

DRAFT

SUMMARY

Digest: The Act would phase in a mandatory per-mile road usage charge for owners and lessees of electric and hybrid cars and delivery vans engaged in e-commerce. The Act would allow a flat annual fee in lieu of the per-mile road usage charge.

The Act would have ODOT biennially recommend a rate for the per-mile road usage charge that would raise the money needed to keep up the highways in this state.

The Act would pause an EV rebate and limit another EV rebate to one per household. (Flesch Readability Score: 62.2).

Phases in a mandatory per-mile road usage charge for registered owners and lessees of electric and hybrid passenger vehicles and delivery vehicles engaged in e-commerce. Allows an annual flat fee in lieu of the mandatory per-mile road usage charge.

Requires the Department of Transportation to submit a biennial report to the Legislative Assembly recommending a rate for the per-mile road usage charge that would sustainably raise the revenue necessary to maintain the public highways in this state.

Prohibits the Department of Environmental Quality from providing certain zero-emission and electric vehicle rebates for a period of time. Limits the charge ahead rebate to one per household.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to transportation; creating new provisions; amending ORS 319.883, 319.885, 319.910, 319.915, 319.920, 319.925, 319.930 and 468.446; repealing sections 31 and 33, chapter 1, Oregon Laws 2025 (special session); and prescribing an effective date.

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

SECTION 1. ORS 319.883, as amended by sections 30 and 32, chapter 1, Oregon Laws 2025 (special session), is amended to read:

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.

1 319.883. As used in ORS 319.883 to 319.946:

2 [(1) *“Electric vehicle” means a motor vehicle that uses electricity as its only*
3 *source of motive power.*]

4 [(2)] (1) “Fuel taxes” means motor vehicle fuel taxes imposed under ORS
5 319.010 to 319.420 and taxes imposed on the use of fuel in a motor vehicle
6 under ORS 319.510 to 319.880.

7 [(3)] (2) “Highway” has the meaning given that term in ORS 801.305.

8 [(4)(a) *“Hybrid electric vehicle” means a motor vehicle that:*]

9 [(A) *Is powered by an internal combustion engine in combination with one*
10 *or more electric motors that use energy stored in batteries; and]*

11 [(B) *Is not recharged from an external electric power source.*]

12 [(b) *The Department of Transportation may adopt rules that clarify the*
13 *definition in paragraph (a) of this subsection to account for changes in the*
14 *technology or nomenclature of hybrid electric vehicles.*]

15 [(5)] (3) “Lessee” means a person that leases a motor vehicle that is re-
16 quired to be registered in Oregon.

17 [(6)(a)] (4)(a) “Motor vehicle” has the meaning given that term in ORS
18 801.360.

19 (b) “Motor vehicle” does not mean a motor vehicle designed to travel with
20 fewer than four wheels in contact with the ground.

21 [(7) *“Motor vehicle rental company” means a person whose primary business*
22 *is renting motor vehicles to consumers under rental agreements for terms of*
23 *90 days or less.*]

24 [(8)(a) *“Plug-in hybrid electric vehicle” means a motor vehicle that:*]

25 [(A) *Is powered by an electric motor that uses batteries as well as motor*
26 *vehicle fuel, as defined in ORS 319.010, to power an internal combustion en-*
27 *gine or other source of propulsion;*]

28 [(B) *Is equipped with an onboard charger; and]*

29 [(C) *Is rechargeable from a connection to an external electric power*
30 *source.*]

31 [(b) *The Department of Transportation may adopt rules that clarify the*

definition in paragraph (a) of this subsection to account for changes in the technology or nomenclature of plug-in hybrid electric vehicles.]

[(9)] (5) “Registered owner” means a person, other than a vehicle dealer that holds a certificate issued under ORS 822.020, that is required to register a motor vehicle in Oregon.

[(10)] (6) “Subject vehicle” means a motor vehicle that is **the subject of an application approved pursuant to ORS 319.890.** *[or will be classified as a passenger vehicle by the Department of Transportation and that is:]*

[(a) *An electric vehicle; or*

[(b) *A hybrid electric vehicle or a plug-in hybrid electric vehicle.*]

[(11)] (7) “Vehicle dealer” means a person engaged in business in this state that is required to obtain a vehicle dealer certificate under ORS 822.005.

