

House Bill 2783

Sponsored by Representative SMITH DB; Representatives GOMBERG, LEIF, MEEK, MOORE-GREEN, NOBLE, POST, REARDON, SCHOUTEN, WILLIAMS, ZIKA, Senator KNOPP (Presession filed.)

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**.

Increases rate of privilege tax imposed on Oregon motor vehicle dealers upon retail sale of taxable motor vehicle and rate of use tax imposed on storage, use or other consumption in this state of taxable motor vehicle purchased at retail. Applies to any taxable motor vehicle sold at retail in any jurisdiction within or outside this state that is registered by purchaser residing within boundaries of metropolitan service district to address within district. Directs revenue from increase in privilege tax to be used to supplement rebates otherwise made under zero-emission and electric vehicle rebate program and Charge Ahead Oregon Program with respect to taxable motor vehicles registered by purchaser residing within metropolitan service district to address within district.

Requires electric companies to invest amount in programs to support acceleration of transportation electrification that is equal to no less than one-half of one percent of total rates collected annually from retail electricity consumers located within part of service area that is within Portland metropolitan service district. Modifies provisions relating to transportation electrification. Directs Public Utility Commission to submit annual report to Legislative Assembly on programs.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to funding the transition to electric motor vehicles; creating new provisions; amending ORS
3 320.400, 320.435 and 757.357 and section 148, chapter 750, Oregon Laws 2017; prescribing an ef-
4 fective date; and providing for revenue raising that requires approval by a three-fifths majority.

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

6 **SECTION 1. Section 2 of this 2021 Act is added to and made a part of ORS 320.400 to**
7 **320.490.**

8 **SECTION 2. (1)(a) This section applies to any taxable motor vehicle sold at retail in any**
9 **jurisdiction within or outside this state that is registered, by a purchaser residing within the**
10 **boundaries of a metropolitan service district established under ORS chapter 268, to an ad-**
11 **dress within the district.**

12 **(b) All provisions of ORS 320.400 to 320.490 and 803.203 that are not inconsistent with this**
13 **section apply to this section.**

14 **(2)(a) The tax imposed under ORS 320.405 on each vehicle dealer for the privilege of en-**
15 **gaging in the business of selling taxable motor vehicles described in subsection (1)(a) of this**
16 **section at retail in this state is increased by 0.5 percent.**

17 **(b) The use tax imposed under ORS 320.410 on the storage, use or other consumption in**
18 **this state of taxable motor vehicles described in subsection (1)(a) of this section that are**
19 **purchased at retail from any seller is increased by 0.5 percent.**

20 **(3) ORS 320.435 applies to all revenue collected by the Department of Revenue under this**
21 **section.**

22 **(4)(a)(A) Revenue attributable to the increase in the privilege tax rate imposed under this**
23 **section shall be used to increase rebates made under the zero-emission and electric vehicle**
24 **rebate program established pursuant to section 149, chapter 750, Oregon Laws 2017, and the**

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 **Charge Ahead Oregon Program established pursuant to section 150, chapter 750, Oregon**
 2 **Laws 2017, by \$2,500 per rebate.**

3 **(B) The additional rebate amounts authorized under this section may be made only with**
 4 **respect to a taxable motor vehicle that:**

5 **(i) Qualifies or is eligible under either or both of the rebate programs described in sub-**
 6 **paragraph (A) of this paragraph; and**

7 **(ii) Is described in subsection (1)(a) of this section.**

8 **(b) Paragraph (a) of this subsection does not apply to rebates made under section 149,**
 9 **chapter 750, Oregon Laws 2017, for neighborhood electric vehicles or zero-emission motor-**
 10 **cycles, as those terms are defined in section 148, chapter 750, Oregon Laws 2017.**

11 **(c) The \$2,500 increase per rebate provided under paragraph (a) of this subsection is in-**
 12 **tended to supplement and not supplant the rebates otherwise made under the zero-emission**
 13 **and electric vehicle rebate program and the Charge Ahead Oregon Program.**

14 **(5) The tax increases imposed under subsection (2) of this section apply to a taxable**
 15 **motor vehicle regardless of whether the taxable motor vehicle is a qualifying vehicle as de-**
 16 **defined in chapter 148, section 750, Oregon Laws 2017, or a vehicle eligible for a rebate under**
 17 **section 150 (4), chapter 750, Oregon Laws 2017.**

18 **SECTION 3. Section 2 of this 2021 Act applies to taxable motor vehicles sold at retail on**
 19 **or after January 1, 2022.**

