that competition has achieved policy objectives and effectuated advanced technology at a reduced cost to the consumer. By adopting AB 161, Wisconsin would be supporting policies that allow all fuel sources used to power new vehicles and devices to compete in the marketplace. These types of policies help ensure that the most efficient and effective technologies are implemented to promote consumer choice and allow the market to decide which types of motor vehicles and devices such as lawn mowers, chain saws, snowblowers, and/or farm equipment best meets their needs.

API supports a level-playing field where any type of energy resource can compete for market share. We also believe that a system that promotes the selection of energy resource "winners and losers" disrupts effective entry and exit of economic resources resulting in an inefficient market where consumers end up paying more for their goods. The favorable passage of AB 161 will help to ensure that Wisconsin consumers continue to enjoy all the benefits of the free market.



Mike Karbo Region Director API 202-682-8304 karbom@api.org

Thank you again to Chairperson Rob Swearingen, Representative Duke Tucker for his leadership on this issue, and to the members of the Assembly Committee on State Affairs for the opportunity for API to provide comments of support on AB 161. Please feel free to reach out with any questions or if we can be of any service.

Sincerely,

Mike Karbo Midwest Region Director American Petroleum Institute



Randy Harden, President Wisconsin ATV / UTV Association 1539 N. 33rd Place, Suite A, Sheboygan WI 53081 randy.harden@nohvis.com

Assembly Committee on State Affairs April 9, 2025

Representative Rob Swearingen, Chair

Subject: Support for Assembly Bill 161 - Restriction on Energy Source of Motor Vehicles and Other Devices

Dear Representative Swearingen and Committee Members,

The Wisconsin ATV UTV Association (WATVA) strongly supports the passage of Assembly Bill 161.

As highlighted in the 2023 Economic Impact Report by Economist Daniel Lee, the ATV/UTV recreational industry significantly benefits Wisconsin's economy, contributing over \$5.4 billion annually to the state's GDP and supporting nearly 40,000 jobs.

We recognize that Wisconsin statutes currently define ATVs and UTVs as recreational vehicles rather than motor vehicles. Consequently, we request clarification regarding the language in Section 995.80 (2)(b) of AB 161, to ensure it encompasses ATV and UTV recreational vehicles utilized by our members. Nevertheless, our leadership team firmly supports the intent and provisions outlined in this bill.

Thank you for your consideration.

Sincerely,

Randy Harden

President - Wisconsin ATV / UTV Association

CC: WATVA Board of Directors

Ronely Hader

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THE WISCONSIN ATV - UTV ASSOCIATION

Good morning Chairman Swearingen and members of the committee. Thank you for your time and for holding a hearing on this important issue. My name is Chad Kroening, I am the VP of Safety and Commercial Operations for Boehlke Bottled Gas in Cedarburg. I am also a board member of the Wisconsin Propane Gas Association and the National Propane Gas Association. I am here today in support of Assembly Bill 161 which prohibits municipal restrictions based on the energy source of motor vehicles or gas-powered devices. This bill protects the rights of everyone in Wisconsin, ensuring that individuals and businesses have the freedom to choose the most appropriate and cost-effective energy sources for their needs.

Wisconsin's propane industry contributes nearly \$2 billion to our economy annually. Wisconsinites are among the highest users of propane in the country, with more than 250,000 Wisconsin residents using propane to fuel their homes. Propane is a popular choice for residential equipment and appliances such as stoves, water heaters and generators, as well as commercial and agricultural equipment like forklifts and grain dryers. Furthermore, propane powered vehicles are becoming more popular with many school bus fleets and law enforcement vehicles powered by propane autogas. Overall, propane is widely used in Wisconsin and especially necessary in rural regions and in many commercial applications.

Across the country, consumer access to propane and other energy choices are under attack by local and state officials who want to prohibit non-electric sources in buildings and construction as well as devices and equipment. According to the National Propane Gas Association, these government fiats artificially distort the energy marketplace in an anticompetitive manner and deny consumers the ability to choose the energy source that is most economic and convenient for their unique situation. In fact, per unit of energy, electricity is far more expensive than propane or natural gas. Restricting consumer access to energy options is the exact wrong approach to take as families combat historic inflation and try to cope with the rising cost of goods and services.

The proposed bill will preserve consumer choice and ensure that residents have the freedom to choose the type of vehicle or device that best fits their personal needs and budget. This includes the choice to continue using motor vehicles and equipment powered by traditional gasoline or propane-powered vehicles, also known as propane autogas, a cleaner and cost-effective alternative. Restricting or banning these products based solely on their energy source infringes on this basic right to choose.

Many industries and businesses in Wisconsin rely on gas-powered vehicles and equipment. Farmers, contractors, landscapers, and small business owners depend on these tools to run their operations efficiently. Imposing restrictions on such equipment would increase costs for these industries, potentially

harming the state's economy and jeopardizing jobs. Furthermore, the transition to alternatives, such as electric vehicles and devices, may not be feasible for everyone, especially in rural areas where charging infrastructure is lacking or where the upfront cost of electric equipment is prohibitive.

In conclusion, Assembly Bill 161 is an important step toward safeguarding the rights of Wisconsin residents and ensuring that they can continue to choose the energy sources that best suit their needs. By supporting this bill, you will help maintain consumer freedom, promote economic stability, and protect the interests of businesses and individuals across our state.

Thank you for your time and consideration. I urge you to support this bill and vote in favor of preserving personal freedoms and fostering a balanced approach to energy and technology.