

A Biden Administration Bodes Well for the Electric Vehicle Industry

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PRACTICES Vehicle Electrification, Intellectual Property

The Biden Administration appears poised to drive the federal government's approach to vehicle electrification down a friendlier road for the industry. During the past four years, the Trump Administration's support for fossil fuels as an economic driver generally overshadowed any push in favor of electric vehicles ("EVs") and limited any corresponding financial support for the EV industry. While President Trump left in place the Bush-era tax incentive for EV purchases, he later unsuccessfully attempted to eliminate that credit in his original 2020 budget, stating the move would save the Federal government \$2.5 billion over a decade.¹ In September of 2020, President Trump signed into law a bipartisan bill allowing federal employees to pay for EV charges using their government issued purchase cards.² Yet in general, President Trump favored fossil fuels over electrification by seeking to roll back vehicle emission standards citing the attendant increase in vehicle costs for consumers.³

In comparison to the Trump Administration, Biden's clean energy plan appears ready to provide a serious push to the EV industry. The new administration has plans for several government financial investments and sponsored EV infrastructure that should provide new opportunities for the EV industry, including more wide-spread acceptance. For example, Biden plans to move the federal government procurement system toward 100% clean energy and zero-emissions vehicles.⁴ His clean energy website states he will work to develop "rigorous new fuel economy standards aimed at ensuring 100% of new sales for light- and medium-duty vehicles will be electrified."⁵ Biden's plan also calls for deployment of EVs by working with state leaders to support the deployment of more than 500,000 charging stations across the U.S. by 2030.⁶ Furthermore, since Republicans lost control of the Senate, the extent to which they can block his clean energy agenda is limited. Therefore, a more supportive administration will likely act as a new tailwind to the U.S. EV industry.

Our multi-disciplinary Vehicle Electrification Group is well positioned to assist clients in navigating these developments. We have experience ranging from patent strategy development and preparation/prosecution of various EV technologies, securities, employee compensation and benefits, and negotiating charging station agreements.

¹ David Shepardson. "Trump budget proposes ending electric vehicle tax credit." Reuters, <https://www.reuters.com/article/us-usa-trump-budget-autonomous/trump-budget-proposes-ending-electric-vehicle-tax-credit-idUSKBN1QS27Q>. Accessed 20 Nov. 2020.

² "Peters Bipartisan Bill to Save Taxpayer Dollars on Federal Vehicles Signed into Law." Peters.Senate.gov, <https://www.peters.senate.gov/newsroom/press-releases/peters-bipartisan-bill-to-save-taxpayer-dollars-on-federal-vehicles-signed-into-law>. Accessed 22 Nov. 2020.

³ Timothy Cama and Miranda Green. "Trump moves to roll back Obama emission standards" TheHill.com, <https://thehill.com/policy/energy-environment/400036-trump-submits-rule-to-weaken-ionic-obama-car-efficiency-standards>. Accessed 28 Jan. 2021

⁴ “THE BIDEN PLAN FOR A CLEAN ENERGY REVOLUTION AND ENVIRONMENTAL JUSTICE.”
JoeBiden.com, <https://joebiden.com/climate-plan/#>. Accessed 22 Nov. 2020.

⁵ *Id.*

⁶ *Id.*