



April 6, 2023

Joint Committee on Transportation

RE: Support for HB 2613

Dear Co-Chairs McLain and Gorsek, Co-Vice Chairs Boquist and Boshart Davis, Members of the Committee,

We are a nonprofit trade association that advocates for the advancement of transportation electrification across all sectors. Our membership includes more than 200 organizations-including auto manufacturers, electric vehicle charging suppliers, industry partners, utilities, local governments, and non-profit environmental organizations.

I am honored to provide testimony in support of HB 2613 which seeks to allocate \$30 million to the Oregon Clean Vehicle Rebate Program (OCVRP) to fill a funding shortfall and reinstate the rebate program in the upcoming biennium. It is our understanding that the additional \$30 million dollars will fill the shortfall, thus making the OCVRP sustainable and responsive to the 10-12% modeled growth over the next two years.

I wanted to start with a brief background of the (OCVRP). The program was created as a part of the 2017 Transportation Package (HB 2017). The **Standard Rebate** offers up to a \$2,500 cash rebate to all Oregon drivers who purchase or lease a new electric vehicle (EV) with a MSRP under \$50,000. The **Charge Ahead Rebate** offers low-and moderate-income Oregonians an additional \$5,000 cash for a total of \$7,500 for the purchase of a new or used EV.

Transportation remains Oregon's largest source of greenhouse gas emissions at about 40% of all emissions and ZEVs are a proven technology to decarbonize the sector. So far in Oregon, the transition to ZEVs has avoided an estimated 338,000 metric tons of in-state CO2 emissions between 2010 and 2019. Since its inception the program has distributed rebates to over 25,000 Oregonians. This equates to close to \$1 billion in private funding based on car sales alone. This doesn't consider the charging investments and the value of electricity, which unlike fossil fuel imports does not remove dollars from the state.

The Oregon Clean Vehicle Rebate Program is a national model and has inspired similar programs in Illinois, Maine, New Jersey, Rhode Island, and Vermont. Currently, Washington is exploring how to shift their tax incentive program into a rebate program to increase usage and equity.

In 2022, Oregon had the second highest purchase rate of new ZEVs. However, currently ZEVs account for only ~5% of the total vehicle fleet. There is still much work to be done to decarbonize the light-duty passenger vehicles. Despite this achievement, we remain behind in meeting our goals for ZEV adoption, as outlined in SB 1044 (2019). SB 1044 placed a goal of 250,000 registered ZEVs by 2025. As of

November 2022, according to ODOT, there are only 60,623 ZEVs registered, compared to 3.4 million total vehicles currently registered in Oregon.

Recently, Oregon took the step of adopting the Advanced Clean Cars II rules which will phase out new sales of light duty fossil fueled vehicles in Oregon. Letting the rebate lapse at this moment will make the adoption of that rule vastly more costly for Oregon families. Especially when in 2022, nationally the average price of an EV rose by 16% due to market demand and supply chain shortages.

The OCVRP helps Oregonians who wish to transition to EVs and helps to create a secondary EV marketplace, where currently the majority of Oregon residents purchase a vehicle from. It is critical the program continues.

Together, we must work to ensure that there is equitable access to ZEVs and this starts with intentional community engagement and education across the state.

Forth applauds DEQ for launching their second round of OCVRP community engagement, which includes a new low-and-moderate income pre-qualification program for Charge Ahead applicants and a partnership with three community-based organizations. This just launched yesterday! This was in recognition of the need to increase access and education on ZEVs and the opportunities of the OCVRP, particularly to rural communities, low- and moderate-income communities, and communities of color.

We understand the concerns around EVs paying “their fair share” into the transportation system. Fuel efficiency increases are just one factor among many that impact transportation funding; inflation has been an even larger factor. Forth is eager to see the results of the HB 2017 (2017) Section 75 study as it will inform future options for transportation funding.

We urge the Legislature to pass HB 2613, to reinstate the program in the upcoming biennium and to decarbonize the transportation sector to meet State climate goals and ensure that EVs are accessible to Oregonians.

Sincerely,

FORTH Empowering Mobility

SHANNON WALTON-CLARK (*they, them, theirs*) | Senior Policy Manager