

House Bill 3111

Sponsored by Representative GOMBERG

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Modifies provisions for reimbursement to administrator of electric vehicle rebates issued to recipients that sell vehicle or terminate lease before 24 months after purchase or beginning of lease.
Authorizes charge ahead rebates to be issued for plug-in hybrid electric vehicles.
Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to vehicle rebates; creating new provisions; amending sections 148, 149 and 150, chapter
3 750, Oregon Laws 2017; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** Section 148, chapter 750, Oregon Laws 2017, as amended by section 154, chapter
6 750, Oregon Laws 2017, is amended to read:

7 **Sec. 148.** As used in sections 148 to 152, **chapter 750, Oregon Laws 2017** [*of this 2017 Act*]:

8 (1) "Light-duty zero-emission vehicle" means a motor vehicle that:

9 (a) Has a gross vehicle weight rating of 8,500 pounds or less;

10 (b) Is capable of attaining a speed of 55 miles per hour or more; and

11 (c) Is powered:

12 (A) Primarily by an electric battery and may or may not use a flywheel energy storage device
13 or a capacitor that also stores energy to assist in vehicle operation.

14 (B) By polymer electrolyte membrane fuel cells or proton exchange membrane fuel cells that use
15 hydrogen fuel and oxygen from the air to produce electricity.

16 (C) Primarily by a zero-emission energy storage device that provides enough power for the ve-
17 hicle to travel 75 miles or more using only electricity and may or may not use a backup alternative
18 power unit that does not operate until the energy storage device is fully depleted.

19 (2) "Motor vehicle" has the meaning given that term in ORS 801.360.

20 (3) "Neighborhood electric vehicle" means a low-speed vehicle that:

21 (a) Is powered using an electric battery;

22 (b) Has a gross vehicle weight not exceeding 3,000 pounds; and

23 (c) Has at least four wheels.

24 (4) "Person" means a person as defined in ORS 174.100 or a public body as defined in ORS
25 174.109.

26 (5) "Plug-in hybrid electric vehicle" means a hybrid electric motor vehicle that:

27 (a) Has zero evaporative emissions from its fuel system;

28 (b) Has an onboard electrical energy storage device with useful capacity of 10 or more miles
29 of urban dynamometer driving schedule range, as described by the United States Environmental
30 Protection Agency, on electricity alone;

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

- 1 (c) Is equipped with an onboard charger;
- 2 (d) Is rechargeable from an external connection to an off-board electrical source;
- 3 (e) Meets the super ultra-low emission vehicle standards for exhaust emissions, as defined by the
- 4 Environmental Quality Commission by rule;
- 5 (f) Has a warranty of at least 15 years and 150,000 miles on emission control components; and
- 6 (g) Is capable of attaining a speed of 55 miles per hour or more.
- 7 (6) “Qualifying vehicle” means a motor vehicle that:
- 8 (a) Is a:
- 9 (A) Light-duty zero-emission vehicle; [or]
- 10 **(B) Neighborhood electric vehicle;**
- 11 *[(B)]* **(C) Plug-in hybrid electric vehicle; or**
- 12 **(D) Zero-emission motorcycle;**
- 13 (b) Is new, or has been previously used only as a dealership floor model or test-drive vehicle;
- 14 (c) Has not previously been registered;
- 15 (d) Is constructed entirely from new parts that have never been the subject of a retail sale;
- 16 (e) Has a base manufacturer’s suggested retail price of less than \$50,000;
- 17 (f) Is covered by a manufacturer’s express warranty on the vehicle drive train, including the
- 18 applicable energy storage system or battery pack, for at least 24 months from the date of purchase;
- 19 and
- 20 (g) Is certified by the manufacturer to comply with all applicable federal safety standards issued
- 21 by the National Highway Traffic Safety Administration for new motor vehicles and new motor ve-
- 22 hicle equipment.
- 23 (7)(a) “Vehicle dealer” means:
- 24 (A) A person engaged in business in this state that has been issued a vehicle dealer certificate
- 25 under ORS 822.020; and
- 26 (B) A person engaged in business in another state that would be subject to ORS 822.005 if the
- 27 person engaged in business in this state.
- 28 (b) Notwithstanding paragraph (a) of this subsection, a person is not a vehicle dealer for pur-
- 29 poses of sections 148 to 152, **chapter 750, Oregon Laws 2017**, [*of this 2017 Act*] to the extent the
- 30 person:
- 31 (A) Conducts an event that lasts less than seven consecutive days, for which the public is
- 32 charged admission and at which otherwise qualifying vehicles are sold at auction; or
- 33 (B) Sells an otherwise qualifying vehicle at auction at an event described in this paragraph.
- 34 (8) “Zero-emission motorcycle” means a motorcycle that:
- 35 (a) Has zero evaporative emissions from its fuel system;
- 36 (b) Is capable of attaining a speed of 55 miles per hour or more;
- 37 (c) Is designed to travel on two wheels; and
- 38 (d) Is powered by electricity.
- 39 **SECTION 2.** Section 149, chapter 750, Oregon Laws 2017, as amended by section 155, chapter
- 40 750, Oregon Laws 2017, and section 20, chapter 93, Oregon Laws 2018, is amended to read:
- 41 **Sec. 149.** (1) The Department of Environmental Quality shall establish a program for providing
- 42 rebates to persons that purchase or lease qualifying vehicles for use in this state. The Director of
- 43 the Department of Environmental Quality may hire or contract with a third-party organization to
- 44 implement and serve as the administrator of the program required by this section.
- 45 (2) The department may:

