

HB 3111 STAFF MEASURE SUMMARY

Joint Committee On Transportation

Prepared By: Alexa Diaz

Meeting Dates: 5/6

WHAT THE MEASURE DOES:

Clarifies neighborhood electric vehicles and zero-emission motorcycles are qualifying vehicles for electric vehicle rebate programs. Modifies requirements for reimbursement if rebate recipient sells or terminates lease before 24 months after purchase or beginning of lease. Allows Charge Ahead program to issue rebates for plug-in hybrid electric vehicles. Authorizes rebate administrators to accept applications six months after the passage of this 2019 Act for vehicles purchased or leased between January 1, 2018 and August 2, 2018. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

House Bill 2017 (2017) directed the Department of Environmental Quality to create a rebate program for battery electric and plug-in hybrid electric vehicles starting in 2018. The Oregon Clean Vehicle Rebate Program (OCVRP) is a cash rebate program for the purchase or lease of battery electric vehicles and plug-in hybrid electric vehicles. OCVRP is available as the standard rebate and the Charge Ahead rebate. The standard rebate applies to the purchase or lease of a new battery electric vehicle or plug-in electric hybrid electric vehicle. The Charge Ahead Rebate applies to the purchase or lease of a new or used battery electric vehicle and does not include plug-in hybrid electric vehicles; in addition, the Charge Ahead rebate only applies to eligible incomes, which vary by the purchaser's residence in Oregon. Both rebates can be combined if the consumer meets the income requirement and vehicle eligibility. OCVRP applies to vehicle purchases or leases beginning on January 1st, 2018. These rebates are funded through a vehicle privilege tax implemented by House Bill 2017.

Other states have implemented electric vehicle rebate programs to incentive electric vehicle adoption. California was the first state to develop a rebate and has the highest electric vehicle adoption in the country. California's Clean Vehicle Rebate Project (CVRP) provides up to \$7,000 for eligible vehicles and has issued over 270,000 rebates since 2010. CVRP is funded through California Climate Investments that utilizes cap-and-trade revenue. Similarly, both Massachusetts and Connecticut offer rebates of up to \$1,500 and \$5,000 for eligible vehicles, respectively.

House Bill 3111 adds neighborhood electric vehicles and zero-emission motorcycles to the list of eligible vehicles. The measure allows plug-in hybrid electric vehicles as eligible for the Charge Ahead rebate, and requires rebate recipients to reimburse rebate administrators if the vehicles is not used for the mandated 24 months, unless excused by the rebate administrator.