



STATE OF GEORGIA
OFFICE OF THE GOVERNOR
ATLANTA 30334-0090

Brian P. Kemp
GOVERNOR

October 8, 2021

Members of Georgia's Congressional Delegation,

Thank you for your service in the 117th Congress. Following my predecessors as Governor, I have placed a priority on fiscal responsibility which allows our state to effectively meet both our long-term and immediate economic development goals. As part of this effort, I've made protecting Georgia jobs and standing up for our state's job creators one of my top priorities. I consistently hear from Georgians that cutting needless red tape and reducing other barriers to strengthen our competitive business environment remains a critical factor in continuing Georgia's economic success story.

As you consider the massive budget reconciliation bill currently before Congress, on behalf of the State of Georgia, I would like to echo the recent concerns shared by a coalition of international auto manufacturers in the attached letter. This group includes our flagship OEM (Original Equipment Manufacturer) in Georgia, Kia Motors.

As currently drafted, Section 136401 – Refundable New Qualified Plug-In Electric Drive Motor Vehicle Credit for Individuals – creates a discriminatory \$4,500 supplemental tax credit only for buyers of electric vehicles (EVs) assembled by organized labor. You are aware that Georgia prides itself on being a state where our quality workforce and below-national average unionization rates are key reasons why companies in the automotive industry choose Georgia. Our state employs over 55,000 auto workers and the Georgia Department of Economic Development reported an increase of 43 percent in automotive job creation from fiscal year 2021. Limiting the tax credit to union-built, U.S.-assembled vehicles, and applying these proposed limitations to the current EV market, puts Georgia job creators and workers in the automotive industry at a severe disadvantage – including when competing against our neighboring states.

As a member of Georgia's congressional delegation, you have a choice: jobs for hardworking Georgians or jobs for labor unions. Over the last five years alone, the state has seen more than 78 new automotive locations or expansions, representing thousands of jobs. With the transition to electrification, that number will continue to rise – unless Congress unwisely creates a barrier to job growth in our state. I join the Georgia Department of Economic Development and Georgia job creators in asking that you actively work toward removing these detrimental provisions from the final version of the bill. If these provisions are included in a final bill, I ask that you vote against the measure.



I understand individual provisions and the overall measure will continue to evolve, and my administration stands ready to address any questions you may have as deliberations continue. If the goal is to accelerate the transition to electric vehicles while creating green manufacturing jobs across the country, rewarding political constituencies at the expense of Georgia jobs is counterproductive. Congress should incentivize electric vehicles evenly, level the playing field for production across the United States, and allow states to compete fairly while also supporting the ramp-up of EV production.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads "B.P.K." in a stylized, cursive font.

Brian P. Kemp