



**Oregon Department of Environmental Quality**  
Sept. 26-27, 2019  
Oregon Environmental Quality Commission meeting  
Agency Staff Report  
Temporary Rulemaking, Action Item B

**Oregon Clean Vehicle Rebate Program  
Temporary Rules**

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# DEQ Recommendation to EQC

The Department of Environmental Quality recommends that the Environmental Quality Commission:

Determine that failure to act promptly to adopt temporary rules would result in serious prejudice to the public interest and the interests of the parties concerned as provided under the Justification section of this staff report; and

Adopt temporary rules as proposed in Attachment A of this staff report as part of Chapter 340, Division 270 of the Oregon Administrative Rules to be effective beginning Sept. 29, 2019.

## *Proposed motion language:*

*“I move that the Oregon Environmental Quality Commsision determine that failure to act promptly to adopt temporary rules would result in serious prejudice to the public interest and the interests of the parties concerned as provided under the Justification section of this staff report; and adopt temporary rules as proposed in Attachment A of this staff report as part of Chapter 340, Division 270 of the Oregon Administrative Rules, to be effective beginning Sept. 29, 2019.*”

# Overview

DEQ is seeking a temporary revision to the Oregon Clean Vehicle Rebate Program rules contained in OAR Chapter 340, Division 270 to incorporate 2019 Legislative changes affecting the program and to make other necessary adjustments to clarify program requirements.

These proposed temporary rule changes include:

- Allowing plug-in hybrid electric vehicles to be eligible for the Charge Ahead rebate;
- Prorating the payback amount if a rebate recipient sells or terminates the lease of the electric vehicle before the end of 24 months;
- Creating a provision that allows for waiver of the payback amount if the rebate recipient sells or terminates the lease of the electric vehicle before the end of 24 months;
- Clarifying how rebate applications will be processed;
- Clarifying that the provisions related to vehicle ownership apply to the Charge Ahead Program;
- Clarifying the definition that DEQ will use to determine what constitutes a household;
- Allowing people who purchased vehicles between Jan. 1, 2018, and Aug. 2, 2018, to have an additional six month window to apply for the rebate;
- Making other minor adjustments to ensure the program continues to operate smoothly.

## Background

On Aug. 18, 2017, Oregon Governor Kate Brown signed House Bill 2017 which, in addition to making many other transportation investments, created a program to provide rebates to Oregonians who meet all program requirements and purchase certain types of electric vehicles, including qualifying plug-in hybrid zero-emission vehicles, and other qualifying zero-emission vehicles. This program was designed by the Oregon Legislature to encourage higher adoption of electric vehicles to reduce air pollution and progress the state towards its greenhouse gas reduction goals. In 2018, House Bill 4059 went into effect, which included adjustments to the rebate program to reduce barriers for low and moderate-income households hoping to access rebates by removing certain program eligibility requirements included in House Bill 2017. Subsequently, in 2019, House Bill 2592 became law and made additional changes to the rebate program to allow more flexibility for rebate applicants.

In May 2018, EQC adopted rules to implement the Oregon Clean Vehicle Rebate Program. The program contains two elements. One element provides rebates for the purchase or lease of new electric vehicles, referred to as Standard Rebates, if all program requirements are met. The second element, called the Charge Ahead Rebate, provides rebates for the purchase or lease of new or used zero-emission vehicles if the purchaser is from a low or moderate-income household if all program requirements are met. In January 2019, EQC adopted additional rules to modify the requirements for qualifying vehicles under the program.

Beginning Jan. 1, 2018, DEQ began allowing purchasers of electric vehicles to apply for rebates, by submitting an online “Phase 1” application. Phase 1 Applicants were advised they would need to fill out a subsequent “Phase 2” application to determine if they met program requirements in order to qualify for the rebate when that Phase 2 application became available. DEQ began processing applications and, as of Sept. 6, 2019, has processed over 2,690 rebates for a total of over \$6.4 million in rebates issued. DEQ has also established agreements with dealerships that allow for the issuance of rebates at the time of purchase. Dealerships would be reimbursed at specific frequencies for rebates issued at the time of sale. DEQ will audit sales information for program eligibility and provide reimbursement.

DEQ has recently signed a contract with a vendor to implement and administer the program. The vendor will begin issuing rebates for both the Standard and Charge Ahead Rebates in fall 2019. Charge Ahead rebates will be issued as soon as the contractor has the elements in place to review and process personal income information to verify eligibility for the program.

# Statement of Need

## **What need is DEQ trying to address?**

House Bill 2592 (2019) made changes to the Oregon Clean Vehicle Rebate Program, including allowing more flexibility for potential rebate applicants, specifically to the Charge Ahead program. DEQ needs to adjust its rules to account for these legislative changes and to clarify other requirements contained in the rules to ensure successful on-going implementation of the program. The 2019 legislation goes into effect on Sept. 29, 2019, and DEQ needs to have rules in place by that time to ensure that its rules are consistent with the amended legislation.

