

# House Bill 2614

Sponsored by Representative MCLAIN (at the request of Lyft) (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**.

Requires transportation network companies to meet or exceed specified targets for percentage of service miles provided by zero-emission vehicles. Requires Environmental Quality Commission to modify or delay enforcement of targets if two largest transportation network companies in state fail to meet targets by 30 percent or more for two consecutive years. Imposes civil penalty of 50 cents per mile for each mile that transportation network company fails to meet target.

Directs Environmental Quality Commission to establish program to provide financial incentives for purchase of zero-emission vehicles by transportation network company drivers and for electric vehicle charging.

Establishes Rideshare Electrification Fund.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to zero-emission vehicles; creating new provisions; amending ORS 468.444; and prescribing  
3 an effective date.

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

### **SECTION 1. As used in sections 1 to 7 of this 2023 Act:**

5  
6 (1) **"Percentage of ZEV service miles" means the percentage that results from dividing**  
7 **the number of service miles driven by zero-emission transportation network company vehi-**  
8 **cles by the total number of service miles driven by all transportation network company ve-**  
9 **hicles.**

10 (2) **"Service mile" means each mile driven by a transportation network company vehicle**  
11 **while transporting a rider, beginning when a rider first enters the vehicle and ending when**  
12 **the rider exits the vehicle at the rider's destination.**

13 (3)(a) **"Transportation network company" means a corporation, limited liability company,**  
14 **partnership or other association that provides a digital network or software application, the**  
15 **express purpose of which is to connect to the Internet and enable a prospective rider to seek**  
16 **and obtain transportation services from a driver who operates a transportation network**  
17 **company vehicle for the purpose of providing transportation services for compensation in**  
18 **affiliation with the corporation, limited liability company, partnership or other association.**

19 (b) **"Transportation network company" does not include:**

20 (A) **A taxi company, as defined in ORS 742.518.**

21 (B) **A charter party or excursion service carrier;**

22 (C) **A private, nonprofit transportation provider;**

23 (D) **A limousine service; or**

24 (E) **An association described in paragraph (a) of this subsection that utilizes only zero-**  
25 **emission transportation network company vehicles.**

26 (4) **"Transportation network company driver" means an individual who:**

27 (a) **Receives a request through a digital network from a rider for transportation services;**

**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 and

2 (b) Offers or provides transportation services to a rider in exchange for a fee that the  
3 rider pays.

4 (5) "Transportation network company vehicle" means a vehicle used to provide trans-  
5 portation services.

6 (6) "Transportation service" means transportation that a rider requests from a trans-  
7 portation network company driver by means of a digital network that:

8 (a) Begins at the time a driver accepts a rider's request for transportation;

9 (b) Continues at any time during which the driver transports the rider and any other  
10 individual for whom the rider also requests transportation; and

11 (c) Ends at a destination chosen by the rider or any other individual for whom the rider  
12 also requests transportation and at the time that the rider, or the last individual for whom  
13 the rider requests transportation, exits the driver's vehicle.

14 (7) "Zero-emission transportation network company vehicle" means a transportation  
15 network company vehicle that emits no exhaust gas other than water vapor from the  
16 onboard source of power under all operating conditions.

17 (8) "ZEV service mile" means each service mile driven by a zero-emission transportation  
18 network company vehicle.

19 **SECTION 2.** (1) By April 1 of each year, a transportation network company shall report  
20 to the Department of Environmental Quality information sufficient for the department to  
21 determine:

22 (a) The total number of service miles driven in this state by transportation network  
23 company vehicles; and

24 (b) The total number of service miles driven in this state by zero-emission transportation  
25 network company vehicles.

26 (2) The Environmental Quality Commission may establish by rule requirements for re-  
27 ports submitted to the department under this section.

28 (3) Confidential business information submitted to the department by a transportation  
29 network company under this section is confidential and not subject to public disclosure under  
30 ORS 192.311 to 192.478.

31 **SECTION 3.** (1) Subject to subsection (2) of this section, a transportation network com-  
32 pany shall meet or exceed the following targets for the transportation network company's  
33 percentage of ZEV service miles:

34 (a) For calendar year 2024, 5 percent;

35 (b) For calendar year 2025, 10 percent;

36 (c) For calendar year 2026, 23 percent;

37 (d) For calendar year 2027, 34 percent;

38 (e) For calendar year 2028, 45 percent;

39 (f) For calendar year 2029, 60 percent;

40 (g) For calendar year 2030, 82 percent; and

41 (h) For calendar year 2031 and thereafter, 100 percent.

