

HB 3597 A STAFF MEASURE SUMMARY

House Committee On Climate, Energy, and Environment

Action Date: 04/08/25

Action: Without recommendation as to passage, with amendments, and be referred to Transportation, then to Ways and Means. (Printed A-Eng.)

Vote: 8-3-1-0

Yeas: 8 - Andersen, Gamba, Helm, Levy B, Levy E, Lively, Marsh, Neron

Nays: 3 - Edwards, Osborne, Owens

Exc: 1 - Wallan

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Erin Pischke, LPRO Analyst

Meeting Dates: 4/8

WHAT THE MEASURE DOES:

The measure modifies rebate amounts and eligibility and program requirements for qualifying vehicle programs.

Detailed summary:

Qualifying Vehicle Rebates

Modifies rebates for qualifying vehicles that are set annually by the Department of Environmental Quality (DEQ). Authorizes DEQ to reduce the amount of any rebate, including to \$0, if the DEQ determines that, based on the demand for rebates and the moneys available to provide rebates under the programs established for:

- light-duty zero-emission vehicles and plug-in hybrid electric vehicles (EVs) with an electrochemical energy storage capacity of 10 kilowatt hours or more;
- light-duty zero-emission vehicles or plug-in hybrid EVs with an electrochemical energy storage capacity of less than 10 kilowatt hours;
- neighborhood EVs; and
- zero-emission motorcycles.

Requires DEQ to, for each calendar quarter, estimate the number of rebates available for each rebate. Defines “qualifying entity” as:

- A low-income service provider;
- A nonprofit organization;
- A local government; or
- A veteran-owned business.

Changes entities eligible for—and for which DEQ must conduct outreach to—the Charge Ahead Oregon Program from low-income service providers to qualifying entities. Modifies Charge Ahead rebate amounts for the purchase or lease of a used light-duty zero-emission vehicle or plug-in hybrid EV from not less than \$2,500 to not less than \$1,000. Requires DEQ to set Charge Ahead rebates at an amount that DEQ determines will facilitate an equitable transition to the use of light-duty zero-emission vehicles or plug-in hybrid EVs in Oregon. Requires DEQ to, for each calendar quarter, estimate the number of rebates available for each Charge Ahead rebate for new or used vehicles. Prohibits a qualifying entity from being eligible to receive more than 10 Charge Ahead rebates in a calendar year. Prohibits a qualifying entity other than a low-income service provider from being eligible to receive a Charge Ahead rebate before January 1, 2026.

Appropriations

HB 3597 A STAFF MEASURE SUMMARY

Requires the Environmental Quality Commission (EQC) to allocate at least \$500,000, operative on January 1, 2026, each biennium to be expended by DEQ on outreach and education about the available rebates. Requires DEQ to suspend education and outreach activities during any period when the balance of the Zero-Emission Incentive Fund is less than \$1 million. Allows DEQ to use the amount saved from suspending outreach and education activities to provide rebates to qualifying entities.

ISSUES DISCUSSED:

- Provisions of measure
- Department of Environmental Quality's rebate programs
- Potential benefits of reducing greenhouse gas emissions from vehicles

EFFECT OF AMENDMENT:

The amendment replaces the measure.

BACKGROUND:

There are several types of electric vehicles (EVs) on the market today, including vehicles that are partially or fully powered by electricity or other fuels and other modes of transportation, such as scooters, motorcycles, trains, and airplanes. The Department of Environmental Quality administers the Oregon Clean Vehicle Rebate Program, which includes the Standard Rebate and the Charge Ahead Rebate. The Standard Rebate is for the purchase or lease of a new battery electric or plug-in hybrid electric vehicle or a new zero-emission electric motorcycle. The Charge Ahead Rebate is for the purchase or lease of a new or used battery electric or plug-in hybrid electric vehicle and requires the purchaser or lessee to be from a low- or moderate-income household or a low-income service provider to be eligible for the rebate.