20 **SECTION 4. The tax increases imposed under section 2 (2) of this 2021 Act become op-**
 21 **erative on January 1, 2022.**

22 **SECTION 5. Section 148, chapter 750, Oregon Laws 2017, as amended by section 154, chapter**
 23 **750, Oregon Laws 2017, and section 34, chapter 491, Oregon Laws 2019, is amended to read:**

24 **Sec. 148.** As used in sections 148 to 152, chapter 750, Oregon Laws 2017:

25 (1) “Light-duty zero-emission vehicle” means a motor vehicle that:

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

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

28 (c) Is powered:

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

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

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

36 (2) “Motor vehicle” has the meaning given that term in ORS 801.360.

37 (3) “Neighborhood electric vehicle” means a low-speed vehicle that:

38 (a) Is powered using an electric battery;

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

40 (c) Has at least four wheels.

41 (4) “Person” means a person as defined in ORS 174.100 or a public body as defined in ORS
 42 174.109.

43 (5) “Plug-in hybrid electric vehicle” means a hybrid electric motor vehicle that:

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

45 (b) Has an onboard electrical energy storage device with useful capacity of 10 or more miles

1 of urban dynamometer driving schedule range, as described by the United States Environmental
 2 Protection Agency, on electricity alone;

3 (c) Is equipped with an onboard charger;

4 (d) Is rechargeable from an external connection to an off-board electrical source;

5 (e) Meets the super ultra-low emission vehicle standards for exhaust emissions, as defined by the
 6 Environmental Quality Commission by rule;

7 (f) Has a warranty of at least 15 years and 150,000 miles on emission control components; and

8 (g) Is capable of attaining a speed of 55 miles per hour or more.

9 (6) "Qualifying vehicle" means a motor vehicle that:

10 (a) Is a:

11 (A) Light-duty zero-emission vehicle;

12 (B) Neighborhood electric vehicle;

13 (C) Plug-in hybrid electric vehicle; or

14 (D) Zero-emission motorcycle;

15 (b) Is new, or has been previously used only as a dealership floor model or test-drive vehicle;

16 (c) Has not previously been registered;

17 (d) Is constructed entirely from new parts that have never been the subject of a retail sale;

18 (e) Has a base manufacturer's suggested retail price of less than \$50,000;

19 (f) Is covered by a manufacturer's express warranty on the vehicle drive train, including the
 20 applicable energy storage system or battery pack, for at least 24 months from the date of purchase;
 21 and

22 (g) Is certified by the manufacturer to comply with all applicable federal safety standards issued
 23 by the National Highway Traffic Safety Administration for new motor vehicles and new motor ve-
 24 hicle equipment.

25 (7)(a) "Vehicle dealer" *[means:]* **has the meaning given that term in ORS 320.400.**

26 *[(A) A person engaged in business in this state that has been issued a vehicle dealer certificate*
 27 *under ORS 822.020; and]*

28 *[(B) A person engaged in business in another state that would be subject to ORS 822.005 if the*
 29 *person engaged in business in this state.]*

30 *[(b) Notwithstanding paragraph (a) of this subsection, a person is not a vehicle dealer for purposes*
 31 *of sections 148 to 152, chapter 750, Oregon Laws 2017, to the extent the person:]*

32 *[(A) Conducts an event that lasts less than seven consecutive days, for which the public is charged*
 33 *admission and at which otherwise qualifying vehicles are sold at auction; or]*

34 *[(B) Sells an otherwise qualifying vehicle at auction at an event described in this paragraph.]*

35 (8) "Zero-emission motorcycle" means a motorcycle that:

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

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

38 (c) Is designed to travel on two wheels; and

39 (d) Is powered by electricity.

40 **SECTION 6.** ORS 320.400 is amended to read:

41 320.400. As used in ORS 320.400 to 320.490 and 803.203:

42 (1)(a) "Bicycle" means:

43 (A) A vehicle that is designed to be operated on the ground on wheels **for the transportation**
 44 **of humans** and is propelled exclusively by human power; or

45 (B) An electric assisted bicycle as defined in ORS 801.258.

- 1 (b) "Bicycle" does not include:
- 2 (A) Carts;
- 3 (B) Durable medical equipment;
- 4 (C) In-line skates;
- 5 (D) Roller skates;
- 6 (E) Skateboards;
- 7 (F) Stand-up scooters;
- 8 (G) Strollers designed for the transportation of children;
- 9 (H) Trailer cycles or other bicycle attachments; or
- 10 (I) Wagons.