SECTION 2. ORS 319.883, as amended by sections 30 and 32, chapter 1, Oregon Laws 2025 (special session), and section 1 of this 2026 Act, is amended to read:

319.883. As used in ORS 319.883 to 319.946:

(1) **“Delivery vehicle” means a motor vehicle that:**

(a) **Has a gross vehicle weight rating greater than 8,000 pounds and not more than 26,000 pounds;**

(b) **Is operated by a person required to be licensed under ORS 825.100;**

(c) **Is used for the delivery of e-commerce property from a fulfillment center to addresses in Oregon; and**

(d) **Uses any source of motive power.**

(2) **“E-commerce property” means tangible personal property purchased through electronic commerce.**

(3)(a) **“Electric delivery vehicle” means a delivery vehicle that uses electricity as its only source of motive power.**

(b) **“Electric delivery vehicle” does not include any delivery vehicle that is used exclusively to deliver medical goods or supplies.**

1 **(4) “Electric vehicle” means a motor vehicle that uses electricity**
2 **as its only source of motive power.**

3 **(5) “Electronic commerce” means engaging in commercial or retail**
4 **transactions predominantly over the Internet or a computer network,**
5 **using the Internet as a platform for transacting business or facilitat-**
6 **ing the use of the Internet by other persons for transacting business**
7 **and may be further defined by the Department of Transportation by**
8 **rule.**

9 **[(1)] (6) “Fuel taxes” means motor vehicle fuel taxes imposed under ORS**
10 **319.010 to 319.430 and taxes imposed on the use of fuel in a motor vehicle**
11 **under ORS 319.510 to 319.880.**

12 **[(2)] (7) “Highway” has the meaning given that term in ORS 801.305.**

13 **(8)(a) “Hybrid electric vehicle” means a motor vehicle that:**

14 **(A) Is powered by an internal combustion engine in combination**
15 **with one or more electric motors that use energy stored in batteries;**
16 **and**

17 **(B) Is not recharged from an external electric power source.**

18 **(b) The Department of Transportation may adopt rules that clarify**
19 **the definition in paragraph (a) of this subsection to account for**
20 **changes in the technology or nomenclature of hybrid electric vehicles.**

21 **[(3)] (9) “Lessee” means a person that leases a motor vehicle that is re-**
22 **quired to be registered in Oregon.**

23 **[(4)(a)] (10)(a) “Motor vehicle” has the meaning given that term in ORS**
24 **801.360.**

25 **(b) “Motor vehicle” does not mean a motor vehicle designed to travel with**
26 **fewer than four wheels in contact with the ground.**

27 **(11) “Motor vehicle rental company” means a person whose primary**
28 **business is renting motor vehicles to consumers under rental agree-**
29 **ments for terms of 90 days or less.**

30 **(12)(a) “Plug-in hybrid electric vehicle” means a motor vehicle that:**

31 **(A) Is powered by an electric motor that uses batteries as well as**

1 **motor vehicle fuel, as defined in ORS 319.010, to power an internal**
2 **combustion engine or other source of propulsion;**

3 **(B) Is equipped with an onboard charger; and**

4 **(C) Is rechargeable from a connection to an external electric power**
5 **source.**

6 **(b) The Department of Transportation may adopt rules that clarify**
7 **the definition in paragraph (a) of this subsection to account for**
8 **changes in the technology or nomenclature of plug-in hybrid electric**
9 **vehicles.**

10 **[(5)] (13) “Registered owner” means a person, other than a vehicle dealer**
11 **that holds a certificate issued under ORS 822.020, that is required to register**
12 **a motor vehicle in Oregon.**

13 **[(6)] (14) “Subject vehicle” means a motor vehicle that: *[is the subject of***
14 ***an application approved pursuant to ORS 319.890.]***

15 **(a) Is or will be classified as a passenger vehicle by the Department**
16 **of Transportation and that is:**