- 1 (a) Specify design features for the program; and
- 2 (b) Establish procedures to:
- 3 (A) Prioritize available moneys for specific qualifying vehicles; and
- 4 (B) Limit the number of rebates available for each type of qualifying vehicle.
- 5 (3) The purchaser or lessee of a qualifying vehicle may apply for a rebate for a portion of the
- 6 purchase price or may choose to assign the rebate to a vehicle dealer or lessor.
- 7 (4) Rebates under the program shall be made from moneys credited to or deposited in the Zero-
- 8 Emission Incentive Fund established under section 152, chapter 750, Oregon Laws 2017. A rebate
- 9 may not be made until there are sufficient moneys available in the fund to make the rebate.
- 10 (5) The department shall prescribe the rebate application procedure for purchasers and lessees.
- 11 All rebate applications must include a declaration under penalty of perjury in the form required by
- 12 ORCP 1 E.
- 13 (6) Rebates for qualifying vehicles shall be set annually by the department as follows:
- 14 (a) For light-duty zero-emission vehicles and plug-in hybrid electric vehicles with an
- 15 electrochemical energy storage capacity of 10 kilowatt hours or more, up to \$2,500 but no less than
- 16 \$1,500.
- 17 (b) For light-duty zero-emission vehicles or plug-in hybrid electric vehicles with an
- 18 electrochemical energy storage capacity of less than 10 kilowatt hours, up to \$1,500 but no less than
- 19 \$750.
- 20 (c) For neighborhood electric vehicles, up to \$750 but not less than \$375.
- 21 (d) For zero-emission motorcycles, up to \$750 but not less than \$375.
- 22 (7) To be eligible for a rebate, a person requesting a rebate under the program shall:
- 23 (a) Purchase or lease a qualifying vehicle. A lease must have a minimum term of 24 months.
- 24 (b) Provide proof of an intent to use the qualifying vehicle primarily on the public highways of
- 25 this state, which may be satisfied by providing proof of registration of the qualifying vehicle in
- 26 Oregon.
- 27 (c) Submit an application for a rebate to the administrator of the program within six months
- 28 after the date of purchase of the qualifying vehicle or six months after the date the lease of the
- 29 qualifying vehicle begins.
- 30 (d) Retain registration of the qualifying vehicle for a minimum of 24 consecutive months after
- 31 the date of purchase or the date the lease begins.
- 32 (8) A rebate recipient may not make or allow any modifications to the qualifying vehicle's
- 33 emissions control systems, hardware, software calibrations or hybrid system.
- 34 (9)(a) If a rebate recipient sells the qualifying vehicle[,] or terminates the qualifying vehicle
- 35 lease before the end of 24 months, the rebate recipient shall:
- 36 (A) Notify the administrator of the program of the sale or termination; and
- 37 (B) [shall] Reimburse the administrator for the [entire rebate amount] **rebate in a prorated**
- 38 **amount based on the number of months that the rebate recipient owned or leased the qual-**
- 39 **ifying vehicle.**
- 40 (b) **The administrator may waive the reimbursement requirement under paragraph (a)**
- 41 **of this subsection if the administrator determines that a waiver is appropriate given un-**
- 42 **foreseeable or unavoidable circumstances that gave rise to a need for the rebate recipient**
- 43 **to sell the qualifying vehicle or terminate the qualifying vehicle lease before the end of 24**
- 44 **months.**
- 45 (10) Rebate recipients may be requested to participate in ongoing research efforts.

