

HB 2529 STAFF MEASURE SUMMARY

Joint Committee On Transportation

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Meeting Dates: 4/6

WHAT THE MEASURE DOES:

Modifies the maximum suggested retail price for qualifying vehicles powered by hydrogen fuel cells for purposes of zero-emission vehicle rebate. Applies to vehicles purchased on or after the measure's effective date. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Legislative Assembly initiated Oregon's electric vehicle rebate program with the passage of House Bill 2017 (2017). The measure initiated a 0.5 percent tax on the privilege of selling new passenger motor vehicles, intended to generate \$12 million per year to provide rebates for purchase of zero-emission vehicles, with excess revenue accruing to the Connect Oregon Fund for grants to non-highway freight infrastructure projects.

The measure created two separate rebate programs, which can both be received by eligible applicants. The standard zero-emission vehicle rebate program provides up to \$2,500 in rebate on the purchase or lease of a new plug-in hybrid vehicle or new battery electric vehicle. The Charge Ahead Rebate program provides rebates up to \$2,500 for purchase or lease of new or used battery electric vehicles, but includes requirements that the purchaser or lessee to meet low- or moderate-income household criteria. Both rebate programs are set to sunset on January 2, 2024.

Under current law, the maximum suggested retail price of vehicles that qualify for the rebates is \$50,000. House Bill 2529 provides that electric vehicles powered by hydrogen fuel cells qualify for the rebate with a suggested retail price of up to \$60,000.