



April 17, 2024

Alaska House of Representatives
House Committee on Labor & Commerce
Alaska State Capitol
120 4th St.
Juneau, AK 99801

Re: SEMA Support for HB 375

Dear members of the Committee on Labor & Commerce,

I am writing to express the strong support of the Specialty Equipment Market Association (SEMA) for HB 375, which prohibits state agencies, cities, and counties from regulating or restricting the use or sale of motor vehicles based on their energy source. We believe that consumer choice and innovation are the cornerstones of a thriving automotive industry and that HB 375 aligns perfectly with these principles.

SEMA represents over 7,000 American businesses, including 18 in Alaska, that manufacture and sell parts and accessories that improve motor vehicle performance, function, and style. While 95% of our member companies are small businesses, our industry's impact is massive, employing over 1.3 million Americans and contributing \$337 billion annually to the U.S. economy.

Here in Alaska, the industry contributes \$325 million to the state's economy, employs over 1,700 individuals, generates over \$121 million in wages and benefits, and \$34 million in taxes.

Consumer Choice and Freedom:

This bill empowers consumers to make informed decisions about the vehicles they purchase and operate, promoting a healthy and competitive marketplace. Removing unnecessary restrictions based on energy source allows individuals to choose the vehicle that best fits their needs and preferences, whether it be a traditional gasoline-powered car, a fuel-efficient hybrid, a powerful electric vehicle, or any other option.

Innovation and Progress:

This bill fosters innovation across all fuel sources by creating a level playing field. Manufacturers will be encouraged to invest in research and development of new technologies, ultimately leading to a wider range of efficient and environmentally friendly options for consumers. This is crucial for the continued progress of the automotive industry and its ability to meet the evolving needs of society.

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Economic Growth and Job Creation:

The automotive aftermarket industry employs over one thousand Alaskans. By protecting a market free from unfair restrictions on specific vehicle types, HB 375 ensures a healthy and competitive environment for all aftermarket products and services, safeguarding jobs and investments.

Addressing Environmental Concerns:

We understand concerns surrounding the potential environmental impact of this bill. However, it's important to remember that it doesn't prevent government entities from taking other measures to address these concerns, such as investing in alternative fuel infrastructure or offering incentives for clean vehicle purchases. Ultimately, market forces and consumer preferences will continue to drive the adoption of more efficient and environmentally friendly vehicles.

Conclusion:

HB 375 promotes consumer choice, fosters innovation, and protects jobs. We urge the Committee to support this important legislation and allow the industry to continue delivering the freedom and choice that Alaskan consumers deserve.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in blue ink that reads "Colby Martin". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Colby Martin
Director of State Government Affairs
Specialty Equipment Market Association