

Eric Sorensen supports legislation that threatens one of the largest manufacturing plants in our community which provides more than 5,000 Illinois jobs. Instead, the Sorensen plan could send manufacturing jobs to foreign countries.

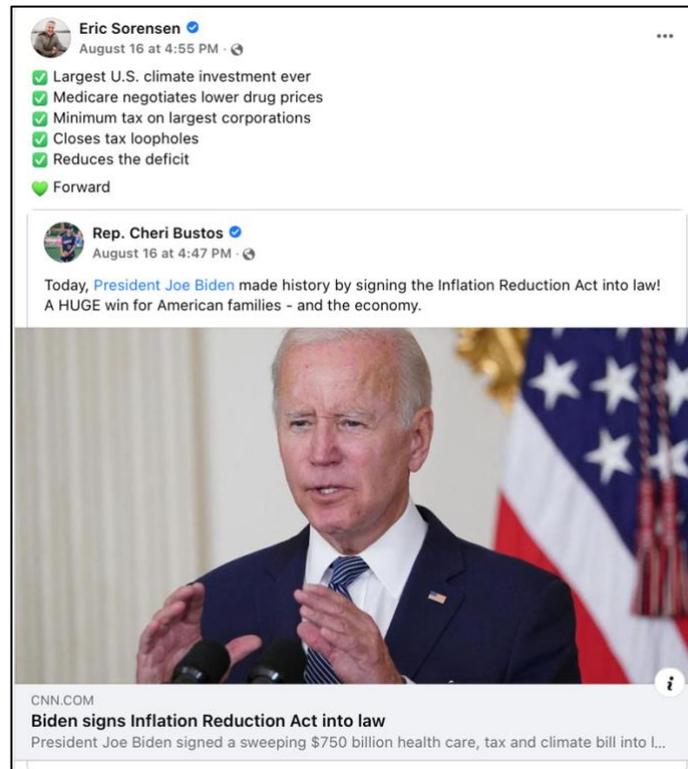
BACK UP:

Rivian employs about 6,000 workers at its plant in Normal, Illinois, and is one of the largest employers in McLean County:

- **As of August 2022, Rivian employs roughly 6,000 people at an assembly plant in downstate Normal.** “While Rivian applauds the intention of the pending bill, ‘as currently drafted, this legislation will pull the rug out from consumers considering purchase of an American-made electric vehicle,’ said Chen, whose company employs roughly 6,000 workers at an assembly plant in downstate Normal. Though the company last week announced it was laying off 50 nonmanufacturing workers at the plant, Rivian still plans to hire more for manufacturing this year in Normal.” (Greg Hinz, “Rivian says Senate climate bill is stacked in archrivals’ favor,” [Automotive News](#), 8/1/22)
- **As of August 2022, Rivian is McLean County’s second-largest employer.** “The Rivian plant already has around 6,000 employees, making it McLean County’s second-largest employer. Adding a second shift essentially increases the hours each day when vehicles are being produced – a key step if the plant is to ever reach its 150,000-vehicle annual capacity. (Rivian is only aiming for 25,000 this year.)” (Ryan Denham, “Rivian to add second shift at Normal plant this fall,” [WGLT](#), 8/11/22)

Eric Sorensen supports the Inflation Reduction Act, which Rivian says would hurt the company and put it at a competitive disadvantage, favoring manufacturers who can come in at a lower cost because of foreign production:

- **Eric Sorensen supports the Inflation Reduction Act.** (Eric Sorensen, [Facebook](#), 8/16/22)



(Eric Sorensen, [Facebook](#), 8/16/22)

