



Oregon

Kate Brown, Governor

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DATE: February 8, 2017

TO: House Committee on Energy and Environment

FROM: Amy Joyce, Legislative Liaison

SUBJECT: HB 2514, Electric Motor Vehicle Sales Incentive Program

INTRODUCTION

House Bill 2514 contemplates involvement by the Oregon Department of Transportation (ODOT) in the exchange of information leading to the incentive payment to the vehicle salesperson. ODOT is seeking clarification on its role in the implementation of the bill.

DISCUSSION

HB 2514 provides monetary incentive to vehicle salespeople for each new all-electric vehicle sold, if the dealership does not exclusively sell electrics, and the purchaser is an Oregon resident. Oregon Business Development Department (Business Oregon) administers the program. By the terms of the bill some level of paperwork passes through ODOT.

The bill requires that notice of a sale—at least the salesperson information—be provided from ODOT to Business Oregon. However, the bill also requires dealers to send that information directly to Business Oregon. Conversely, the bill does not require the dealer to send any information to ODOT. Clarification of the roles between the two agencies would be helpful. A single agency as point of contact for the dealer and the salesperson would help efficiency. Fundamentally, it is unclear if the bill intends for ODOT to check whether each transaction meets the qualifications outlined in the bill (e.g. that the vehicle is all-electric; that the purchaser is an Oregon resident).

If ODOT is to participate in the process, it is highly likely that more than 15 days would be necessary to complete the notification to Business Oregon. The Driver and Motor Vehicle Services Division (DMV) would take on this duty for the Department. Considering the information that might need to be verified, and the high volumes of title transactions it processes monthly, a more realistic time frame would be 30 – 45 days.

Finally, ODOT is almost exclusively funded with Highway Fund dollars. The Fund is constitutionally dedicated to highway uses (building, maintenance, operations). The duties in this bill would not qualify, so another funding source would need to be identified for ODOT to perform work on this initiative.

SUMMARY

ODOT seeks clarification on the roles of the two agencies cited in the bill, and the duties of each. If ODOT is involved in verifying qualifications, 45 days would be a more realistic time frame to provide notice to Business Oregon. Highway Fund dollars cannot be spent to implement this bill.