11 (2)(a) "Retail sales price" means the total price paid at retail for a taxable vehicle, exclusive
12 of the amount of any excise, privilege or use tax, to a seller by a purchaser of the taxable vehicle.

13 (b) "Retail sales price" does not include the retail value of:

14 (A) Modifications to a taxable vehicle that are necessary for a person with a disability to enter
15 or drive or to otherwise operate or use the vehicle.

16 (B) Customized industrial modifications to the chassis of a truck that has a gross vehicle weight
17 rating of at least 10,000 pounds and not more than 26,000 pounds.

18 (3) "Seller" means:

19 (a) With respect to the privilege tax imposed under ORS 320.405 and the use tax imposed under
20 ORS 320.410, a vehicle dealer.

21 (b) With respect to the excise tax imposed under ORS 320.415, a person engaged in whole or in
22 part in the business of selling bicycles.

23 (4) "Taxable bicycle" means a new bicycle that has a retail sales price of \$200 or more.

24 (5) "Taxable motor vehicle" means a vehicle that:

25 (a) Has a gross vehicle weight rating of 26,000 pounds or less;

26 (b)(A) If equipped with an odometer, has 7,500 miles or less on the odometer; or

27 (B) If not equipped with an odometer, has a manufacturer's certificate of origin or a
28 manufacturer's statement of origin; and

29 (c) Is:

30 (A) A vehicle as defined in ORS 744.850, other than an all-terrain vehicle or a trailer;

31 (B) A camper as defined in ORS 801.180;

32 (C) A commercial bus as defined in ORS 801.200;

33 (D) A commercial motor vehicle as defined in ORS 801.208;

34 (E) A commercial vehicle as defined in ORS 801.210;

35 (F) A fixed load vehicle as defined in ORS 801.285;

36 (G) A moped as defined in ORS 801.345;

37 (H) A motor home as defined in ORS 801.350;

38 (I) A motor truck as defined in ORS 801.355;

39 (J) A tank vehicle as defined in ORS 801.522;

40 (K) A trailer as defined in ORS 801.560 that is required to be registered in this state;

41 (L) A truck tractor as defined in ORS 801.575; or

42 (M) A worker transport bus as defined in ORS 801.610.

43 (6) "Taxable vehicle" means a taxable bicycle or a taxable motor vehicle.

44 (7) "Transportation project taxes" means the privilege tax imposed under ORS 320.405, the use
45 tax imposed under ORS 320.410 and the excise tax imposed under ORS 320.415.

1 (8)(a) "Vehicle dealer" means:

2 (A) A person engaged in business in this state that is required to obtain a vehicle dealer cer-
3 tificate under ORS 822.005; and

4 (B) A person engaged in business in another state that would be subject to ORS 822.005 if the
5 person engaged in business in this state.

6 (b) Notwithstanding paragraph (a) of this subsection, a person is not a vehicle dealer [*for pur-
7 poses of ORS 320.400 to 320.490 and 803.203*] to the extent the person:

8 (A) Conducts an event that lasts less than seven consecutive days, for which the public is
9 charged admission and at which otherwise taxable motor vehicles are sold at auction; or

10 (B) Sells an otherwise taxable motor vehicle at auction at an event described in this paragraph.

11 **SECTION 7. Section 96b, chapter 750, Oregon Laws 2017, is repealed.**

12 **SECTION 8.** ORS 320.435, as amended by section 96a, chapter 750, Oregon Laws 2017, is
13 amended to read:

14 320.435. (1) The Department of Revenue shall deposit all revenue collected from the privilege tax
15 imposed under ORS 320.405 and the use tax imposed under ORS 320.410 in a suspense account es-
16 tablished under ORS 293.445 for the purpose of receiving the revenue. The department may pay ex-
17 penses for the administration and enforcement of the privilege and use taxes out of moneys received
18 from the privilege and use taxes. Amounts necessary to pay administrative and enforcement ex-
19 penses are continuously appropriated to the department from the suspense account.

20 (2) After payment of administrative and enforcement expenses under subsection (1) of this sec-
21 tion and refunds or credits arising from erroneous overpayments, the department shall transfer the
22 balance of the moneys received from the privilege and use taxes as follows:

23 (a) Moneys attributable to the privilege tax **shall be transferred as follows:**

24 (A) **\$12 million shall be transferred annually to the Zero-Emission Incentive Fund estab-
25 lished under section 152, chapter 750, Oregon Laws 2017.**

26 (B) **After the transfer required under subparagraph (A) of this paragraph, the balance
27 of the moneys** shall be transferred to the Connect Oregon Fund established under ORS 367.080.