17 **(A) For reporting periods beginning on or after July 1, 2027, an**
18 **electric vehicle that is not a new electric vehicle;**

19 **(B) For reporting periods beginning on or after January 1, 2028:**

20 **(i) A motor vehicle described in subparagraph (A) of this paragraph;**

21 **or**

22 **(ii) A new electric vehicle;**

23 **(C) For reporting periods beginning on or after July 1, 2028:**

24 **(i) A motor vehicle described in subparagraph (A) or (B) of this**
25 **paragraph; or**

26 **(ii) A hybrid electric vehicle or a plug-in hybrid electric vehicle; or**

27 **(D) For reporting periods beginning before July 1, 2031:**

28 **(i) A motor vehicle described in subparagraph (A), (B) or (C) of this**
29 **paragraph; or**

30 **(ii) The subject of an application approved pursuant to ORS 319.890;**

31 **or**

(b) For reporting periods beginning on or after July 1, 2027, is an electric delivery vehicle.

(15) “Taxpayer” means:

(a) The registered owner of a subject vehicle;

(b) The lessee of a subject vehicle; or

(c) The owner or operator of an electric delivery vehicle.

[(7)] (16) “Vehicle dealer” means a person engaged in business in this state that is required to obtain a vehicle dealer certificate under ORS 822.005.

SECTION 3. The amendments to ORS 319.883 by section 2 of this 2026 Act become operative on July 1, 2027.

SECTION 4. ORS 319.883, as amended by sections 30 and 32, chapter 1, Oregon Laws 2025 (special session), and sections 1 and 2 of this 2026 Act, is amended to read:

319.883. As used in ORS 319.883 to 319.946:

(1) “Delivery vehicle” means a motor vehicle that:

(a) Has a gross vehicle weight rating greater than 8,000 pounds and not more than 26,000 pounds;

(b) Is operated by a person required to be licensed under ORS 825.100;

(c) Is used for the delivery of e-commerce property from a fulfillment center to addresses in Oregon; and

(d) Uses any source of motive power.

(2) “E-commerce property” means tangible personal property purchased through electronic commerce.

(3)(a) “Electric delivery vehicle” means a delivery vehicle that uses electricity as its only source of motive power.

(b) “Electric delivery vehicle” does not include any delivery vehicle that is used exclusively to deliver medical goods or supplies.

(4) “Electric vehicle” means a motor vehicle that uses electricity as its only source of motive power.

(5) “Electronic commerce” means engaging in commercial or retail trans-

actions predominantly over the Internet or a computer network, using the Internet as a platform for transacting business or facilitating the use of the Internet by other persons for transacting business and may be further defined by the Department of Transportation by rule.

(6) “Fuel taxes” means motor vehicle fuel taxes imposed under ORS 319.010 to 319.430 and taxes imposed on the use of fuel in a motor vehicle under ORS 319.510 to 319.880.

(7) “Highway” has the meaning given that term in ORS 801.305.

(8)(a) “Hybrid electric vehicle” means a motor vehicle that:

(A) Is powered by an internal combustion engine in combination with one or more electric motors that use energy stored in batteries; and

(B) Is not recharged from an external electric power source.

(b) The Department of Transportation may adopt rules that clarify the definition in paragraph (a) of this subsection to account for changes in the technology or nomenclature of hybrid electric vehicles.

(9) “Lessee” means a person that leases a motor vehicle that is required to be registered in Oregon.

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

(b) “Motor vehicle” does not mean a motor vehicle designed to travel with fewer than four wheels in contact with the ground.

(11) “Motor vehicle rental company” means a person whose primary business is renting motor vehicles to consumers under rental agreements for terms of 90 days or less.

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

(A) Is powered by an electric motor that uses batteries as well as motor vehicle fuel, as defined in ORS 319.010, to power an internal combustion engine or other source of propulsion;

(B) Is equipped with an onboard charger; and

(C) Is rechargeable from a connection to an external electric power source.

(b) The Department of Transportation may adopt rules that clarify the

definition in paragraph (a) of this subsection to account for changes in the technology or nomenclature of plug-in hybrid electric vehicles.