## **How would the proposed temporary rule address the need?**

DEQ's rules will be consistent with the amended legislation and implement the changes approved by the legislature. DEQ's rules will provide greater clarity on how the Oregon Clean Vehicle Rebate Program will operate.

# Justification

## **Consequences of not taking immediate action**

DEQ needs to adjust its rules to account for legislative changes and to clarify other requirements contained in the rules. The 2019 legislation goes into effect on Sept. 29, 2019, and DEQ needs to have rules in place by that time to ensure that its rules are consistent with the amended legislation.

If the commission does not adopt these temporary rules, DEQ's rules would conflict with the newly enacted legislation. This would prejudice the interested parties identified in this document because it would result in conflicting requirements for the Oregon Clean Vehicle Rebate Program. Notably, a conflict between DEQ's rules and the legislation creating the program would create difficulty for DEQ in administering the program and create confusion among interested rebate applicants regarding program requirements, including what vehicles are eligible for the program. Additionally, failure to adopt temporary rules would delay the ability of purchasers or lessees to receive rebates for purchases made in January through August 2018.

## **Affected parties**

- Rebate applicants who purchased or leased an electric vehicle between Jan. 1, 2018, through Aug. 2, 2018, who may now be eligible to apply for a rebate outside of the ordinary six-month application window;
- Oregonians who are interested in purchasing plug-in hybrid vehicles that were not previously eligible for a Charge Ahead rebate but may now qualify under that program;
- Automobile dealers that sell or lease new or used plug-in hybrid electric vehicles. Dealers could be affected by increased plug-in hybrid electric vehicle sales;
- Automobile manufacturers, such as those that manufacture plug-in hybrid electric vehicles eligible for rebates. The manufacturers could be affected by increased plug-in hybrid electric vehicle sales;

- Rebate recipients who later terminate the lease or sell the vehicle for which they received a rebate. Such persons might be eligible for a prorated payback of the rebate or a waiver of the payback requirement; and
- Other Oregonians interested in purchasing or leasing a qualifying vehicle under the Oregon Clean Vehicle Rebate Program

**How temporary rule would avoid or mitigate consequences:**

The temporary rules would clarify program requirements and adjust as needed to implement the new legislation. The rules would allow DEQ to facilitate implementation of the 2019 legislation in a timely and transparent manner and allow more people and vehicles to qualify for the rebate program. It also provides more flexibility for existing rebate purchasers. The rules encourage higher adoption rates of zero-emission vehicles to reduce air pollution and help move the state towards its greenhouse gas reduction goals. Additionally, Governor Kate Brown issued an Executive Order in 2017, targeting the adoption of 50,000 electric vehicles by 2020, and highlighted the rebate program as one of the key mechanisms to achieve that goal. For DEQ to be able to issue additional rebates at this time will accelerate the State's ability to reach the Governor's goal.

# Rules Affected, Authorities, Supporting Documents

## Lead division

Air Quality Division

## Program or activity

Air Quality Planning

## Chapter 340 action

### Amend

340-270-0010	340-270-0020	340-270-0030
340-270-0120	340-270-0200	340-270-0300
340-270-0400	340-270-0410	340-270-0420
340-270-0430		

### Statutory authority

468.020  
2017 Or. Law Ch. 750, Sec. 148-157  
2018 Or. Law Ch. 93, Sec. 18-21  
House Bill 2592 (2019), Sec 35-37

### Statute implemented

2017 Or. Law Ch. 750 Sec. 148-157  
2018 Or. Law Ch. 93 Sec. 18-21  
2019 Or. Law Ch. 491

### Legislation

House Bill 2017 (2017); House Bill 4059 (2018); House Bill 2592 (2019)

### Documents relied on for rulemaking

Document title	Document location
House Bill 2017 (2017)	<a href="https://olis.leg.state.or.us/liz/2017R1/Downloads/MeasureDocument/HB2017/Enrolled">https://olis.leg.state.or.us/liz/2017R1/Downloads/MeasureDocument/HB2017/Enrolled</a>
House Bill 4059 (2018)	<a href="https://olis.leg.state.or.us/liz/2018R1/Downloads/MeasureDocument/HB4059/Enrolled">https://olis.leg.state.or.us/liz/2018R1/Downloads/MeasureDocument/HB4059/Enrolled</a>
House Bill 2592 (2019)	<a href="https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2592">https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2592</a>

# Housing Costs

As ORS 183.534 requires, DEQ evaluated whether the proposed rules would have an effect on the development cost of a 6,000-square-foot parcel and construction of a 1,200-square-foot detached, single-family dwelling on that parcel. DEQ determined the proposed temporary rules would have no effect on the development costs because they only affect purchasers of zero-emission vehicles and automobile dealers and manufacturers who sell or produce zero-emission vehicles.

# EQC Prior Involvement

DEQ did not present additional information specific to this proposed temporary rule revision.

# Implementation

## Notification

The proposed temporary rules would become effective upon filing with the Oregon Secretary of State, by Sept. 29, 2019. The temporary rules would be effective for no more than 180 days.