28 (b) Moneys attributable to the use tax shall be transferred to the State Highway Fund.

29 **SECTION 9. The amendments to ORS 320.435 by section 8 of this 2021 Act apply to priv-
30 ilege tax revenue that is received on or after the effective date of this 2021 Act and before
31 January 1, 2022.**

32 **SECTION 10.** ORS 320.435, as amended by section 96a, chapter 750, Oregon Laws 2017, and
33 section 8 of this 2021 Act, is amended to read:

34 320.435. (1) The Department of Revenue shall deposit all revenue collected from the privilege tax
35 imposed under ORS 320.405 and the use tax imposed under ORS 320.410 in a suspense account es-
36 tablished under ORS 293.445 for the purpose of receiving the revenue. The department may pay ex-
37 penses for the administration and enforcement of the privilege and use taxes out of moneys received
38 from the privilege and use taxes. Amounts necessary to pay administrative and enforcement ex-
39 penses are continuously appropriated to the department from the suspense account.

40 (2) After payment of administrative and enforcement expenses under subsection (1) of this sec-
41 tion and refunds or credits arising from erroneous overpayments, the department shall transfer the
42 balance of the moneys received from the privilege and use taxes as follows:

43 (a) Moneys attributable to the privilege tax shall be transferred as follows:

44 (A) **Privilege tax moneys computed on the basis of the rate imposed under section 2 of
45 this 2021 Act shall be transferred to the Zero-Emission Incentive Fund established under**

1 **section 152, chapter 750, Oregon Laws 2017.**

2 ~~[(A)]~~ **(B) Of the privilege tax moneys computed on the basis of the rate imposed under**
 3 **ORS 320.405:**

4 **(i) The first \$12 million shall be transferred annually to the Zero-Emission Incentive Fund es-**
 5 **tablished under section 152, chapter 750, Oregon Laws 2017[.]; and**

6 ~~[(B)]~~ **(ii) [After the transfer required under subparagraph (A) of this paragraph,] The balance of**
 7 **the moneys shall be transferred to the Connect Oregon Fund established under ORS 367.080.**

8 **(b) Moneys attributable to the use tax shall be transferred to the State Highway Fund.**

9 **SECTION 11. The amendments to ORS 320.435 by section 10 of this 2021 Act apply to**
 10 **privilege tax revenue that is received on or after January 1, 2022, and before January 1, 2024.**

11 **SECTION 12.** ORS 320.435, as amended by section 96a, chapter 750, Oregon Laws 2017, and
 12 sections 8 and 10 of this 2021 Act, is amended to read:

13 320.435. (1) The Department of Revenue shall deposit all revenue collected from the privilege tax
 14 imposed under ORS 320.405 and the use tax imposed under ORS 320.410 in a suspense account es-
 15 tablished under ORS 293.445 for the purpose of receiving the revenue. The department may pay ex-
 16 penses for the administration and enforcement of the privilege and use taxes out of moneys received
 17 from the privilege and use taxes. Amounts necessary to pay administrative and enforcement ex-
 18 penses are continuously appropriated to the department from the suspense account.

19 **(2) After payment of administrative and enforcement expenses under subsection (1) of this sec-**
 20 **tion and refunds or credits arising from erroneous overpayments, the department shall transfer the**
 21 **balance of the moneys received from the privilege and use taxes as follows:**

22 **(a) Moneys attributable to the privilege tax shall be transferred as follows:**

23 **(A) Privilege tax moneys computed on the basis of the rate imposed under section 2 of this 2021**
 24 **Act shall be transferred to the Zero-Emission Incentive Fund established under section 152, chapter**
 25 **750, Oregon Laws 2017.**

26 **(B) Of the privilege tax moneys computed on the basis of the rate imposed under ORS**
 27 **320.405,[:]**

28 **[(i) The first \$12 million shall be transferred annually to the Zero-Emission Incentive Fund estab-**
 29 **lished under section 152, chapter 750, Oregon Laws 2017; and]**

30 **[(ii)] the balance [of the moneys] shall be transferred to the Connect Oregon Fund established**
 31 **under ORS 367.080.**

32 **(b) Moneys attributable to the use tax shall be transferred to the State Highway Fund.**

33 **SECTION 13. The amendments to ORS 320.435 by section 12 of this 2021 Act apply to**
 34 **privilege tax revenue that is received on or after January 1, 2024.**