(13) “Registered owner” means a person, other than a vehicle dealer that holds a certificate issued under ORS 822.020, that is required to register a motor vehicle in Oregon.

(14) “Subject vehicle” means a motor vehicle that:

(a) Is or will be classified as a passenger vehicle by the Department of Transportation and that is:

(A) *[For reporting periods beginning on or after July 1, 2027,]* An electric vehicle *[that is not a new electric vehicle]; or*

[(B) For reporting periods beginning on or after January 1, 2028:]

[(i) A motor vehicle described in subparagraph (A) of this paragraph; or]

[(ii) A new electric vehicle;]

[(C) For reporting periods beginning on or after July 1, 2028:]

[(i) A motor vehicle described in subparagraph (A) or (B) of this paragraph; or]

[(ii)] (B) A hybrid electric vehicle or a plug-in hybrid electric vehicle; or

[(D) For reporting periods beginning before July 1, 2031:]

[(i) A motor vehicle described in subparagraph (A), (B) or (C) of this paragraph; or]

[(ii) The subject of an application approved pursuant to ORS 319.890; or]

(b) *[For reporting periods beginning on or after July 1, 2027,]* Is an electric delivery vehicle.

(15) “Taxpayer” means:

(a) The registered owner of a subject vehicle;

(b) The lessee of a subject vehicle; or

(c) The owner or operator of an electric delivery vehicle.

[(7)] (16) “Vehicle dealer” means a person engaged in business in this state that is required to obtain a vehicle dealer certificate under ORS 822.005.

SECTION 5. The amendments to ORS 319.883 by section 4 of this

1 **2026 Act become operative on July 1, 2031.**

2 **SECTION 6. Sections 31 and 33, chapter 1, Oregon Laws 2025 (special**
3 **session), are repealed.**

4 **SECTION 7.** ORS 319.885, as amended by section 34, chapter 1, Oregon
5 Laws 2025 (special session), is amended to read:

6 319.885. (1)(a) Except as provided in paragraph (b) of this subsection, the
7 registered owner of a subject vehicle shall pay a per-mile road usage charge
8 for metered use by the subject vehicle of the highways in Oregon.

9 (b) During the term of a lease, the lessee of a subject vehicle shall pay
10 the per-mile road usage charge for metered use by the subject vehicle of the
11 highways in Oregon.

12 (2)[(a)] The rate of the per-mile road usage charge is five percent of the
13 rate of the per-gallon license tax provided in ORS 319.020 (1)(b) in effect at
14 the time the charge becomes due.

15 *[(b) Notwithstanding paragraph (a) of this subsection, instead of paying the*
16 *per-mile rate under paragraph (a) of this subsection, a registered owner or*
17 *lessee may elect to pay a flat annual fee of \$340.]*

18 *[(3) A subject vehicle is not subject to the additional amount of registration*
19 *fees imposed under ORS 803.422.]*

20 **SECTION 8.** ORS 319.885, as amended by section 34, chapter 1, Oregon
21 Laws 2025 (special session), and section 7 of this 2026 Act, is amended to
22 read:

23 319.885. (1)(a) Except as provided in paragraph (b) of this subsection, the
24 registered owner of a subject vehicle shall pay a per-mile road usage charge
25 for metered use by the subject vehicle of the highways in Oregon.

26 (b) During the term of a lease, the lessee of a subject vehicle shall pay
27 the per-mile road usage charge for metered use by the subject vehicle of the
28 highways in Oregon.

29 (2)(a) The rate of the per-mile road usage charge is five percent of the
30 rate of the per-gallon license tax provided in ORS 319.020 (1)(b) in effect at
31 the time the charge becomes due.

(b) Notwithstanding paragraph (a) of this subsection, instead of paying the per-mile rate under paragraph (a) of this subsection, a registered owner or lessee may elect to pay a flat annual fee of \$_____.

(3) A subject vehicle is not subject to the additional amount of registration fees imposed under ORS 803.422.

SECTION 9. The amendments to ORS 319.885 by section 8 of this 2026 Act become operative on July 1, 2027.

