



## TRANSPORTATION FREEDOM ACT

In late February 2025, newly elected U.S. Sen. Bernie Moreno, R-Ohio, a former auto dealer, introduced the Transportation Freedom Act, a bill aimed at investing in American auto workers while making cars more affordable for everyday Americans by eliminating government mandates that have driven up vehicle prices. The Transportation Freedom Act is endorsed by Sens. Jim Banks, R-Ind.; Tim Sheehy, R-Mont.; and Jim Justice, R-W.Va., and supported by General Motors, Stellantis, Toyota, the National Automobile Dealers Association (NADA), the Alliance for Automotive Innovation, the American Trucking Associations, and others.

### As proposed by Sen. Moreno: "The Transportation Freedom Act would:

- 1. Provide a historic investment in American auto workers** in the form of a 200% tax deduction for wages paid to American auto workers up to \$150,000 while preventing any company from using the funds saved for stock buybacks. This could support more auto manufacturing in the U.S.
- 2. Lower vehicle prices for consumers by eliminating burdensome mandates**, such as the EPA's 'tailpipe rule' and California's zero-emission vehicle mandate, which have made cars unaffordable for everyday Americans.
- 3. Save the federal government substantial amounts of money** and time by streamlining the nation's regulatory process."

Over the past five years, our team at Haig Partners has seen vehicle affordability become a major issue for many American families. We are also concerned about the impact on consumers and dealership owners of upcoming EV requirements established by the California Air Resources Board (CARB), which have been adopted by numerous other states. CARB mandates that 35% of new vehicles sold in those states qualify as zero-emission vehicles starting in 2026, with the requirement rising to 100% in future years. The current level of EV sales is around 9%, so consumer demand is nowhere close to the target level for next year. Automakers have stated they will not be able to supply enough vehicles to meet the requirements, nor is the infrastructure ready for such a significant shift. We support policies that improve our environment, but they need to be balanced with the realities of the marketplace. If these mandates remain in place, consumers in those states will have far fewer choices, vehicle costs will rise, and dealers will likely see reduced profits.

**We urge supporters of this legislation to contact state dealer associations, their local members of Congress, and their senators to encourage them to vote in favor of this bill when it reaches the floor.**

"Thanks to liberal bureaucrats who want to mandate what cars Americans can drive, states like mine are riddled with car lots filled with expensive EVs people simply don't want and dormant factories that once employed millions of American workers. The only winner is China. **It's time to make sure cars sold in America are actually made in America and give Americans the freedom to choose the cars they actually can afford and want to drive—my bill just does that.**" – Sen. Bernie Moreno

Source: Q4 2024 Haig Report®



Scan here to read more about the Transportation Freedom Act.



Scan here to download the full Haig Report®.