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SUMMARY

Directs Department of Transportation to establish grant program for fuel cell electric vehicle and hydrogen fueling demonstration projects. Appropriates moneys from General Fund to department for grant program.

Requires department to study existing state statutes, regulations, rules and policies that may impede or hinder wide-scale adoption and use of fuel cell electric vehicles and hydrogen fueling. Directs department to submit findings and recommendations to interim committees of Legislative Assembly related to energy and economic development not later than September 15, 2024.

A BILL FOR AN ACT

Relating to hydrogen.

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

SECTION 1. (1) As used in this section, “fuel cell electric vehicle” mean a fully electric vehicle that generates its own electricity by combining oxygen from the air with hydrogen from an onboard storage tank, emitting only water vapor and heat from the vehicle.

(2) The Department of Transportation shall establish a program to award grants to public and private entities for projects that demonstrate the potential for wide-scale adoption and use of fuel cell electric vehicles and hydrogen fueling in the state’s transportation sector.

(3)(a) A grant awarded under this section may be used to plan and develop a project that demonstrates, with regard to hydrogen fuel:

(A) Production;

(B) Delivery;

(C) Storage;

1 (D) Use of public or private fueling stations and dispensing to end-
2 users;

3 (E) Utilization by a fleet of fuel cell electric vehicles, such as at a
4 port or warehouse or by a public transportation system or commercial
5 vehicles; or

6 (F) Utilization by individual or privately owned vehicles.

7 (b) The department shall give priority when awarding grants to
8 demonstration projects that reflect all stages of the hydrogen fuel
9 market from production to end use.

10 (4)(a) The department shall adopt rules to administer the grant
11 program and establish:

12 (A) Grant application procedures and criteria for grant approval;
13 and

14 (B) Procedures for revocation of grants to recipients failing to
15 comply with the criteria established by the department pursuant to
16 this section.

17 (b) At a minimum the rules must provide for the Director of
18 Transportation to:

19 (A) Convene an advisory committee to evaluate applications and
20 recommend grant awards under this section;

21 (B) After reviewing the recommendation from the advisory com-
22 mittee, approve or deny an application for a grant and set the amount
23 of the grant awarded to the grant recipient;

24 (C) Monitor grant recipients for compliance with grant criteria es-
25 tablished by the department pursuant to this section; and

26 (D) Evaluate the efficacy of completed demonstration projects.

27 SECTION 2. (1) As used in this section, “fuel cell electric vehicle”
28 mean a fully electric vehicle that generates its own electricity by
29 combining oxygen from the air with hydrogen from an onboard storage
30 tank, emitting only water vapor and heat from the vehicle.

31 (2) The Department of Transportation shall conduct a study of ex-

1 existing state statutes, regulations, rules and policies that may impede
2 or hinder the wide-scale adoption and use of fuel cell electric vehicles
3 and hydrogen fueling in this state.

4 (3) The study shall include, but is not limited to, the following
5 evaluations:

6 (a) The use of hydrogen fuel for transportation in this state, as-
7 suming no restrictions for transportation through tunnels or bridges
8 or by ferry;

9 (b) The process for permitting and siting hydrogen fueling
10 infrastructure, including hydrogen fueling stations;

11 (c) The permitting process to convert existing vehicle maintenance
12 structures, such as vehicle repair shops, to be able to maintain or re-
13 pair fuel cell electric vehicles;

14 (d) Existing length and weight restrictions for medium and heavy-
15 duty vehicles and medium and heavy-duty fuel cell electric vehicles;
16 and

17 (e) Existing statutory definitions of zero-emission vehicles, alter-
18 native fuel vehicles and electric vehicles, and whether existing statu-
19 tory definitions cover fuel cell electric vehicles.

20 (4) The department shall provide recommendations on the wide-
21 scale adoption and use of hydrogen fuel for transportation in this state
22 and for changes to existing state statutes, regulations, rule and poli-
23 cies that may enable or support the use of fuel cell electric vehicles
24 and hydrogen fueling.

25 (5) The department shall provide the findings and recommendations
26 of the study in a report that may include recommendations for legis-
27 lation, in the manner provided in ORS 192.245, to the interim com-
28 mittees of the Legislative Assembly related to energy and economic
29 development no later than September 15, 2024.

30 SECTION 3. Section 2 of this 2023 Act is repealed on January 2, 2025.

31 SECTION 4. In addition to and not in lieu of any other appropri-

1 **ation, there is appropriated to the Department of Transportation, for**
2 **the biennium beginning July 1, 2023, out of the General Fund, the**
3 **amount of \$25,000,000, for the fuel cell electric vehicle and hydrogen**
4 **fueling demonstration projects grant program established pursuant to**
5 **section 1 of this 2023 Act.**

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