

HB 2571 STAFF MEASURE SUMMARY

House Committee On Climate, Energy, and Environment

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/8

WHAT THE MEASURE DOES:

Requires Department of Environmental Quality (DEQ) to establish a program for providing rebates to qualifying individuals (individuals) who purchase electric assisted bicycles or cargo electric bicycles and any qualifying equipment. To qualify for the rebate, requires individual to purchase an electric assisted bicycle or cargo electric bicycle and qualifying equipment, if any, from a qualifying retailer (retailer) in this state. Establishes minimum retail sales price for electric assisted bicycle or cargo electric bicycle and establishes sales requirements for qualifying equipment. Establishes criteria for rebates. Requires a retailer to register with DEQ before participating in the rebate program. Requires a retailer to verify the eligibility of the individual and calculate and apply the rebate at the time of purchase. Requires DEQ to reimburse a retailer that provides a rebate to an individual no later than 30 days after the rebate is provided. Requires a rebate recipient to provide certain demographic information to DEQ on a form provided by the department at the time of receiving the rebate. Requires a rebate recipient to maintain ownership of the electric assisted bicycle or electric cargo bicycle for at least one year after receiving the rebate. Authorizes Environmental Quality Commission (EQC) to adopt any rules necessary to carry out DEQ's provisions. Appropriates to EQC, for the biennium beginning July 1, 2023, out of the General Fund, the amount of \$6,000,000, which may be expended for carrying out the provisions in the Act.

- *REVENUE: May have revenue impact, but no statement yet issued*
- *FISCAL: May have fiscal impact, but no statement yet issued*

Subsequent Referral to *Ways and Means*.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In Oregon, several pieces of legislation and the Governor's Executive Order 20-04 have set goals for the state to address climate change. One of the proposed methods for reducing greenhouse gas emissions to mitigate climate change is to support electrification of the transportation sector and development of alternative vehicles and fuels. [Executive Order 20-04](#) directed the Oregon Department of Transportation, with other agencies and entities, to lead the Transportation Electrification Infrastructure Needs Analysis (TEINA) study. In the "Electric Micromobility in Oregon" report, a follow-up report to the TEINA study, the high cost of purchasing an electric micromobility (e-micromobility) device, such as an electric bicycle, was a barrier for many potential customers. The report's authors recommend that Oregon use rebates, financing, and other financial incentives to incentivize adoption of e-micromobility devices.

The "Empower Benton County Electric Bike Rebate" Program, which ended in June 2022, leveraged a \$60,000 grant from Pacific Power and the Oregon Clean Fuels Program to offer instant rebates of up to \$1,200 for low-income individuals to purchase electric bicycles from local businesses. The program resulted in 48 rebates—from a pool of 130 applicants—being issued to Benton County residents.

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House Bill 2571 would direct the Department of Environmental Quality to establish a program for providing rebates to qualifying individuals who purchase electric assisted bicycles or cargo electric bicycles and qualifying equipment.