



AMERICAN BUS ASSOCIATION



# IMPACT OF TARIFFS

## ON THE U.S. ECONOMY AND MOTORCOACH INDUSTRY

### INDUSTRY AT RISK!



- \$107.7B** in Direct Economic Activity\*
- 541,400** Jobs supported
- \$28.2B** Wages & Benefits
- \$6.6B** in Federal Taxes Generated

### MOTORCOACH OPERATORS



ECONOMIC IMPACT

LAYOFFS

REDUCED SERVICE

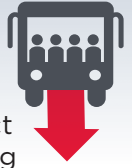
CLOSE BUSINESSES

### MANUFACTURING SUPPLY CHAIN

- Motorcoach original equipment manufacturers (OEMs) are primarily based in Canada and Europe, with no producers in the United States since the 1980s. While many motorcoaches are imported, critical components such as engines, transmissions, and electrical systems are produced in the U.S. Imposing tariffs on imported vehicles would disrupt the supply chain, increasing costs and negatively impacting domestic manufacturers and consumers alike.

## HIGHER COSTS FOR OPERATORS AND CONSUMERS

- **Increased Operating Costs:** Tariffs would raise the cost of new vehicles and components, making it more expensive for operators to maintain or grow their fleets.
- **Price Hikes for Consumers:** Higher operating costs would be passed on to consumers, making motorcoach travel less affordable for families, tourists, and commuters. This would particularly impact rural and underserved communities relying on affordable transportation options.



## INNOVATION AND SUSTAINABILITY STALLED

- **Hindrance to Fleet Modernization:** Tariffs would discourage operators from investing in newer, safer, and more efficient vehicles, delaying advancements in safety, fuel efficiency, and emissions reduction.
- **Environmental Backslide:** Motorcoaches are the most efficient form of mass transportation, removing up to 30 cars from the road per trip. Increased costs could reduce ridership, resulting in higher emissions and more congestion.

## THREAT TO ESSENTIAL SERVICES

- **Disrupted Connectivity:** Motorcoaches provide nearly 400 million passenger trips annually, connecting urban and rural areas, including communities without access to airports or rail lines. Tariffs could jeopardize these critical services.
- **Emergency Preparedness Undermined:** Motorcoaches play a vital role in military transportation and emergency evacuations during natural disasters. Reduced fleet availability could hinder these essential operations.

**Imposing tariffs on motorcoaches and components would have a ripple effect, harming the economy, the motorcoach industry, and millions of consumers.**

## POLICY MAKERS SHOULD:

Ensure U.S. trade policy provides affordable access to motorcoaches to support American business growth, foster innovation, protect national security interests, and ensure that Americans continue to benefit from reliable, safe, and sustainable transportation options.



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