



UNITED STATES SENATE
BUDGET COMMITTEE
RANKING MEMBER CHUCK GRASSLEY

Opening Statement by Senator Chuck Grassley of Iowa
Ranking Member, Senate Budget Committee
Hearing titled, “Charging Ahead’ The Future of Electric Vehicles”
Wednesday, July 31, 2024

Thank you, Mr. Chairman.

Welcome to our expert witnesses.

Our last hearing was with Congressional Budget Office (CBO) Director Swagel.

The hearing was a very welcome event at this committee. Unfortunately, [it was] a rare opportunity for this committee to focus on the critical, broken budget process.

It gives us a chance to talk to somebody who knows the process needs to be fixed and a primary responsibility of this committee.

In exchange for holding a CBO hearing at my request, I agreed to Senator Graham working with Chairman Whitehouse to put together today’s hearing.

We’ll be discussing electric vehicles (EVs) and barriers to the electrification of America’s light-duty fleet.

The Biden-Harris administration’s unattainable goal of 50 percent new EV sales by 2030 has been on full display over the last four years.

From imposing expensive EPA regulations, to doling out billions in EV subsidies for the rich, the economic detriment of America’s EV policy is quite evident.

Now, I don’t want to give the wrong impression. EV technology is impressive and works well for some.

But Iowans know that there are far more challenges to EV adoption than many care to admit.

EVs best serve wealthier people who also live in, or near, suburban and urban areas.

Perhaps the most prominent barrier to EV adoption is that EVs are uneconomical.

CBO’s February baseline set the record straight, telling us that the so-called *Inflation Reduction Act (IRA)*’s EV handout would increase the deficit by hundreds of billions of dollars.

I also couldn't help but notice that the price of EVs rose immediately after the IRA's passage to absorb the bill's \$7500 new EV tax credit.

These EV costs were then, of course, passed on to the consumer.

Now, many [EVs] have had to be discounted because they haven't been able to sell them.

And I've yet to hear a comprehensive plan to make EV owners pay into the Federal Highway Trust Fund.

EV drivers are currently free-riding on the backs of the middle class, although some states have instituted an extra fee for so-called 'fuel-efficient' vehicles, making them even more expensive.

There are many holes in the rapid EV transition fantasy.

They include a lack of critical minerals needed to produce EVs, lack of transmission infrastructure needed to support their increased electricity demands and our current reliance on nefarious countries in the EV supply chain.

According to the University of Michigan, the world will need to mine 115 percent more copper from 2018 to 2050 than has been mined in all of human history up until 2018, just to do business as usual.

This copper mining doesn't even include the 'green transition.'

And, the EVs, they take three-to-five times as much copper as a standard vehicle.

I hope we discuss where these critical minerals for the so-called 'EV transition' will come from.

China dominates global critical mineral supply chains, accounting for approximately 60 percent of worldwide production and 85 percent of processing capacity.

And, we struggle to permit federal projects here in America.

From wind turbines, to transmission lines, to pipelines, to hard rock mines, left-wing environmentalists are holding up the permitting reform needed for the very EV expansion they claim [to value].

The left claims climate crisis but backs away from comprehensive reform when the environmental lobby comes calling.

They also claim to care about air quality and 'environmental justice' but ignore the unreported and underreported particulate emissions from tires under the heavy weight of EVs.

Legislators must do better, and I hope this hearing serves as a steppingstone for honest permitting of dialogue moving forward.

As we grapple with environmental red tape, the Chinese are rapidly expanding coal power plants to fuel an EV manufacturing boom.

I'd like to welcome all today's witnesses invited here by Senators Whitehouse and Graham.

And finally, Mr. Chairman, I request unanimous consent to put [into the record] this [article](#) called, "Copper can't be mined fast enough to electrify [the U.S]."

Before you go on, I mentioned a few inconsistencies in my opening remarks, but I can think of others, and maybe it's the adjective 'unrealistic' or 'inconsistency' that may fit a couple things.

Iowa's the number one producer of ethanol. We have 443,000 jobs in Iowa, and if we had every vehicle in the United States be EVs, you can see what that could do to those particular jobs that we created 40 years ago to produce a more environmentally-friendly product than petroleum.

We have the inconsistency of the rainforest being hacked away to mine nickel in Indonesia, we have the inconsistency of people in Congress who talk about, 'We need to stop the use of child labor around the globe,' and yet we have children mining cobalt in the Congo.

I mentioned transmission in my opening comment, the chairman mentioned transmission.

But this permitting process is halted by environmentalists not wanting to cut red tape here in Washington, D.C.

And then you have the silly posture of the *Inflation Reduction Act* appropriating billions of dollars for charging stations. I guess, to date, we have about eight.

So, I think there's a lot about this whole process that hasn't been thought out very well.