- **According to Rivian’s vice president of public policy, the electric vehicle tax credit contained in the Inflation Reduction Act would hurt the company by putting it at a disadvantage.** “Illinois’ biggest electric vehicle producer is complaining that pending federal legislation intended to incentivize people to buy electric cars and trucks actually would hurt it, putting it at a competitive disadvantage. In a statement and an interview, James Chen, vice president of public policy for Rivian, said the pending climate change bill, the result of a political deal between Senate Majority Leader Chuck Schumer and Sen. Joe Manchin, D-W.Va., would give most breaks to other producers like Tesla and General Motors that have had longer to ramp up production or do some manufacturing overseas.” (Greg Hinz, “Rivian says Senate climate bill is stacked in archrivals’ favor,” [Automotive News](#), 8/1/22)
- **According to a Rivian executive, the company needs to tax credits to boost its growth and allow it to invest in increasing production at its plant in Normal, Illinois.** “Mr. Chen said that Rivian supported the Senate’s desire to extend the incentives, but said that restrictions on who can receive a tax credit were counterproductive when it came to new technologies like electric vehicles. Rivian said it needed the tax credits to boost its growth and allow it to invest in increasing production at its plant in Normal, Ill., and continue to invest in a new factory in Georgia. Rivian plans to produce a cheaper model, dubbed the R2, at the plant in Georgia starting in 2025, which could qualify under the new proposed federal tax credit.” (Sean McLain, “Rivian Says Senate Climate Deal Puts It at Disadvantage,” [The Wall Street Journal](#), 8/2/22)
 - **HEADLINE: “Rivian Says Senate Climate Deal Puts It at Disadvantage”** (Sean McLain, “Rivian Says Senate Climate Deal Puts It at Disadvantage,” [The Wall Street Journal](#), 8/2/22)

- **Rivian further argued that the Inflation Reduction Act “favors manufacturers who can come in at a lower cost” because of foreign production.** “Above and beyond that, all of Rivian’s production is in America, with a second assembly plant planned near Atlanta, Chen said. But the pending legislation just looks at the sales price. ‘It favors manufacturers who can come in at lower cost’ because of foreign production.” (Greg Hinz, “Rivian says Senate climate bill is stacked in archrivals’ favor,” [Automotive News](#), 8/1/22)
- **Rivian has argued that the Inflation Reduction Act would “pull the rug out from consumers considering purchase of an American made electric vehicle.”** “The Inflation Reduction Act (IRA), the Democrats’ pared-down environmental and economic package, appears to have enough momentum to pass and with it comes tax perks for electric vehicle buyers. But as the bill enters the final stretch, the EV company Rivian isn’t among the crowd celebrating this legislative milestone. Despite the climate change benefits touted by backers of the IRA, it looks like the bill will actually increase the cost of some EVs in the short term. Or, as a Rivian representative told Reuters on August 3, it seems the bill is poised to ‘pull the rug out from consumers considering purchase of an American made electric vehicle.’ So if you’re already in the market for a high-end EV like a Rivian, with models ranging from \$67,500 to \$98,000, first of all, congratulations on having all that disposable income. But second of all: If you want the largest possible tax credit, you need to look closely at this bill.” (Mike Pearl, “Rivian is not a fan of the new EV tax credit and you might not be either,” [Mashable](#), 8/12/22)
- **Electric vehicle startups like Rivian could be punished by the Inflation Reduction Act.** “Electric vehicle startups Rivian, Lucid, and Fisker are worried that the climate bill meant to get more Americans into battery-powered cars will offer them short-term gains – and long-term punishment. The Inflation Reduction Act sets new pricing and materials sourcing requirements for automakers and upstarts that want to apply a \$7,500 tax credit to their vehicles.” (Alexa St. John, “Rivian and Lucid will be punished by Biden’s climate bill – while GM and Ford could reap the benefits,” [Business Insider](#), 8/22/22)