SECTION 10. ORS 319.910 is amended to read:

319.910. (1) The Department of Transportation shall establish by rule reporting periods for the road usage charges imposed under ORS 319.885.

(2) Reporting periods established under this section may vary according to the facts and circumstances applicable to classes of [*registered owners, lessees*] **taxpayers** and subject vehicles.

(3) In establishing reporting periods, the department shall consider:

(a) The effort required by [*registered owners or lessees*] **taxpayers** to report metered use and to pay the per-mile road usage charge;

(b) The amount of the per-mile road usage charge owed;

(c) The cost to the [*registered owner or lessee*] **taxpayer** of reporting metered use and of paying the per-mile road usage charge;

(d) The administrative cost to the department; and

(e) Other relevant factors that the department deems important.

SECTION 11. ORS 319.915 is amended to read:

319.915. (1) As used in this section:

(a) “Certified service provider” means an entity that has entered into an agreement with the Department of Transportation under ORS 367.806 for reporting metered use by a subject vehicle or for administrative services related to the collection of per-mile road usage charges and authorized employees of the entity.

(b) “Personally identifiable information” means any information that identifies or describes a person, including, but not limited to, the person’s

travel pattern data, per-mile road usage charge account number, address, telephone number, electronic mail address, driver license or identification card number, registration plate number, photograph, recorded images, bank account information and credit card number.

(c) “VIN summary report” means a monthly report by the department or a certified service provider that includes a summary of all vehicle identification numbers of subject vehicles and associated total metered use during the month. The report may not include location information.

(2) Except as provided in subsections (3) and (4) of this section, personally identifiable information used for reporting metered use or for administrative services related to the collection of the per-mile road usage charge imposed under ORS 319.885 is confidential within the meaning of ORS 192.355 (9)(a) and is a public record exempt from disclosure under ORS 192.311 to 192.478.

(3)(a) The department, a certified service provider or a contractor for a certified service provider may not disclose personally identifiable information used or developed for reporting metered use by a subject vehicle or for administrative services related to the collection of per-mile road usage charges to any person except:

(A) The *[registered owner or lessee]* **taxpayer**;

(B) A financial institution, for the purpose of collecting per-mile road usage charges owed;

(C) Employees of the department;

(D) A certified service provider;

(E) A contractor for a certified service provider, but only to the extent the contractor provides services directly related to the certified service provider’s agreement with the department;

(F) An entity expressly approved **by the taxpayer** to receive the information *[by the registered owner or lessee of the subject vehicle]*; or

(G) A police officer pursuant to a valid court order based on probable cause and issued at the request of a federal, state or local law enforcement agency in an authorized criminal investigation involving a person to whom

the requested information pertains.

(b) Disclosure under paragraph (a) of this subsection is limited to personally identifiable information necessary to the respective recipient's function under ORS 319.883 to 319.946.

(4)(a) Not later than 30 days after completion of payment processing, dispute resolution for a single reporting period or a noncompliance investigation, whichever is latest, the department and certified service providers shall destroy records of the location and daily metered use of subject vehicles.

(b) Notwithstanding paragraph (a) of this subsection:

(A) For purposes of traffic management and research, the department and certified service providers may retain, aggregate and use information in the records after removing personally identifiable information.

(B) A certified service provider may retain the records if the *[registered owner or lessee]* **taxpayer** consents to the retention. Consent under this subparagraph does not entitle the department to obtain or use the records or the information contained in the records.

(C) Monthly summaries of metered use by subject vehicles may be retained in VIN summary reports by the department and certified service providers.

(5) The department, in any agreement with a certified service provider, shall provide for penalties if the certified service provider violates this section.

SECTION 12. ORS 319.915, as amended by section 42, chapter 1, Oregon Laws 2025 (special session), is amended to read:

319.915. (1) As used in this section:

(a) "Certified service provider" means an entity that has entered into an agreement with the Department of Transportation under ORS 367.806 for reporting metered use by a subject vehicle or for administrative services related to the collection of per-mile road usage charges and authorized employees of the entity.

