

# THE BOND BUYER

## Expansion of PABs proposed for zero emission charging stations

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Published

July 08 2019, 2:29pm EDT

The use of tax-exempt private activity bonds would be expanded to include financing for new charging stations for zero-emission vehicles under a bill proposed by Sen. Catherine Cortez Masto, D-Nev.

The bill, [S. 2039](#), has two other original cosponsors, Democratic Sens. Kirsten Gillibrand of New York and Tina Smith of Minnesota.

The bill has no House sponsors but it is among several in both chambers that have been filed in recent weeks with targeted ways to expand the use of PABs.



**Chevrolet**

Among those bills is a proposal in both the House and Senate that would [raise the federal cap on PABs](#) for surface transportation and freight improvement projects by \$5.8 billion. The current \$15 billion volume cap has just over \$2.5 billion in authorization remaining.

Transportation and freight PABs are among 22 eligible PABs that are subject to varying federal rules, according to the nonpartisan Congressional Research Service.

Another bill to expand the use of PABs is the Move America Bonds Act, which would leverage \$8 billion in federal investment into \$226 billion worth of bond authority over the next 10 years or up to \$56 billion over 10 years in tax credits, according to an estimate by the nonpartisan congressional Joint Committee on Taxation.

Another PABs bill is the bipartisan Public Buildings Renewal Act that would authorize \$5 billion in private activity bonds for the construction or rehabilitation government-owned buildings.

This latest proposal to create a category of PABs for zero-emission charging stations is timely because the use of electric vehicles, often referred to as EVs, has been on the rise, spurred by a \$7,500 tax credit available to the purchasers of new vehicles.

The U.S. Energy Information Administration [estimates](#) there are 990,000 EVs on the road this year and that number will grow to 1.5 million next year and 2.17 million in 2021.

EV use is expected to reach 8.29 million in 2029.

Another type of zero emissions vehicle operates on fuel cells powered by hydrogen, producing only water vapor and warm air through its tailpipe.

The use of hydrogen fuel cell vehicles, meanwhile, is not expected to reach 100,000 until 2024.

But the public infrastructure for EVs has been limited.

The U.S. Department of Energy [estimates](#) there currently are 22,059 public charging stations across the nation for electric vehicles, boasting 65,565 outlets.

Only four states have more than 1,000 public charging stations for EVs. California tops the list with 5,258 followed by New York with 1,386, Florida with 1,214 and Texas with 1,155.

There only are 46 charging stations for hydrogen power vehicles with 41 of them located in California.

In comparison, there were 114,474 gasoline stations in the U.S. according to the last decennial Economic Census in 2012. Gas stations almost always have multiple pumps and in some cases have two dozen or more.

Former Vice President Joe Biden, one of the 23 Democrats seeking their party's 2020 nomination for president, said last month during a televised candidate debate that if he's elected to the White House he would build 500,000 EV charging stations.