35 **SECTION 14. (1) An electric company, as defined in ORS 757.600, shall invest no less than**
 36 **one-half of one percent of the total rates described in subsection (2) of this section in pro-**
 37 **grams to support the acceleration of transportation electrification.**

38 **(2) This section applies to the total rates collected annually by the electric company from**
 39 **all retail electricity consumers located within that part of the electric company's service**
 40 **area that is within the boundaries of the metropolitan service district established under ORS**
 41 **chapter 268.**

42 **(3) An electric company shall file an application with the Public Utility Commission for**
 43 **acceptance of a proposed program funded with revenues collected under this section. Appli-**
 44 **cations filed under this section are subject to ORS 757.357.**

45 **(4) The commission shall submit an annual report, in the manner provided in ORS**

1 **192.245, to the Legislative Assembly on the programs funded as required by this section.**

2 **SECTION 15.** ORS 757.357 is amended to read:

3 757.357. (1) As used in this section:

4 (a) “Electric company” has the meaning given that term in ORS 757.600.

5 **(b)(A) “Infrastructure measures” includes, but is not limited to, investments in, expenses**
 6 **related to or rebates for:**

7 **(i) Distribution system infrastructure that supports transportation electrification;**

8 **(ii) Communication and control technologies that support transportation electrification;**

9 **and**

10 **(iii) Behind-the-meter infrastructure that supports transportation electrification and is**
 11 **owned by an electric company or by a customer.**

12 **(B) “Infrastructure measures” does not include investments in or expenses related to**
 13 **education and outreach activities related to transportation electrification, or other trans-**
 14 **portation electrification-related activities determined by the Public Utility Commission to be**
 15 **separate and distinct from the development of infrastructure.**

16 **(c) “Retail electricity consumer” has the meaning given that term in ORS 757.600.**

17 ~~[(b)]~~ **(d)** “Transportation electrification” means:

18 (A) The use of electricity from external sources to provide power to all or part of a vehicle;

19 (B) Programs related to developing the use of electricity for the purpose described in subpara-
 20 graph (A) of this paragraph; ~~and~~

21 (C) Infrastructure ~~[investments]~~ **measures** related to developing the use of electricity for the
 22 purpose described in subparagraph (A) of this paragraph~~];~~ **and**

23 **(D) Programs related to supporting the adoption and service of vehicles powered as de-**
 24 **scribed in subparagraph (A) of this paragraph.**

25 ~~[(c)]~~ **(e)** “Vehicle” means a vehicle, vessel, train, boat or any other equipment that is mobile.

26 (2) The Legislative Assembly finds and declares that:

27 (a) Transportation electrification is necessary to reduce petroleum use, achieve optimum levels
 28 of energy efficiency and carbon reduction, meet federal and state air quality standards, meet this
 29 state’s greenhouse gas emissions reduction goals described in ORS 468A.205 and improve the public
 30 health and safety;

31 (b) Widespread transportation electrification requires that electric companies increase access to
 32 the use of electricity as a transportation fuel;

33 (c) Widespread transportation electrification requires that electric companies increase access to
 34 the use of electricity as a transportation fuel in low and moderate income communities;

35 (d) Widespread transportation electrification should stimulate innovation and competition, pro-
 36 vide consumers with increased options in the use of charging equipment and in procuring services
 37 from suppliers of electricity, attract private capital investments and create high quality jobs in this
 38 state;

39 (e) Transportation electrification and the purchase and use of electric vehicles should assist in
 40 managing the electrical grid, integrating generation from renewable energy resources and improving
 41 electric system efficiency and operational flexibility, including the ability of an electric company to
 42 integrate variable generating resources;

43 (f) Deploying transportation electrification and electric vehicles creates the opportunity for an
 44 electric company to propose, to the ~~[Public Utility]~~ commission, that a net benefit for the customers
 45 of the electric company is attainable; and

1 (g) Charging electric vehicles in a manner that provides benefits to electrical grid management
2 affords fuel cost savings for vehicle drivers.

3 (3) The *[Public Utility]* commission shall direct each electric company to file applications, in a
4 form and manner prescribed by the commission, for programs to *[accelerate]* **support** transportation
5 electrification. A program proposed by an electric company may include prudent investments in or
6 customer rebates for electric vehicle charging and related infrastructure.