1 (11) The administrator of the program shall work to ensure timely payment of rebates with a
 2 goal of paying rebates within 60 days after receiving an application for a rebate.

3 (12) A vehicle dealer may advertise the program on the premises owned or operated by the ve-
 4 hicle dealer. If no moneys are available from the program or the program otherwise changes, a ve-
 5 hicle dealer who advertises the program may not be held liable for advertising false or misleading
 6 information.

7 (13) The Environmental Quality Commission may adopt any rules necessary to carry out the
 8 provisions of this section.

9 **SECTION 3.** Section 150, chapter 750, Oregon Laws 2017, as amended by section 21, chapter
 10 93, Oregon Laws 2018, is amended to read:

11 **Sec. 150.** (1) As used in this section:

12 (a) “Area median income” means the median income for the metropolitan statistical area in
 13 which a household is located or, if the household is not located within a metropolitan statistical
 14 area, for the metropolitan statistical area in closest proximity to the location of the household, as
 15 determined by the Housing and Community Services Department, adjusted for household size.

16 (b) “Charge ahead rebate” means a rebate for the purchase or lease of a new or used light-duty
 17 zero-emission vehicle **or plug-in hybrid electric vehicle** issued through the Charge Ahead Oregon
 18 Program established under this section.

19 (c) “Low income household” means a household with income less than or equal to 80 percent
 20 of the area median income.

21 (d) “Moderate income household” means a household with income less than or equal to 120
 22 percent and greater than 80 percent of the area median income.

23 (2) The Department of Environmental Quality shall establish a Charge Ahead Oregon Program
 24 to provide for charge ahead rebates to low income households and moderate income households. The
 25 Director of the Department of Environmental Quality may hire or contract with a third-party or-
 26 ganization to implement and serve as the administrator of the program required by this section.

27 (3) The department may:

28 (a) Specify design features for the program; and

29 (b) Establish procedures to:

30 (A) Prioritize available moneys to specific income levels or geographic areas; and

31 (B) Limit the number of charge ahead rebates available.

32 (4) An eligible purchaser or lessee of a new or used light-duty zero-emission vehicle **or plug-in**
 33 **hybrid electric vehicle** may apply for a charge ahead rebate for a portion of the purchase price
 34 or may choose to assign the charge ahead rebate to a vehicle dealer or lessor.

35 (5) Rebates under the Charge Ahead Oregon Program shall be made from moneys credited to
 36 or deposited in the Zero-Emission Incentive Fund established under section 152, chapter 750, Oregon
 37 Laws 2017. A rebate may not be made until there are sufficient moneys available in the fund to
 38 make the rebate.

39 (6) The department shall prescribe the rebate application procedure for purchasers and lessees.
 40 All rebate applications must include a declaration under penalty of perjury in the form required by
 41 ORCP 1 E.

42 (7) Charge ahead rebates shall be in an amount up to \$2,500, but not less than \$1,250.

43 (8) To be eligible for a charge ahead rebate, a person requesting a rebate under the program
 44 must:

45 (a) Be a member of a low income household or a moderate income household.

1 (b) Purchase or lease a new or used light-duty zero-emission vehicle **or plug-in hybrid electric**
2 **vehicle**. A lease must have a minimum term of 24 months.

3 (c) Provide proof of an intent to use the light-duty zero-emission vehicle **or plug-in hybrid**
4 **electric vehicle** primarily on the public highways of this state, which may be satisfied by providing
5 proof of registration of the vehicle in Oregon.

6 (d) Submit an application for a charge ahead rebate to the administrator of the program within
7 six months of the date of purchase or six months from the date the lease begins.

