

House Bill 2181

Sponsored by Representative WILDE (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**.

Modifies definition of "plug-in hybrid electric vehicle" for purposes of zero-emission and electric vehicle rebates. Adjusts amount of rebate for light-duty zero-emission vehicles.

Adjusts to _____ percent minimum amount of Zero-Emission Incentive Fund that Department of Environmental Quality is required to allocate to fund rebates through Charge Ahead Oregon Program.

Applies to vehicles purchased or leased on or after January 1, 2022.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to electric-powered vehicles; creating new provisions; amending sections 148, 150 and 152,
3 chapter 750, Oregon Laws 2017; and prescribing an effective date.

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

5 **SECTION 1.** Section 148 chapter 750, Oregon Laws 2017, as amended by section 154, chapter
6 750, Oregon Laws 2017, and section 34, chapter 491, Oregon Laws 2019, is amended to read:

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

8 (1) "Light-duty zero-emission vehicle" means a motor vehicle that:

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

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

11 (c) Is powered:

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

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

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

19 (2) "Motor vehicle" has the meaning given that term in ORS 801.360.

20 (3) "Neighborhood electric vehicle" means a low-speed vehicle that:

21 (a) Is powered using an electric battery;

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

23 (c) Has at least four wheels.

24 (4) "Person" means a person as defined in ORS 174.100 or a public body as defined in ORS
25 174.109.

26 (5) "Plug-in hybrid electric vehicle" means a hybrid electric motor vehicle that:

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

28 (b) Has an onboard electrical energy storage device with useful capacity of [10] **30** or more miles

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 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:

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 pur-
 31 poses 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
 33 charged 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 2.** Section 150, chapter 750, Oregon Laws 2017, as amended by section 21, chapter
 41 93, Oregon Laws 2018, and section 36, chapter 491, Oregon Laws 2019, is amended to read:

42 **Sec. 150.** (1) As used in this section:

43 (a) “Area median income” means the median income for the metropolitan statistical area in
 44 which a household is located or, if the household is not located within a metropolitan statistical
 45 area, for the metropolitan statistical area in closest proximity to the location of the household, as

1 determined by the Housing and Community Services Department, adjusted for household size.

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

5 (c) “Low income household” means a household with income less than or equal to 80 percent
 6 of the area median income.

7 (d) “Moderate income household” means a household with income less than or equal to 120
 8 percent and greater than 80 percent of the area median income.

9 (2) The Department of Environmental Quality shall establish a Charge Ahead Oregon Program
 10 to provide for charge ahead rebates to low income households and moderate income households. The
 11 Director of the Department of Environmental Quality may hire or contract with a third-party or-
 12 ganization to implement and serve as the administrator of the program required by this section.

13 (3) The department may:

14 (a) Specify design features for the program; and

15 (b) Establish procedures to:

16 (A) Prioritize available moneys to specific income levels or geographic areas; and

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

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

21 (5) Rebates under the Charge Ahead Oregon Program shall be made from moneys credited to
 22 or deposited in the Zero-Emission Incentive Fund established under section 152, chapter 750, Oregon
 23 Laws 2017. A rebate may not be made until there are sufficient moneys available in the fund to
 24 make the rebate.

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

28 (7) Charge ahead rebates shall be in an amount up to:

29 (a) \$2,500, but not less than \$1,250 **for a plug-in hybrid electric vehicle; and**

30 (b) \$_____, **but not less than \$_____ for a light-duty zero-emission vehicle.**

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

33 (a) Be a member of a low income household or a moderate income household.

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

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

39 (d) Submit an application for a charge ahead rebate to the administrator of the program within
 40 six months of the date of purchase or six months from the date the lease begins.

41 (e) Retain registration of the light-duty zero-emission vehicle for a minimum of 24 consecutive
 42 months following the date of purchase or following the date the lease begins.

43 (9) A person that receives a charge ahead rebate may not make or allow any modifications to
 44 the vehicle’s emissions control systems, hardware, software calibrations or hybrid system.

45 (10)(a) If a charge ahead rebate recipient sells the vehicle or terminates the vehicle lease before

1 the end of 24 months, the charge ahead rebate recipient shall:

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

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

5 (b) The administrator may waive the reimbursement requirement under paragraph (a) of this
6 subsection if the administrator determines that a waiver is appropriate given unforeseeable or una-
7 voidable circumstances that gave rise to a need for the rebate recipient to sell the qualifying vehicle
8 or terminate the qualifying vehicle lease before the end of 24 months.

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

10 (12) The administrator of the program shall work to ensure timely payment of charge ahead re-
11 bates with a goal of paying rebates within 60 days of receiving an application for a charge ahead
12 rebate.