(b) “Personally identifiable information” means any information that identifies or describes a person, including, but not limited to, the person’s travel pattern data, per-mile road usage charge account number, address, telephone number, electronic mail address, driver license or identification card number, registration plate number, photograph, recorded images, bank account information and credit card number.

(c) “VIN summary report” means a monthly report by the department or a certified service provider that includes a summary of all vehicle identification numbers of subject vehicles and associated total metered use during the month. The report may not include location information.

(2) Except as provided in subsections (3) and (4) of this section, personally identifiable information used for reporting metered use or for administrative services related to the collection of the per-mile road usage charge imposed under ORS 319.885 is confidential within the meaning of ORS 192.355 (9)(a) and is a public record exempt from disclosure under ORS 192.311 to 192.478.

(3)(a) The department, a certified service provider or a contractor for a certified service provider may not disclose personally identifiable information used or developed for reporting metered use by a subject vehicle or for administrative services related to the collection of per-mile road usage charges to any person except:

(A) The *[registered owner or lessee]* **taxpayer**;

(B) A financial institution, for the purpose of collecting per-mile road usage charges owed;

(C) Employees of the department;

(D) A certified service provider;

(E) A contractor for a certified service provider, but only to the extent the contractor provides services directly related to the certified service provider’s agreement with the department;

(F) An entity expressly approved **by the taxpayer** to receive the information *[by the registered owner or lessee of the subject vehicle]*; or

(G) A police officer pursuant to a valid court order based on probable

cause and issued at the request of a federal, state or local law enforcement agency in an authorized criminal investigation involving a person to whom the requested information pertains.

(b) Disclosure under paragraph (a) of this subsection is limited to personally identifiable information necessary to the respective recipient's function under ORS 319.883 to 319.946.

(4)(a) Not later than 30 days after completion of payment processing, dispute resolution for a single reporting period or a noncompliance investigation, whichever is latest, the department and certified service providers shall destroy records of the location and daily metered use of subject vehicles.

(b) Notwithstanding paragraph (a) of this subsection:

(A) For purposes of traffic management and research, the department and certified service providers may retain, aggregate and use information in the records after removing personally identifiable information.

(B) A certified service provider may retain the records if the *[registered owner or lessee]* **taxpayer** consents to the retention. Consent under this subparagraph does not entitle the department to obtain or use the records or the information contained in the records.

(C) Monthly summaries of metered use by subject vehicles may be retained in VIN summary reports by the department and certified service providers.

(5) In any agreement with a certified service provider, the department:

(a) May not agree to the certified service provider retaining for administrative costs more than 10 percent of any per-mile road usage charges the certified service provider collects under the agreement; and

(b) Shall provide for penalties if the certified service provider violates this section.

SECTION 13. ORS 319.920 is amended to read:

319.920. (1) On a date determined by the Department of Transportation under ORS 319.910, *[the registered owner or lessee of a subject vehicle]* a

1 **taxpayer** shall report the metered use by the subject vehicle and pay to the
2 department the per-mile road usage charge due under ORS 319.885 for the
3 reporting period.

4 (2) Unless a [*registered owner or lessee*] **taxpayer** presents evidence in a
5 manner approved by the department by rule that the subject vehicle has been
6 driven outside this state, the department shall assume that all metered use
7 reported represents miles driven by the subject vehicle on the highways in
8 Oregon.

9 **SECTION 14.** ORS 319.925 is amended to read:

10 319.925. (1) The Department of Transportation shall provide a refund to
11 a [*registered owner or lessee*] **taxpayer** that has overpaid the per-mile road
12 usage charge imposed under ORS 319.885.

13 (2) The department may provide by rule that the refund under this section
14 be granted as a credit against future per-mile road usage charges incurred
15 by the [*registered owner or lessee*] **taxpayer**.

16 **SECTION 15.** ORS 319.930 is amended to read:

17 319.930. (1) A [*registered owner or lessee*] **taxpayer** that has paid the
18 per-mile road usage charge imposed under ORS 319.885 may apply to the
19 Department of Transportation for a refund for metered use of a road,
20 thoroughfare or property in private ownership.

