

HB 2514 -1 STAFF MEASURE SUMMARY

House Committee On Energy and Environment

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/8, 3/22

WHAT THE MEASURE DOES:

Directs Oregon Business Development Department (Department) to develop and implement Electric Motor Vehicle Sales Incentive Program. Requires Department to provide \$250 sales incentive to any salesperson for each new electric vehicle that they sell, lease, or exchange for trade-in allowance to a resident of state. Establishes maximum amount of sales incentives that may be provided in life of program is \$1 million. Specifies salespeople employed by dealers who exclusively sell electric motor vehicles are not eligible. Authorizes Department to reduce incentive when market conditions warrant the reduction or insufficient funds exist. Directs Department of Transportation and electric motor vehicle dealer to notify Department of sale, lease or exchange of new electric motor vehicle and to provide certain information about sales person who conducted sale, lease or exchange. Requires Department to pay salesperson within 15 days of notification. Creates Electric Motor Vehicle Sales Incentive Program Fund (Fund). Stipulates Fund comprised of money appropriated by Legislature, interest earned on Fund, amounts deposited from any source, and money from federal grants.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Replaces measure. Requires Department of Revenue (DOR) to pay \$250 sales incentive to any salesperson, not employed by dealership that exclusively sells electric vehicles, for the sale, lease, or exchange for trade in allowance for a new electric vehicle to an Oregon resident. Requires dealer to notify DOR within 45 days of sale providing information on the salesperson. Requires DOR to pay salesperson, by check, within 45 days of receiving notice from dealer. Establishes maximum amount of incentives that may be paid is \$1 million. Establishes Electric Motor Vehicle Sales Incentive Fund (Fund) and declares that moneys in fund will consist of money appropriated by the Legislative Assembly, interest earned, moneys deposited from any other source, federal grants, and gifts or donations. Requires Department of Revenue, in consultation with Oregon Department of Transportation, to adopt rules regarding the contents of and process for providing notice.

FISCAL: Fiscal impact issued

REVENUE: Revenue impact issued

BACKGROUND:

Electric cars have motors that run on a rechargeable battery instead of traditional petroleum-based fuels. These motors are about three times more efficient than traditional internal combustion engines. New electric vehicle models can travel as many as 200 miles or more on a single charge and produce fewer greenhouse gas emissions than traditional cars. In 2013, Oregon, California, Connecticut, Maryland, Massachusetts, New York, Rhode Island and Vermont created a collaborative “Multi-State Zero Emission Vehicle Action Plan” that is intended to guide efforts to put 3.3 million zero emission vehicles on the roads by 2025.

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House Bill 2514 directs the Oregon Business Development Department (Department) to develop and implement an Electric Motor Vehicle Sales Incentive Program which would provide a \$250 sales incentive to salespeople who sell, lease, or exchange for trade-in allowance a new electric vehicle.