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Testimony to the House Committee on Climate, Energy, and Environment on House Bill 2614

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Jacqui Treiger, Campaign Manager: Climate and Transportation Oregon Environmental Council

Founded in 1968, the Oregon Environmental Council (OEC) is a nonpartisan, membership-based, nonprofit organization that works to advance innovative, collaborative, and equitable solutions to Oregon's environmental challenges for today and future generations.

Dear Chair Marsh, Vice-Chairs Levy and Levy, and Members of the Committee,

Reducing the fossil fuel emissions driving climate change has never been more urgent, as each summer's average temperatures have broken records. The transportation sector makes up 40 percent of Oregon's greenhouse gas emissions, of which, 62 percent is from passenger cars and trucks. To achieve Oregon's climate goals and reduce the air pollution across the state, we need to both reduce vehicle miles traveled and electrify the vehicles driving the remaining miles.

OEC supports the intent of HB 2614, which is to set zero-emission service mile targets for transportation network companies, but has concerns about the bill that we would like to see amended before we can support it.

We are strongly concerned about Section 9 of the bill that modifies the maximum number of rebates a single entity can claim under the Oregon Clean Vehicle Rebate Program from 10 rebates to 200 rebates.

- Increasing the entity claim limit would risk substantially depleting the pool of EV rebates available to Oregonians, particularly without the Legislature providing a new or additional source of ongoing funding to provide significantly more money for the program (or a separate business fleet electrification fund with its own dedicated resources).
- Increasing the rebate cap could have the unintended consequence of having the rebate fund be depleted by large businesses who typically have access to more financial tools and resources over individual Oregoninans who need the rebate to make the transition to an EV.
- No other state has such an exorbitant allowance: California's EV rebate program, with 20 times more funding (\$238 million in FY 19-20) than Oregon's EV rebate program, has a



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20 rebate cap for rental and car fleet companies and 30 rebate cap for public fleets. The proposed 200 is fair out of alignment.

 Any changes to the limit per entity in the state EV rebate program should be handled during a rulemaking process, rather than in statute. The original limit was set in rulemaking, and we believe DEQ needs the appropriate flexibility to run the program successfully and pivot as circumstances require.

We are also concerned about the bill language that states that if the two largest TNCs fail to meet the targets by 30% or more for two consecutive years, DEQ **will be required** to modify or delay enforcement of the program.

 As written, this is cause for concern because this could allow for the per mile penalty charge to end if Lyft and Uber fail to meet their targets after two years, while allowing them access to a large number of rebates without putting further funding into the rebate program.

We will continue to discuss and work with Representative McLain and Lyft to figure out solutions to address these points. We hope that you consider these concerns thoroughly before moving forward with this bill. Thank you for your time and consideration.

Sincerely,

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