42 (2) If the two largest transportation network companies in this state each fail to meet  
43 the targets described in subsection (1) of this section by 30 percent or more for two consec-  
44 utive years, the Department of Environmental Quality shall conduct a feasibility review of  
45 the targets and provide the results to the Environmental Quality Commission. After receiv-

1 **ing the results of the review, the commission shall modify the targets or delay implementa-**  
 2 **tion of the targets. Rules adopted by the commission under this section must be informed**  
 3 **by data reported to the department under section 2 of this 2023 Act.**

4 **SECTION 4.** Section 3 of this 2023 Act is amended to read:

5 **Sec. 3.** (1) Subject to subsection (2) of this section, a transportation network company shall meet  
 6 *[or exceed the following targets]* **a target of 100 percent** for the transportation network company's  
 7 percentage of ZEV service miles.*[:]*

8 *[(a) For calendar year 2024, 5 percent;]*

9 *[(b) For calendar year 2025, 10 percent;]*

10 *[(c) For calendar year 2026, 23 percent;]*

11 *[(d) For calendar year 2027, 34 percent;]*

12 *[(e) For calendar year 2028, 45 percent;]*

13 *[(f) For calendar year 2029, 60 percent;]*

14 *[(g) For calendar year 2030, 82 percent; and]*

15 *[(h) For calendar year 2031 and thereafter, 100 percent.]*

16 (2) If the two largest transportation network companies in this state each fail to meet the *[tar-*  
 17 *gets]* **target** described in subsection (1) of this section by 30 percent or more for two consecutive  
 18 years, the Department of Environmental Quality shall conduct a feasibility review of the *[targets]*  
 19 **target** and provide the results to the Environmental Quality Commission. After receiving the results  
 20 of the review, the commission shall modify the *[targets]* **target** or delay implementation of the *[tar-*  
 21 *gets]* **target**. Rules adopted by the commission under this section must be informed by data reported  
 22 to the department under section 2 of this 2023 Act.

23 **SECTION 5.** The amendments to section 3 of this 2023 Act by section 4 of this 2023 Act  
 24 become operative on January 1, 2031.

25 **SECTION 6.** (1) The Environmental Quality Commission shall establish by rule a program  
 26 to provide financial incentives for:

27 (a) The purchase or lease of zero-emission transportation network company vehicles by  
 28 transportation network company drivers;

29 (b) The construction, planning, installation, operation or maintenance of electric vehicle  
 30 charging stations at or near multifamily dwellings in which transportation network company  
 31 drivers reside; and

32 (c) Electrical work, including wiring, conduit or electrical panel upgrades and the pur-  
 33 chase or installation of level 2 or higher electric vehicle charging stations at single-family  
 34 dwellings in which transportation network company drivers reside.

35 (2) The Department of Environmental Quality shall administer the program established  
 36 under this section.

37 (3) The department shall disburse financial incentives under the program to eligible re-  
 38 cipients in a timely manner but no less than once per year.

39 **SECTION 7.** (1) The Rideshare Electrification Fund is established in the State Treasury,  
 40 separate and distinct from the General Fund.

41 (2) The Rideshare Electrification Fund consists of:

42 (a) Civil penalties deposited in the fund under section 8 of this 2023 Act; and

43 (b) Any other moneys deposited in or transferred to the fund by the Legislative Assem-  
 44 bly.

45 (3) Interest earned by the Rideshare Electrification Fund shall be credited to the fund.

1 (4) Moneys in the Rideshare Electrification Fund are continuously appropriated to the  
 2 Department of Environmental Quality for the purposes described in subsection (5) of this  
 3 section and section 6 of this 2023 Act.

4 (5) No more than 10 percent of the moneys deposited in the fund per biennium may be  
 5 expended to pay the expenses of administering section 6 of this 2023 Act. After paying ad-  
 6 ministrative expenses, the department shall allocate the remaining moneys deposited in the  
 7 fund each biennium as follows:

8 (a) 40 percent for transfer to the Zero-Emission Incentive Fund established under ORS  
 9 468.449;

10 (b) 20 percent to fund financial incentives described in section 6 (1)(a) of this 2023 Act;

11 (c) 20 percent to fund financial incentives described in section 6 (1)(b) of this 2023 Act;

12 and

13 (d) 20 percent to fund financial incentives described in section 6 (1)(c) of this 2023 Act.