8 (e) Retain registration of the light-duty zero-emission vehicle for a minimum of 24 consecutive
9 months following the date of purchase or following the date the lease begins.

10 (9) A person that receives a charge ahead rebate may not make or allow any modifications to
11 the vehicle's emissions control systems, hardware, software calibrations or hybrid system.

12 (10)(a) If a charge ahead rebate recipient sells the vehicle[,] or terminates the vehicle lease
13 before the end of 24 months, the charge ahead rebate recipient shall:

14 (A) Notify the administrator of the program of the sale or termination; and

15 (B) [shall] Reimburse the administrator for the [*entire charge ahead rebate amount*] **rebate in a**
16 **prorated amount based on the number of months that the rebate recipient owned or leased**
17 **the qualifying vehicle.**

18 (b) **The administrator may waive the reimbursement requirement under paragraph (a)**
19 **of this subsection if the administrator determines that a waiver is appropriate given un-**
20 **foreseeable or unavoidable circumstances that gave rise to a need for the rebate recipient**
21 **to sell the qualifying vehicle or terminate the qualifying vehicle lease before the end of 24**
22 **months.**

23 (11) Charge ahead rebate recipients may be requested to participate in ongoing research efforts.

24 (12) The administrator of the program shall work to ensure timely payment of charge ahead re-
25 bates with a goal of paying rebates within 60 days of receiving an application for a charge ahead
26 rebate.

27 (13) In establishing the Charge Ahead Oregon Program, the department shall provide opportu-
28 nities for public comment by low income households, moderate income households and community-
29 based organizations that are located in areas of this state that have elevated concentrations of air
30 contaminants attributable to motor vehicle emissions, relative to other areas of the state. The de-
31 partment shall use the comments received pursuant to this subsection to inform, evaluate and
32 strengthen the design of the program in order to increase the usage of light-duty zero-emission ve-
33 hicles **and plug-in hybrid electric vehicles.**

34 (14) The administrator of the program shall, throughout the course of implementing the program,
35 conduct community outreach to low income households, moderate income households and
36 community-based organizations that are located in areas of this state that have elevated concen-
37 trations of air contaminants attributable to motor vehicle emissions, relative to other areas of the
38 state, in order to:

39 (a) Solicit feedback on program implementation; and

40 (b) Take steps to ensure that the program is promoted effectively.

41 (15) A vehicle dealer may advertise the Charge Ahead Oregon Program on the premises owned
42 or operated by the vehicle dealer. If no moneys are available from the program or the program
43 otherwise changes, a vehicle dealer who advertises the program may not be held liable for adver-
44 tising false or misleading information.

45 (16) A charge ahead rebate may be combined with a rebate described in section 149, chapter 750,

1 Oregon Laws 2017.

2 (17) An organization that the department has hired or contracted with to implement and serve
3 as the administrator of the program may offer expanded financing mechanisms for program partic-
4 ipants, including, but not limited to, a loan or loan-loss reserve credit enhancement program to in-
5 crease consumer access to new or used light-duty zero-emission vehicles **and plug-in hybrid**
6 **electric vehicles.**

7 (18) The Environmental Quality Commission may adopt any rules necessary to carry out the
8 provisions of this section.

9 **SECTION 4. (1) Notwithstanding section 149 (7)(c), chapter 750, Oregon Laws 2017, a**
10 **person may submit an application for a rebate to the administrator of the program estab-**
11 **lished under section 149, chapter 750, Oregon Laws 2017, within six months after the effective**
12 **date of this 2019 Act, if the person purchased or leased a vehicle at any time beginning**
13 **January 1, 2018, and ending August 2, 2018.**

14 (2) Notwithstanding section 150 (8)(d), chapter 750, Oregon Laws 2017, a person may
15 submit an application for a charge ahead rebate to the administrator of the Charge Ahead
16 Oregon Program within six months after the effective date of this 2019 Act, if the person
17 purchased or leased a vehicle at any time beginning January 1, 2018, and ending August 2,
18 2018.

19 **SECTION 5. This 2019 Act being necessary for the immediate preservation of the public**
20 **peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect**
21 **on its passage.**

22