

Rick Williams Email Input in Support of HB 3111

My name is Rick Williams. I am an Oregon Citizen, a resident of Oregon City, and former president of a non-profit organization located in Newport.

Summary:

This email is submitted in support of HB 3111 that modifies provisions for reimbursement for electric vehicle rebates.

I purchased a plug-in hybrid vehicle in April 2018.

The Clean Vehicle Program was a significant factor in my purchase decision.

The dealership thought the Oregon program was a tax credit, declined to offer tax advice at time of sale, recommended that I discuss it with my tax preparer, and was not aware of the six month eligibility cutoff.

Although the program was still undecided when I purchased the vehicle, I was aware of the Governor's Executive Order 17-21, so I decided it was an acceptable risk, and that the details would get worked out by the time tax returns were due in April 2019.

When I learned in mid-October that the program was a rebate, and not a tax credit, I applied and missed the eligibility cutoff by sixteen days. When I followed-up with DEQ, asking if there was a waiver of the administrative rules for the cutoff, DEQ emailed me that the 6 month cutoff was in the statute and there was no provision for a waiver.

I was confident that all involved were acting professionally, that the legislative intent was to provide the rebate, and the problem was an unintended consequence of the language. In this case, the DEQs intent to work with dealerships to get the word out did not succeed. In any case, the eligibility cutoff suppressed citizen access to the rebate. Further, I was concerned that a number of Oregon Citizens were also impacted. So, I requested advice and assistance from Representative Gomberg's Staff.

I sincerely appreciate the team effort represented by HB 3111 and request your support to pass the legislation.

Respectfully,
Rick Williams
Captain, US Navy (Retired)
503-484-4415
rickwilliams@ccgmail.net

Attachment 1: Additional Background to Rick Williams Email Input in Support of HB 3111

In mid-October of 2018, I saw an email from Forth Mobility, who advocates for electric vehicles, so I called and asked about the Oregon Clean Vehicle Program. That was the first that I heard about a 6 month eligibility cutoff. I called the dealership again and the salesman, once again, said he did not know the details and the dealership policy is not to provide tax advice.

I told him to escalate the request. He called me back and said the Office Manager, who had experience with EV purchases, said to file it with my tax return, and to ask my tax preparer. So, I called my tax preparer, who said they knew nothing about the program, and said it should get sorted out by the end of the tax year, or at least by due date on taxes.

Just to be safe, I checked the DEQ website, it turned out there was a six month after purchase eligibility cutoff requirement: <https://www.oregon.gov/deq/FilterDocs/zev-faq.pdf>

I called asked the DEQ point of contact how to request a waiver (I missed the cutoff by 16 days) and was informed that there was no provisions for a waiver.

From: "KRANSKY Gerik" <Gerik.Kransky@state.or.us>
To: "Rick Williams" <rickwilliams@ccgmail.net>
Sent: Wednesday, October 24, 2018 4:25:28 PM
Subject: Oregon Clean Vehicle Program

Hi Rick,

The Oregon Clean Vehicle Rebate program requires that a person submit an application within six months of a vehicle's purchase or lease date. Regarding your voicemail [today](#) unfortunately there is no provision in the statute that allows for a waiver of this requirement.

Please let me know if you have any other questions.

Regards,
Gerik

Gerik Kransky | VW Mitigation Fund Analyst | Oregon Department of Environmental Quality | 700 NE Multnomah St. Suite 600, Portland, OR 97232 | Gerik.Kransky@state.or.us | 503-229-5177

The DEQ response to Representative Gomberg's Staff indicated:

I do want to clarify that the DEQ rebate is not a tax credit/rebate or in any way related to taxes. There's a federal tax credit for EV's but the state (and DEQ) has no relationships or rules related to that. The Oregon Clean Vehicle Rebate is more like a cash-on-the-hood rebate, regardless of a purchaser's tax liability.

We launched the application to specifically address this issue; ensuring purchasers who bought an EV had a mechanism to comply with the 6-month window despite the program not actually having launched.

We have been working with dealerships since the fall of 2017 to spread the word about the phase 1 applications and have so far received approximately 1,700 submissions.

In subsequent calls, the dealership Office Manager confirmed that she thought it was a tax credit, and that the details of the rebate were news to her. The General Manager of the dealership was also not aware of the cutoff.

In this case, the DEQs intent to work with dealerships to get the word out did not work. My question was where did the six month cutoff come from, and why? And, was it reasonable?

In my opinion, this kind of requirement seemed unusual, particularly given the uncertainty of the program in 2018. Also, the cutout seemed contrary to the intent of the Governor's Executive Order on Zero Emission Vehicles strongly encouraged the implementation of clean vehicles.

https://www.oregon.gov/gov/Documents/executive_orders/eo_17-21.pdf

In any case, an unintended consequence of the eligibility cutoff was suppressed citizen access to the rebate. So, I requested advice and assistance from Representative Gomberg's Staff and appreciate the response.