7 **(4) The commission may allow an electric company to recover costs from retail electric-**
8 **ity consumers for prudent infrastructure measures to support transportation electrification**
9 **if the infrastructure measures are consistent with and meet the requirements of subsection**
10 **(5) of this section.**

11 **(5) If undertaken by an electric company, an infrastructure measure to support trans-**
12 **portation electrification is a utility service and a benefit to utility customers if the**
13 **infrastructure measure can be reasonably anticipated to:**

14 (a) **Support reductions of transportation sector greenhouse gas emissions over time; and**

15 (b) **Benefit the electric company's customers in ways that may include, but need not be**
16 **limited to:**

17 (A) **Distribution or transmission management benefits;**

18 (B) **Revenues to utilities from electric vehicle charging to offset utilities' fixed costs that**
19 **may otherwise be charged to customers;**

20 (C) **System efficiencies or other economic values inuring to the benefit of customers over**
21 **the long term; or**

22 (D) **Increased customer choice through greater transportation electrification**
23 **infrastructure deployment to increase availability of and access to public and private electric**
24 **vehicle charging stations.**

25 *[(4)]* **(6) When considering a transportation electrification program and determining cost recov-**
26 **ery for investments and other expenditures that are not infrastructure measures and that are**
27 **related to a program proposed by an electric company under subsection (3) of this section, the**
28 **commission shall consider whether the investments and other expenditures:**

29 (a) Are within the service territory of the electric company;

30 (b) Are prudent as determined by the commission;

31 (c) Are reasonably expected to be used and useful as determined by the commission;

32 (d) Are reasonably expected to enable the electric company to support the electric company's
33 electrical system;

34 (e) Are reasonably expected to improve the electric company's electrical system efficiency and
35 operational flexibility, including the ability of the electric company to integrate variable generating
36 resources; and

37 (f) Are reasonably expected to stimulate innovation, competition and customer choice in electric
38 vehicle charging and related infrastructure and services.

39 **(7) In undertaking infrastructure measures that involve the installation of one or more**
40 **electric vehicle charging stations, an electric company must allow for customer choice in the**
41 **selection of the type of electric vehicle charging station to be installed, subject to equipment**
42 **eligibility as determined by the electric company. An electric company may prequalify mul-**
43 **multiple types of eligible electric vehicle charging stations based on criteria determined by the**
44 **electric company.**

45 **(8) Nothing in this section restricts or prohibits a corporation, company, partnership,**

1 **individual or association of individuals exempt from regulation under ORS 757.005 (1)(b)(G)**
 2 **from furnishing electricity to any number of customers for use in motor vehicles.**

3 [(5)(a)] **(9)(a)** Tariff schedules and rates allowed pursuant to [subsection (3)] **subsections (3) to**
 4 **(6)** of this section:

5 (A) May allow a return of and a return on an investment made by an electric company under
 6 [subsection (3)] **subsections (3) to (6)** of this section; and

7 (B) Shall be recovered from [all customers] **the retail electricity consumers** of an electric
 8 company in a manner [that is similar to the recovery of distribution system investments] **determined**
 9 **by the commission.**

10 (b) A return on investment allowed under this subsection may be earned for a period of time
 11 that does not exceed the depreciation schedule of the investment approved by the commission. When
 12 an electric company's investment is fully depreciated, the commission may authorize the electric
 13 company to donate the electric vehicle charging infrastructure to the owner of the property on
 14 which the infrastructure is located.

15 [(6)] **(10)** For purposes of ORS 757.355, electric vehicle charging infrastructure provides utility
 16 service to the customers of an electric company.

17 [(7)] **(11)** In authorizing programs described in subsection (3) of this section, the commission
 18 shall review data concerning current and future adoption of electric vehicles and utilization of
 19 electric vehicle charging infrastructure. If market barriers unrelated to the investment **or expen-**
 20 **ditures** made by an electric company prevent electric vehicles from adequately utilizing available
 21 electric vehicle charging infrastructure, the commission may not permit additional investments in
 22 **or expenditures related to supporting** transportation electrification without a reasonable showing
 23 that the investments **or expenditures** would not result in long-term stranded costs recoverable from
 24 the [customers] **retail electricity consumers** of electric companies.

25 **SECTION 16. ORS 757.357 is added to and made a part of ORS chapter 757.**

26 **SECTION 17. Section 14 of this 2021 Act and the amendments to ORS 757.357 by section**
 27 **15 of this 2021 Act become operative on January 1, 2022.**

28 **SECTION 18. This 2021 Act takes effect on the 91st day after the date on which the 2021**
 29 **regular session of the Eighty-first Legislative Assembly adjourns sine die.**