14 **SECTION 8.** (1) A transportation network company that fails to meet a ZEV service mile  
 15 target set forth in section 3 (1) of this 2023 Act, or established by the Environmental Quality  
 16 Commission by rule under section 3 (2) of this 2023 Act, incurs a civil penalty of 50 cents for  
 17 each service mile that did not meet the ZEV service mile target required for that calendar  
 18 year.

19 (2) The civil penalty authorized by this section shall be imposed in the manner provided  
 20 by ORS 183.745.

21 (3) A civil penalty collected under this section shall be deposited in the Rideshare  
 22 Electrification Fund established under section 7 of this 2023 Act.

23 (4) As used in this section, “percentage of ZEV service miles,” “transportation network  
 24 company” and “ZEV service mile” have the meanings given those terms in section 1 of this  
 25 2023 Act.

26 **SECTION 9.** ORS 468.444 is amended to read:

27 468.444. (1) The Department of Environmental Quality shall establish a program for providing  
 28 rebates to persons that purchase or lease qualifying vehicles for use in this state. The Director of  
 29 the Department of Environmental Quality may hire or contract with a third-party organization to  
 30 implement and serve as the administrator of the program required by this section.

31 (2)(a) The department may:

32 [(a)] (A) Specify design features for the program; and

33 [(b)] (B) Establish procedures to:

34 [(A)] (i) Prioritize available moneys for specific qualifying vehicles; and

35 [(B)] (ii) Limit the number of rebates available for each type of qualifying vehicle.

36 (b) The department shall limit the number of rebates available to an organization, in-  
 37 cluding businesses, nonprofit organizations and state or local government agencies, to 200  
 38 rebates per organization per year.

39 (3) The purchaser or lessee of a qualifying vehicle may apply for a rebate for a portion of the  
 40 purchase price or may choose to assign the rebate to a vehicle dealer or lessor.

41 (4) Rebates under the program shall be made from moneys credited to or deposited in the Zero-  
 42 Emission Incentive Fund established under ORS 468.449. A rebate may not be made until there are  
 43 sufficient moneys available in the fund to make the rebate.

44 (5) The department shall prescribe the rebate application procedure for purchasers and lessees.  
 45 All rebate applications must include a declaration under penalty of perjury in the form required by

1 ORCP 1 E.

2 (6) Rebates for qualifying vehicles shall be set annually by the department as follows:

3 (a) For light-duty zero-emission vehicles and plug-in hybrid electric vehicles with an  
4 electrochemical energy storage capacity of 10 kilowatt hours or more, up to \$2,500 but no less than  
5 \$1,500.

6 (b) For light-duty zero-emission vehicles or plug-in hybrid electric vehicles with an  
7 electrochemical energy storage capacity of less than 10 kilowatt hours, up to \$1,500 but no less than  
8 \$750.

9 (c) For neighborhood electric vehicles, up to \$750 but not less than \$375.

10 (d) For zero-emission motorcycles, up to \$750 but not less than \$375.

11 (7) To be eligible for a rebate, a person requesting a rebate under the program shall:

12 (a) Purchase or lease a qualifying vehicle. A lease must have a minimum term of 24 months.

13 (b) Provide proof of an intent to use the qualifying vehicle primarily on the public highways of  
14 this state, which may be satisfied by providing proof of registration of the qualifying vehicle in  
15 Oregon.

16 (c) Submit an application for a rebate to the administrator of the program within six months  
17 after the date of purchase of the qualifying vehicle or six months after the date the lease of the  
18 qualifying vehicle begins.

19 (d) Retain registration of the qualifying vehicle for a minimum of 24 consecutive months after  
20 the date of purchase or the date the lease begins.

21 (8) A rebate recipient may not make or allow any modifications to the qualifying vehicle's  
22 emissions control systems, hardware, software calibrations or hybrid system.

23 (9)(a) If a rebate recipient sells the qualifying vehicle or terminates the qualifying vehicle lease  
24 before the end of 24 months, the rebate recipient shall:

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

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

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

32 (10) Rebate recipients may be requested to participate in ongoing research efforts.

33 (11) The administrator of the program shall work to ensure timely payment of rebates with a  
34 goal of paying rebates within 60 days after receiving an application for a rebate.

35 (12) A vehicle dealer may advertise the program on the premises owned or operated by the ve-  
36 hicle dealer. If no moneys are available from the program or the program otherwise changes, a ve-  
37 hicle dealer who advertises the program may not be held liable for advertising false or misleading  
38 information.

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

41 **SECTION 10. This 2023 Act takes effect on the 91st day after the date on which the 2023**  
42 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**

43