 - **HEADLINE: “Rivian and Lucid will be punished by Biden’s climate bill – while GM and Ford could reap the benefits”** (Alexa St. John, “Rivian and Lucid will be punished by Biden’s climate bill – while GM and Ford could reap the benefits,” [Business Insider](#), 8/22/22)
- **Once the Inflation Reduction Act kicks in, electric vehicle startups like Rivian may be in trouble because they are already struggling and their established competitors are better positioned to take advantage of the credits.** “But once the bill kicks in, EV startups may be in for trouble. The crux of the problem is that these startups – which are already struggling with various combinations of falling stock prices, manufacturing snafus, supply chain snarls, and mismanagement – stand to miss out on a chunk of government largesse that would make their products \$7,500 cheaper. Their established competitors, meanwhile, are in better positions to meet the bill’s requirements and thus make their already more affordable offerings even more tempting to consumers. Rivian manufactures its vehicles in Normal, Illinois, and has plans to expand to Georgia, while Lucid currently manufactures in Casa Grande, Arizona, a plus for both outfits given the bill’s made-in-America rules. Yet Rivian’s electric pickup, the R1T, starts at \$79,000, while its SUV, the R1S, starts at \$84,000.” (Alexa St. John, “Rivian and Lucid will be punished by Biden’s climate bill – while GM and Ford could reap the benefits,” [Business Insider](#), 8/22/22)

Rivian's Illinois plant only produces vehicles that are above the Inflation Reduction Act's \$80,000 price limit, though the company plans to produce vehicles in Georgia that are at a lower price point:

- **All of Rivian's vehicles are currently manufactured in Normal, Illinois, and the company does not plan to offer vehicles for less than \$80,000 until 2025, when its Georgia plant is built and operating.** “Chen said this change would disproportionately hurt Rivian, because its R1T pickup trucks and R1S SUVs would no longer qualify. The California-based automaker doesn't plan to offer vehicles for less than \$80,000 until 2025, once its 16-million-square-foot factory in Georgia is built and operating. Rivian has said it will build a new crossover in Georgia called the R2 that it will sell at a lower price. All of Rivian's vehicles are currently manufactured in Normal, Ill., and the company's goal for this year is to deliver 25,000 vehicles.” (Zachary Hansen, “Rivian likely excluded from new federal EV tax credits,” [The Atlanta Journal-Constitution](#), 8/5/22)
 - “The pending legislation, which is included in a high-profile climate change bill, would provide a \$7,500 per vehicle tax credit to pickups, SUVs and vans priced less than \$80,000. The ceiling is \$55,000 for other vehicles... Chen said this change would disproportionately hurt Rivian, because its R1T pickup trucks and R1S SUVs would no longer qualify. The California-based automaker doesn't plan to offer vehicles for less than \$80,000 until 2025, once its 16-million-square-foot factory in Georgia is built and operating.” (Zachary Hansen, “Rivian likely excluded from new federal EV tax credits,” [The Atlanta Journal-Constitution](#), 8/5/22)
- **Rivian is planning to build a new vehicle in Georgia that it will sell at a lower price.** “Rivian has said it will build a new crossover in Georgia called the R2 that it will sell at a lower price. All of Rivian's vehicles are currently manufactured in Normal, Ill., and the company's goal for this year is to deliver 25,000 vehicles.” (Zachary Hansen, “Rivian likely excluded from new federal EV tax credits,” [The Atlanta Journal-Constitution](#), 8/5/22)

In 2015, Mitsubishi left Normal, Illinois after operating a factory in the area for decades, which had “huge” tax revenue and its absence left community leaders worried about the impact on the school district:

- **In 2015, Mitsubishi left Normal, Illinois after operating a factory in the area for decades.** “Mike O'Grady still remembers the fear he felt on Mitsubishi's last day in Normal, Illinois, in 2015. The factory had sat on the outskirts of Normal and its twin city, Bloomington, since 1988. O'Grady, then an executive with the Bloomington Normal Economic Development Council, stood outside the manufacturing plant and watched as its 1,000 workers exited for the last time. The plant had its good years, peaking at 3,000 jobs. Tax revenue from the its SUV production had been huge, he recalled. He worried about the impact on the school district.” (Matt McFarland, “The new Normal: How one Midwestern town got swept up in the electric vehicle boom,” [CNN Business](#), 3/24/21)
- **The Mitsubishi plant peaked at 3,000 jobs had “huge” tax revenue from its SUV production.** “The plant had its good years, peaking at 3,000 jobs. Tax revenue from the its SUV production had been huge, he recalled. He worried about the impact on the school district.” (Matt McFarland, “The new Normal: How one Midwestern town got swept up in the electric vehicle boom,” [CNN Business](#), 3/24/21)

