

February 8, 2023

House Committee on Climate, Energy and Environment Oregon State Capitol 900 Court St. NE Salem Oregon 97301

Re: HB 2614 - Neutral

Dear Chair Marsh, Vice-Chairs Levy and Levy, and Members of the Committee,

Climate Solutions is a regional non-profit working to accelerate clean energy solutions to the climate crisis. We write to offer the following perspectives on HB 2614.

The transportation sector makes up 40 percent of Oregon's greenhouse gas emissions, of which, 62 percent is from passenger cars and trucks. Ensuring that all types of vehicles are electric and reducing overall car trips by shifting to alternative modes of transportation are necessary to meet our State's climate goals, reduce air pollution, and take advantage of co-benefits such as reduced transportation costs.

While we are supportive of the main goal of HB 2614, which is to set zero-emission service mile targets for transportation network companies, we would like to state our concerns of the bill and hope they are addressed before the bill moves forward.

- We are strongly concerned about Section 9 of the bill that modifies the maximum number of rebates a single entity can claim under the Oregon Clean Vehicle Rebate Program from 10 rebates to 200 rebates.
  - Increasing the entity claim limit would risk substantially depleting the pool of EV rebates available to Oregonians, particularly without the Legislature providing a new or additional source of ongoing funding to provide significantly more money for the program (or a separate business fleet electrification fund with its own dedicated resources).
  - Increasing the rebate cap could have the unintended consequence of having the rebate fund be depleted by large businesses over Oregonians who need the rebate to make the transition to an EV.
  - Even California, which has an EV rebate program with 20 times more funding (\$238 million in FY 19-20) than Oregon's EV rebate program (\$12 million per year), has a 20 rebate limit for rental and car fleet companies and 30 rebate limit for public fleets.
  - Any changes to the limit per entity in the state EV rebate program should be handled during a rulemaking process, rather than in statute. The original limit was



- set in rulemaking, and we believe DEQ needs the appropriate flexibility to run the program successfully.
- To be clear, individuals who drive for ridesharing programs like Lyft can avail themselves of the state EV program as-is. The current limit does not impact them.
- We are also concerned about the bill language that states that if the two largest TNCs (essentially Lyft and Uber) fail to meet the targets by 30% or more for two consecutive years, DEQ will be required to modify or delay enforcement of the program.
  - This is cause for concern because this could allow for the per mile penalty charge to end if Lyft and Uber fail to meet their targets after two years and potentially grant them large number of rebates without putting a penny into the rebate program.

We hope that you consider these concerns thoroughly before moving forward with this bill and will be in discussion with Representative McLain and Lyft to figure out solutions to address these concerns. Thank you for your time and consideration.

Sincerely,

Victoria Paykar

Oregon Transportation Policy Manager

**Climate Solutions**