



peopleforbikes

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January 27, 2023

The Honorable Shalanda Young
Director
Office of Management and Budget
725 17th Street, NW
Washington, D.C. 20503

Dear Director Young:

On behalf of the PeopleForBikes Coalition, we urge you to consider the myriad of benefits that investing in active transportation infrastructure and electric bicycles (e-bikes) could offer in President Biden's budget for fiscal year 2024. As your office constructs the FY24 budget, we specifically ask that you include \$250 million for the Active Transportation Infrastructure Investment Program (ATIIP) as and a consumer tax credit for the purchase of e-bikes. Both investments support the Biden-Harris administration's goals for transportation emissions reductions, the Justice40 initiative, and road safety.

The U.S. bicycle industry contributes \$88 billion annually to our economy and employs more than 780,000 Americans. The PeopleForBikes Coalition (PeopleForBikes) is the national trade association representing companies that manufacture and distribute bicycles, bicycle parts and bicycle accessories. Nationwide, PeopleForBikes represents 340 bicycle businesses and more than 7,000 retailers.

The ATIIP will find the gaps and necessary connections to build connected and protected active transportation infrastructure like multi-use paths, trails, bike lanes and sidewalks. These projects help more people safely choose biking and walking for transportation instead of driving for short trips. Investing in modeshift offers a critical, low cost and sustainable strategy as transportation accounts for nearly a third of U.S. carbon emissions. This program supports the Department of Transportation National Roadway Safety Strategy as well in targeting the infrastructure gaps that allow for too many deaths and fatalities of vulnerable road users.

Congress authorized the ATIIP in the Bipartisan Infrastructure Law at \$200 million/year but later appropriated the program at \$45 million for FY23. While this first round of funding for a new program is critical, we know the need and demand at the local level is much higher and urge you to include \$200 million for ATIIP in the FY24 budget.

The E-BIKE Act (H.R. 1019/S. 2420) of the 117th Congress would create a 30% refundable consumer tax credit (up to \$1500) for electric bicycles that cost less than \$8000. An e-bike tax credit will complement the electric vehicle benefits established in the Inflation Reduction Act, offering Americans the freedom to choose the right electric mode of transportation for them.

E-bikes are helping a growing number of Americans to replace short car trips by making it easy and efficient to haul cargo like groceries, deliveries, or passengers. A refundable tax credit will ensure low-income individuals can access all the benefits of e-bikes, including significant cost



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savings when compared to owning and maintaining a vehicle. A recent study showed how a 15% shift from car trips to e-bike trips could reduce carbon emissions by 12%, or more than one fifth of the Biden-Harris administration's goal for emissions reductions by 2030.

The bicycle industry stands in full support of any effort to leverage bicycles as a tool for climate policy and action. We look forward to working with the Office of Management and Budget on these issues.

Sincerely,

Noa Banayan, director of federal affairs
PeopleForBikes Coalition