

Charlie Loeb

5271 Miramar St.
Eugene, OR 97405

cloeb63@outlook.com
(541) 513-5698

April 6, 2023

TO: Chairs Rep. Susan McLain and Sen. Chris Gorsek, and the Joint Subcommittee on Transportation
RE: HB 2613

I strongly support passage of HB 2613 to add \$30 million to the Zero-Emission Incentive Fund, which is necessary if Oregon is to achieve its goals for reducing greenhouse gas emissions. As you are aware, the Department of Environmental Quality recently announced the [suspension of the Oregon Clean Vehicle Rebate Program \(OCVRP\)](#) because the funding stream from a privilege tax is exhausted. Since the state is lagging on reaching its legislative targets for electric vehicle adoption, it is clear that this designated funding source was always inadequate to its task. Transportation accounts for 40% of Oregon's greenhouse gas emissions. Transitioning to electric and other zero-emission vehicles is the state's main strategy for addressing those emissions. This rebate program is the primary mechanism implementing the strategy. Thus the additional funding is critical of Oregon is serious about meeting its goals for addressing climate change.

The Oregon legislature clearly identified its strategy in 2019 when it passed [Senate Bill 1044](#), which established specific targets for electric vehicle adoption, specifically:

- 50,000 registered ZEVs on Oregon roads by 2020
- 250,000 registered ZEVs on Oregon roads by 2025
- At least 25 percent of registered vehicles and at least half of the new vehicles sold annually are ZEVs by 2030
- At least 90 percent of new vehicles sold annually are ZEVs by 2035.

The legislature previously established the OCVRP in 2018 in order to spur the adoption of electric and other zero-carbon-emissions vehicles, funded with a small privilege tax on new vehicle purchases. The program has worked well, with [\\$71 million in rebates provided to almost 25,000 applicants](#). Unfortunately, the 2020 goal of 50,000 registered ZEVs was not achieved until [April of 2022](#), over a year behind schedule. The next target of 250,000 registered ZEVs for 2025 is even more daunting. The state's [Electric Vehicle Dashboard](#) shows only 60,623 electric vehicles registered in Oregon through November 2022.

The state really needs an even more aggressive program than the rebate alone, but the rebate is essential. The industry analytics firm [J.D. Power](#) recently concluded that there is a strong correlation between state incentives and EV adoption, leading Oregon to have one of the strongest adoption rates in the nation. Since EVs have not yet reached cost parity with conventional vehicles, and federal tax credit limitations mean that many new EVs do not qualify for federal incentives, it is essential that Oregon continue to provide its rebates if the state is to meet its goals. Rebates will not be needed forever, but they are needed now.

I urge you to demonstrate Oregon's commitment to reducing greenhouse gas emissions by appropriating the additional \$30 million of funding for the Zero Emission Incentive Fund.

Sincerely,