21 (2) An application for a refund under this section must be submitted to
22 the department within 15 months after the date on which the per-mile road
23 usage charge for which a refund is claimed is paid.

24 (3) The application required under this section shall be in a form pre-
25 scribed by the department by rule and must include a signed statement by
26 the applicant indicating the number of miles for which the refund is claimed.

27 (4) The department may require the applicant for a refund under this
28 section to furnish any information the department considers necessary for
29 processing the application.

30 **SECTION 16.** The amendments to ORS 319.910, 319.915, 319.920,
31 319.925 and 319.930 by sections 10 to 15 of this 2026 Act become operative

on July 1, 2027.

SECTION 17. Section 18 of this 2026 Act is added to and made a part of ORS 319.883 to 319.946.

SECTION 18. (1) Not later than the date on which the report of the highway cost allocation study is due under ORS 366.506 (5), the Department of Transportation shall submit a report, in the manner provided in ORS 192.245, to the interim committees of the Legislative Assembly related to revenue and transportation, that recommends a rate for the per-mile road usage charge that would sustainably raise the revenue necessary to maintain the public highways of this state.

(2) The report must include:

(a) The total estimated cost for maintenance and preservation of Oregon's transportation system, including for local systems; and

(b) An estimate of the total vehicle miles driven on the public highways of this state based on the most recently available data on vehicle miles traveled.

(3) For purposes of subsection (2)(a) of this section, the department shall establish metrics by which maintenance and preservation needs are evaluated and reported, including but not limited to:

(a) The desired pavement condition index for each road type;

(b) Striping and painting standards;

(c) Bridge replacement timelines; and

(d) The department's administrative costs associated with these maintenance and preservation needs.

SECTION 19. (1) Notwithstanding ORS 468.444, the Department of Environmental Quality may not provide a rebate under ORS 468.444 to any person.

(2) Notwithstanding ORS 468.449:

(a) The department shall allocate all moneys deposited in the Zero-Emission Incentive Fund to the provision of rebates through the Charge Ahead Oregon Program established under ORS 468.446.

(b) The amount allocated under paragraph (a) of this subsection need not be reduced by any amount deposited in the Charge Ahead Zero-Emission Incentive Fund established under ORS 468.447.

(3) Notwithstanding ORS 468.448, the department need not, as provided in ORS 468.448, audit, analyze or report upon the program established under ORS 468.444.

SECTION 20. Section 19 of this 2026 Act is repealed on January 2, 2040.

SECTION 21. ORS 468.446 is amended to read:

468.446. (1) As used in this section:

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

(b) “Low-income service provider” means an organization that provides health, dental, social, financial, energy conservation or other assistive services to low or moderate income individuals or low or moderate income households, as further defined by the Environmental Quality Commission by rule.

(c) “Qualifying household” means a household with income that does not exceed 400 percent of federal poverty guidelines.

(2) The Department of Environmental Quality shall establish a Charge Ahead Oregon Program for providing charge ahead rebates to qualifying households and low-income service providers. The Director of the Department of Environmental Quality may hire or contract with a third-party organization to implement and serve as the administrator of the program required by this section.

(3) The department may:

(a) Specify design features for the program; and

(b) Establish procedures to:

(A) Prioritize available moneys to specific income levels or geographic

areas; and

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

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

(5) Rebates under the Charge Ahead Oregon Program shall be made from moneys credited to or deposited in the Zero-Emission Incentive Fund established under ORS 468.449 or the Charge Ahead Zero-Emission Incentive Fund established under ORS 468.447. A rebate may not be made unless there are sufficient moneys available to make the rebate.

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

(7) Charge ahead rebates shall be:

(a) Up to \$7,500 for the purchase or lease of a new light-duty zero-emission vehicle or plug-in hybrid electric vehicle, but not less than \$2,500; or

(b) Up to \$5,000 for the purchase or lease of a used light-duty zero-emission vehicle or plug-in hybrid electric vehicle, but not less than \$2,500.

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

[(a)] (A) Be a member of a qualifying household or be a low-income service provider.