13 (13) In establishing the Charge Ahead Oregon Program, the department shall provide opportu-
14 nities for public comment by low income households, moderate income households and community-
15 based organizations that are located in areas of this state that have elevated concentrations of air
16 contaminants attributable to motor vehicle emissions, relative to other areas of the state. The de-
17 partment shall use the comments received pursuant to this subsection to inform, evaluate and
18 strengthen the design of the program in order to increase the usage of light-duty zero-emission ve-
19 hicles and plug-in hybrid electric vehicles.

20 (14) The administrator of the program shall, throughout the course of implementing the program,
21 conduct community outreach to low income households, moderate income households and
22 community-based organizations that are located in areas of this state that have elevated concen-
23 trations of air contaminants attributable to motor vehicle emissions, relative to other areas of the
24 state, in order to:

25 (a) Solicit feedback on program implementation; and

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

27 (15) A vehicle dealer may advertise the Charge Ahead Oregon Program on the premises owned
28 or operated by the vehicle dealer. If no moneys are available from the program or the program
29 otherwise changes, a vehicle dealer who advertises the program may not be held liable for adver-
30 tising false or misleading information.

31 (16) A charge ahead rebate may be combined with a rebate described in section 149, chapter 750,
32 Oregon Laws 2017.

33 (17) An organization that the department has hired or contracted with to implement and serve
34 as the administrator of the program may offer expanded financing mechanisms for program partic-
35 ipants, including, but not limited to, a loan or loan-loss reserve credit enhancement program to in-
36 crease consumer access to new or used light-duty zero-emission vehicles and plug-in hybrid electric
37 vehicles.

38 (18) The Environmental Quality Commission may adopt any rules necessary to carry out the
39 provisions of this section.

40 **SECTION 3.** Section 152, chapter 750, Oregon Laws 2017, is amended to read:

41 **Sec. 152.** (1) The Zero-Emission Incentive Fund is established in the State Treasury, separate
42 and distinct from the General Fund. Interest earned by the Zero-Emission Incentive Fund shall be
43 credited to the fund.

44 (2) Moneys in the Zero-Emission Incentive Fund shall consist of:

45 (a) Amounts donated to the fund;

1 (b) Amounts transferred to the fund by the Department of Revenue under [section 96 of this 2017
2 Act] **ORS 320.435**;

3 (c) Amounts appropriated or otherwise transferred to the fund by the Legislative Assembly;

4 (d) Other amounts deposited in the fund from any public or private source; and

5 (e) Interest earned by the fund.

6 (3) The Department of Environmental Quality shall encourage gifts, grants, donations or other
7 contributions to the fund.

8 (4) Moneys in the fund are continuously appropriated to the department to be used to carry out
9 the provisions of sections 148 to 152 [of this 2017 Act], **chapter 750, Oregon Laws 2017**.

10 (5) No more than 10 percent of the moneys deposited in the fund per biennium may be expended
11 to pay the expenses incurred in the administration of sections 148 to 152 [of this 2017 Act], **chapter**
12 **750, Oregon Laws 2017**, by:

13 (a) The department; and

14 (b) Any third-party organization that the department hires or contracts with under sections 149
15 and 150 [of this 2017 Act], **chapter 750, Oregon Laws 2017**.

16 (6) The Environmental Quality Commission may adopt by rule provisions for the allocation of
17 moneys deposited in the fund between the programs established under sections 149 and 150 [of this
18 2017 Act], **chapter 750, Oregon Laws 2017**. Rules adopted under this subsection must require that
19 at least [10] _____ percent of the moneys deposited in the fund per biennium are allocated to fund
20 the provision of rebates through the Charge Ahead Oregon Program established under section 150
21 [of this 2017 Act], **chapter 750, Oregon Laws 2017**.

22 **SECTION 4.** (1) The amendments to sections 148, 150 and 152, chapter 750, Oregon Laws
23 2017, by sections 1 to 3 of this 2021 Act become operative on January 1, 2022.

24 (2) The Department of Environmental Quality may take any action before the operative
25 date specified in subsection (1) of this section that is necessary for the department to exer-
26 cise, on and after the operative date specified in subsection (1) of this section, all of the du-
27 ties, functions and powers conferred on the department by the amendments to sections 148
28 to 150, chapter 750, Oregon Laws 2017, by sections 1 to 3 of this 2021 Act.

29 **SECTION 5.** The amendments to sections 148, 150 and 152, chapter 750, Oregon Laws 2017,
30 by sections 1 to 3 of this 2021 Act apply to rebates for light-duty zero-emission vehicles and
31 plug-in hybrid electric vehicles purchased or leased on or after January 1, 2022.

32 **SECTION 6.** This 2021 Act takes effect on the 91st day after the date on which the 2021
33 regular session of the Eighty-first Legislative Assembly adjourns sine die.

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