HB 2514 A STAFF MEASURE SUMMARY

House Committee On Energy and Environment

Action Date: 03/22/17

Action: Do pass with amendments

and be referred to Ways and Means by prior reference. (Printed A-Eng.)

Vote: 6-3-0-0

Yeas: 6 - Barnhart, Bentz, Boone, Helm, Holvey, Power

Nays: 3 - Johnson, Reschke, Smith DB

Fiscal: Fiscal impact issued **Revenue:** Revenue impact issued **Prepared By:** Beth Reiley, LPRO Analyst

WHAT THE MEASURE DOES:

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.

ISSUES DISCUSSED:

- Increase awareness of electric vehicles to prospective buyers
- Typical buying patterns of people when purchasing a new car
- Efforts to help develop electric vehicle market

EFFECT OF AMENDMENT:

Replaces measure.

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.

House Bill 2514A would direct the Department of Revenue to pay a \$250 sales incentive to any salesperson, not employed by a 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.