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

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

1 [(d)] (D) Submit an application for a charge ahead rebate to the admin-
 2 istrator of the program within six months of the date of purchase or six
 3 months from the date the lease begins.

4 [(e)] (E) Retain registration of the light-duty zero-emission vehicle for a
 5 minimum of 24 consecutive months following the date of purchase or fol-
 6 lowing the date the lease begins.

7 (b) **An individual is not eligible for a charge ahead rebate if the**
 8 **individual, or a member of the individual's qualifying household, has**
 9 **received a rebate under this section on or after the effective date of**
 10 **this 2026 Act.**

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

14 (10)(a) If a charge ahead rebate recipient sells the vehicle or terminates
 15 the vehicle lease before the end of 24 months, the charge ahead rebate re-
 16 cipient shall:

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

19 (B) Reimburse the administrator for the rebate in a prorated amount
 20 based on the number of months that the rebate recipient owned or leased the
 21 qualifying vehicle.

22 (b) The administrator may waive the reimbursement requirement under
 23 paragraph (a) of this subsection if the administrator determines that a
 24 waiver is appropriate given unforeseeable or unavoidable circumstances that
 25 gave rise to a need for the rebate recipient to sell the qualifying vehicle or
 26 terminate the qualifying vehicle lease before the end of 24 months.

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

29 (12) The administrator of the program shall work to ensure timely pay-
 30 ment of charge ahead rebates with a goal of paying rebates within 60 days
 31 of receiving an application for a charge ahead rebate.

1 (13) In establishing the Charge Ahead Oregon Program, the department
2 shall provide opportunities for public comment by qualifying households,
3 low-income service providers and other community-based organizations that
4 are located in areas of this state that have elevated concentrations of air
5 contaminants attributable to motor vehicle emissions, relative to other areas
6 of the state. The department shall use the comments received pursuant to
7 this subsection to inform, evaluate and strengthen the design of the program
8 in order to increase the usage of light-duty zero-emission vehicles and plug-in
9 hybrid electric vehicles.

10 (14) The administrator of the program shall, throughout the course of
11 implementing the program, conduct community outreach to qualifying
12 households, low-income service providers and other community-based organ-
13 izations that are located in areas of this state that have elevated concen-
14 trations of air contaminants attributable to motor vehicle emissions, relative
15 to other areas of the state, in order to:

16 (a) Solicit feedback on program implementation; and

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

18 (15) A vehicle dealer may advertise the Charge Ahead Oregon Program
19 on the premises owned or operated by the vehicle dealer. If no moneys are
20 available from the program or the program otherwise changes, a vehicle
21 dealer who advertises the program may not be held liable for advertising
22 false or misleading information.

23 (16) A charge ahead rebate may not be combined with a rebate described
24 in ORS 468.444.

25 (17) An organization that the department has hired or contracted with to
26 implement and serve as the administrator of the program may offer expanded
27 financing mechanisms for program participants, including, but not limited to,
28 a loan or loan-loss reserve credit enhancement program to increase consumer
29 access to new or used light-duty zero-emission vehicles and plug-in hybrid
30 electric vehicles.

31 (18) The Environmental Quality Commission may adopt any rules neces-

sary to carry out the provisions of this section.

SECTION 22. No later than six months following the close of the third consecutive year in which moneys available to the Charge Ahead Oregon Program established under ORS 468.446 are sufficient to provide a charge ahead rebate to each eligible person that applied for a rebate under the program, the Department of Environmental Quality shall provide a report to the committees or interim committees of the Legislative Assembly related to transportation, in the manner provided in ORS 192.245, that includes:

(1) A progress report on the Charge Ahead Oregon Program established under ORS 468.446;

(2) A recommendation on whether the moratorium on rebates provided under ORS 468.444 should be lifted; and

(3) A recommendation on whether the limit on charge ahead rebates imposed by the amendments to ORS 468.446 by section 21 of this 2026 Act should be revised or repealed.

SECTION 23. This 2026 Act takes effect on the 91st day after the date on which the 2026 regular session of the Eighty-third Legislative Assembly adjourns sine die.