

FOR IMMEDIATE RELEASE
March 3, 2003

Contact: Adam Elggren (202) 224-3370

SENATOR HATCH PROMOTES CLEANER-BURNING FUELS WITH CLEAR ACT

Washington – Senator Orrin G. Hatch announced the introduction today of the Clean Efficient Automobiles Resulting from Advanced Car Technologies Act of 2003, or CLEAR ACT, at a chilly press conference featuring vehicles from the Washington D.C. area which incorporate some of the cutting-edge technology such as fuel cells.

The following is the Senator's Statement:

Press Statement of Sen. Orrin G. Hatch
The United States Senate

March 03, 2003

Introduction of the CLEAR ACT

On behalf of the cosponsors of the CLEAR ACT and Rep. Dave Camp, the bill's House sponsor, I welcome you to this press conference. We are here to announce the introduction of the Clean Efficient Automobiles Resulting from Advanced Car Technologies Act of 2003, or the CLEAR ACT. I especially appreciate your coming outside and braving the cold. It was important to us that you had a chance to see the actual vehicles that we are promoting with this legislation.

As you may know, in the last Congress the CLEAR ACT was included in both the House and Senate versions of the Energy Bill, but the Energy Bill never made it out of Conference. So, today we renew our effort.

The CLEAR ACT continues to be the most comprehensive and effective plan we have seen in this country to accelerate the transformation of the automotive marketplace toward the widespread use of fuel cell vehicles. And it does so without any new federal mandates. Rather, it offers powerful market incentives to promote the advances in technology, in our infrastructure, and in the alternative fuels that are necessary if fuel cells are to ever reach the mass market. With the CLEAR ACT we accomplish this goal, but we also get cleaner air, we reduce our dependency on foreign oil, and we help lead our nation into the future.

Currently the transportation sector in the U.S. accounts for nearly two-thirds of all oil consumption, and we are 97 percent dependent on petroleum for our transportation needs. Is it

any wonder that 50 percent of our urban smog is caused by mobile sources? If we want to clean our air and address our nation's energy dependency, we must focus on the transportation sector. And we must focus first on those technologies and alternative fuels that are already available. The CLEAR ACT is the shortest path to achieving these goals.

Historically, consumers have faced three basic obstacles to accepting the use of alternative fuels and advanced technologies. These are the cost of the vehicles, the cost of alternative fuel, and the lack of an infrastructure of alternative fueling stations. The CLEAR ACT would lower all three of these market barriers through the use of tax incentives.

First, we provide a tax credit for the purchase of alternative fuels. Next we promote a new infrastructure of alternative fuel filling stations by extending a tax deduction for the purchase of the necessary equipment and providing a tax credit for the cost of installing it.

Finally we provide a Clear Act Credit to consumers who purchase alternative fuel and advanced technology vehicles. This includes fuel cell, hybrid electric, alternative fuel, and battery electric vehicles.

We have constructed the Clear Act Credits to create the greatest social benefit possible for every tax dollar. The amount the consumer receives in a Clear Act Credit would depend, first, on the level of technology used in the vehicle and, second, on the fuel efficiency and emissions reduction of the vehicle.

That is a basic outline of our legislation. For obvious reasons, we are very proud of it. Finally, I want to introduce you to one of the most powerful and effective coalitions that I have ever worked with in Washington – the CLEAR ACT Coalition. We have representatives here from The Union of Concerned Scientists, Ford Motor Company, the Natural Resource Defense Council, Toyota, Environmental Defense, Honda, the Alliance to Save Energy, the Natural Gas Vehicle Coalition, the Propane Vehicle Council, the Methanol Institute, and others. The CLEAR ACT reflects the untiring effort and expertise of the members of this coalition, and for this they have my deepest appreciation. We will hear some brief statements from this group in a moment.

Now, I would like to turn the podium over the Congressman Dave Camp, the House sponsor of the CLEAR ACT. Thank you.