

April 8, 2024

The Honorable Brian Kemp Governor of the State of Georgia 206 Washington St. Suite 203, State Capitol Atlanta, GA 30334

Re: Veto SB 368, Which Discriminates Against Major Georgia Employers

Dear Governor Kemp:

On behalf of Autos Drive America and its member companies, I am writing to request a veto on Senate Bill 368. This legislation creates an unfortunate requirement on public affairs professionals employed by U.S. subsidiaries of international companies by requiring these professionals to register with the State as "foreign agents."

Autos Drive America represents international automakers that have made America their home, having invested a combined \$107 billion into their U.S. operations to date. These companies employ over 156,000 Americans, support an additional 2.3 million jobs and produce nearly half of all the vehicles produced in the United States. Autos Drive America's member companies include American Honda Motor Co., Inc., BMW of North America, Hyundai Motor America, Kia Motors America, Inc., Mazda North American Operations, Inc., Mercedes-Benz USA, Mitsubishi Motors, Nissan North America, Inc., Subaru of America, Inc., Toyota Motor North America, Inc., Volkswagen Group of America, and Volvo Cars USA.

Under your leadership and that of your Economic Development office, the state has become a highly desirable location for foreign direct investment more so than ever before. In Georgia alone, international automakers have generated over 67,000 jobs, directly employ over 6,000 Georgians, and have invested over \$7 billion into the state. Georgia maintains one of the highest national averages of jobs supported by international investment, including several of our member companies such as Hyundai Motor Group Metaplant America, Kia Georgia, Inc., Mercedes-Benz USA, Toyota Motor North America, and more. Irrefutably, the international nameplate auto industry has a strong footprint within the State of Georgia.

Although I understand the intention of the legislation is to address foreign influence from trading partners who offer less reciprocity to U.S. HQ companies, Senate Bill 368 is overly broad and captures any person who advocates on behalf of a subsidiary of a multinational corporation. If enacted, this bill would require our U.S.-based auto manufacturers to register as foreign agents if they wish to engage with Georgia lawmakers.

BMW . Honda . Hyundai . Kia . Mazda . Mercedes-Benz . Mitsubishi . Nissan . Subaru . Toyota . Volkswagen . Volvo

Specifically, the language in Sections 3 and 4 seems to be loosely based on the federal Foreign Agents Registration Act (FARA) but <u>does not include</u> any of the key exemptions that Congress has maintained for decades. As a result, this proposal would unfairly categorize employees at international automakers by labeling them as "foreign agents" and requiring onerous reporting requirements.

SB 368 is a significant departure from the federal standards which do include an exemption for U.S. subsidiaries of international companies. Failing to provide this exemption creates a disincentive for international investment in the state and will cast a fog on representatives of international automakers who have invested within the state. For these reasons, we respectfully request that you veto SB 368. We are happy to work with the legislature to draft a more limited FARA reporting bill during the 2025 session.

We would be happy to respond to your inquiries. We very much appreciate your consideration of this request.

Sincerely,

emite MSafaviar

Jennifer M. Safavian President and CEO Autos Drive America