



STATE OF OREGON
Office of the Governor
KATE BROWN

HB 2165 — Alternative Fuel Vehicles
February 2021

Overview

From pick-up trucks to minivans, the future of vehicles in this country is electric. The transportation sector is the largest single source of greenhouse gas emissions in Oregon and pollutants from diesel and gasoline combustion pose immediate public health risks for our most vulnerable communities in Oregon.

In Oregon, we have already set ambitious goals for increasing the number of zero-emission vehicles on our roads. And, as the chair of the Western Governors' Association, Governor Brown has launched the [Electric Vehicles Roadmap Initiative](#) to lay out the path to the adoption of zero-emission technology, from consumer incentives and tax exemptions to building the electric vehicle infrastructure we will need across the West.

The next generation of electric cars, vans, trucks, and SUVs will have the range and capability to handle even the toughest conditions rural Oregon roads can throw at them. These next generation vehicles also promise to be more accessible to all income levels and communities, particularly Black, Indigenous, Latino, Latina, and Latinx, tribal, and communities of color.

HB 2165 addresses equity by expanding the benefits of vehicle electrification to communities of color and low-income communities across Oregon. It also helps Oregon achieve its ambitious EV goals through an extension of the state's successful EV rebate program and the collection of a new utility charge for utilities to expand EV infrastructure.

There is no anticipated fiscal impact of this bill.

Summary

HB 2165 contains three main policy proposals:

- 1. Removes the current sunset on funding for EV rebate programs**, allowing the continued deposit of \$12 million from new vehicle privilege tax collection to fund existing EV rebate programs in Oregon.
- 2. Strengthens the Charge Ahead EV Rebate Program to better serve BIPOC and rural communities.**
 - Streamlines income eligibility with a statewide income threshold, making it easier for households outside of metro areas to qualify.

- Increases the value of the Charge Ahead Rebate, raising the cap on the Charge Ahead rebate from \$2500 to \$5,000 to make it easier for income-qualified Oregonians to afford an EV. It also preserves additional funding for the Charge Ahead program by doubling the minimum program expenditure on Charge Ahead to 20%.
- Allows additional community-based engagement and outreach activities to expand BIPOC and underserved communities' participation in the program. It does this by decoupling outreach from the administrative costs cap.
- Expand Charge Ahead eligibility to certain organizations providing health, dental, social service and other financial assistance to low-income communities.

3. Requires electric companies to collect a new charge to invest in EV infrastructure consistent with state EV and equity goals.

- Requires electric companies to collect and invest a minimum amount from all customers to support transportation electrification in their service territories.
- Maintains PUC oversight by requiring that the utility submit a budget specific to these dollars before expending them, that expenditures be consistent with the utility's transportation electrification plans accepted by the PUC, and that the utility report to the PUC on the use of funds.
- Requires that utilities invest at least half of these dollars in transportation electrification that benefits BIPOC and underserved communities.