

## **HB 4009 -1, -3 STAFF MEASURE SUMMARY**

### **House Committee On Transportation**

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**Meeting Dates:** 2/11, 2/16

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#### **WHAT THE MEASURE DOES:**

##### Overview

The bill requires electric vehicles to pay per mile driven, rather than pay fuel taxes, or to opt for a flat fee instead. It tells the Department of Transportation to calculate the rate needed each year for upkeep of the road system if every car paid the per mile driven tax. It also focuses electric vehicle rebates on lower-income households and limits rebates to one per household until demand for the rebate meets supply of money for the rebate.

##### Detailed Overview

Phases in mandatory participation in the road usage charge program for owners and lessees of electric vehicles, hybrid electric vehicles, and for delivery vehicles participating in e-commerce. Offers a flat fee alternative to the per-mile road usage charge. Directs Department of Transportation to study cost of fully funding state transportation system and to use results to calculate the per-mile cost of maintaining the system if all light duty vehicles were required to pay into that system. Pauses the main zero-emission rebate program until 2040 and puts all moneys for rebates into the Charge Ahead program for lower-income households until the program comes into balance between supply and demand; limits the Charge Ahead rebate program to one per household. Takes effect on 91st day following adjournment sine die.

#### **FISCAL:**

#### **REVENUE:**

#### **ISSUES DISCUSSED:**

#### **EFFECT OF AMENDMENT:**

- 1 Modifies language related to delivery vehicles participating in e-commerce
- 3 Removes provisions related to delivery vehicles being enrolled in the road usage charge program. Changes prohibition for more than one EV rebate per household to no more than one EV rebate per person.

#### **BACKGROUND:**

The Legislative Assembly established the nation's first pilot project for a per-mile road usage charge program in 2006-07, followed by a second pilot program in 2012-13. These two pilot programs helped inform what became the OReGO road usage charge program following passage of Senate Bill 810 (2013). The voluntary OReGO program initially was limited to 5,000 vehicles and charged drivers 1.5 cents per mile for every mile traveled on Oregon roads, in lieu of gasoline taxes. Drivers use onboard technology or a telephone app to track the mileage traveled, or can opt for a flat fee.

Oregon instituted its zero-emission vehicle rebate program in 2017. House Bill 2017 (2017) established two separate rebate program; the standard program offers rebates to any applicant who purchases a new electric vehicle, while the Charge Ahead Oregon program offers rebates to qualified lower-income Oregonians purchasing

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a new *or used* electric vehicle. Both programs use moneys from the Zero-Emission Vehicle Incentive Fund, which receives revenue from the vehicle dealer privilege tax imposed on the retail sale of all new vehicles in Oregon, to provide grants.

**PRELIMINARY**