DEQ would notify affected parties by:

- Emailing approximately 20,259 interested parties on the following DEQ lists through GovDelivery:
  - Rulemaking
  - Oregon Clean Vehicle Rebate Program
  - Low Emission/Zero Emission Vehicle Program
  - Electric Vehicle Rebate 2018 Rulemaking
  - DEQ Public Notices
- Emailing the following key legislators required under ORS 183.335:
  - Senator Lee Beyer, Co-Chair, Joint Committee on Transportation
  - Representative Caddy McKeown, Co-Chair, Joint Committee on Transportation
  - Senator Brian Boquist, Co-Vice Chair, Joint Committee on Transportation
  - Representative Ron Noble, Co-Vice Chair, Joint Committee on Transportation
- Postings on Twitter and Facebook
- Posting on the DEQ event calendar: [DEQ Calendar](#)



Key to changes in this document:

~~Strikethrough in red~~: Text removed

Underline in red: New text

Division 270  
ZERO-EMISSION AND ELECTRIC VEHICLE REBATES

**340-270-0010**

**Overview**

(1) Purpose. The purpose of this division is to establish a rebate program and eligibility requirements for the purchase or lease of new or used zero-emission vehicles in Oregon.

(2) Background. The 2017 Oregon Legislature adopted House Bill 2017 that authorizes ~~the Department of Environmental Quality~~DEQ to establish a rebate program for zero-emission vehicles. The 2018 Oregon Legislature adopted House Bill 4059, which clarified and removed existing requirements. The 2019 Oregon Legislature adopted House Bill 2592, which clarified and removed existing requirements. OAR division 270 of chapter 340 implements ~~those~~at laws.

(3) Administration. DEQ administers this division in all areas in the state of Oregon, including the areas of the state subject to the jurisdiction of the Lane County Regional Air Protection Agency.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**History:**

DEQ 186-2018, adopt filed 05/14/2018, effective 05/14/2018

**340-270-0020**

**Effective Dates**

(1) The rebates for eligible new light-duty zero-emission vehicles and eligible plug-in hybrid electric vehicles ~~take~~took effect on January 1, 2018.

(2) The rebates for the Charge Ahead Program take effect on January 1, 2018 for light duty zero emission vehicles. The rebates for the Charge Ahead Program take effect on January 1, 2018~~September 29, 2019~~ for plug-in hybrid electric vehicles.

(3) The rebates for eligible neighborhood electric vehicles and eligible zero-emission motorcycles take effect on January 1, 2019.

(4) The rules in this division expire on January 2, 2024.

(5) The effective dates of the program are contingent on appropriate funding.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**History:**

DEQ 186-2018, adopt filed 05/14/2018, effective 05/14/2018

**340-270-0030**

**Definitions and Abbreviations**

(1) “Area median income” means the median income for the metropolitan statistical area in which a household is located or, if the household is not located within a metropolitan statistical area, for the metropolitan statistical area in closest proximity to the location of the household, as determined by the Housing and Community Services Department, adjusted for household size.

(2) “Charge Ahead rebate” means a rebate for the purchase of a new or used light-duty zero-emission vehicle with an electrochemical storage capacity or a plug-in hybrid electric vehicle issued through the Charge Ahead Program.

(3) “DEQ” is the Oregon Department of Environmental Quality or a contractor selected by DEQ.

(4) “Eligible vehicle” means a motor vehicle that:

(a) Qualifies as a:

(A) Light-duty zero-emission vehicle with an electrochemical energy storage capacity;

(B) Plug-in hybrid electric vehicle;

(C) Neighborhood electric vehicle; or

(D) Zero-emission motorcycle;

(b) Is new, or has been previously used only as a dealership floor model or test-drive vehicle;

(c) Has not previously been registered in Oregon;

(d) Is constructed entirely from new parts that have never been the subject of a retail sale;

(e) Has a base manufacturer's suggested retail price of less than \$50,000;

(f) Is covered by a manufacturer's express warranty on the vehicle drive train, including the applicable energy storage system or battery pack, for at least 24 months from the purchase or lease date; and

(g) Is certified by the manufacturer to comply with all applicable federal safety standards issued by the National Highway Traffic Safety Administration for new motor vehicles and new motor vehicle equipment.

~~(5)~~ "Household" means all individuals who reside in the place of residence, including all family members and roommates who are not related and not part of a separate lease agreement.

~~(6)~~ "Lease date" means the day that the lease agreement is signed.

~~(7)~~ "Light-duty zero-emission vehicle" means a motor vehicle that:

(a) Has a gross vehicle weight rating of 8,500 pounds or less;

(b) Is capable of travelling at a speed of 55 miles per hour or more;

(c) Has at least three wheels; and

(d) Is powered:

(A) Primarily by an electric battery and may or may not use a flywheel energy storage device or a capacitor that also stores energy to assist in vehicle operation;

(B) By polymer electrolyte membrane fuel cells or proton exchange membrane fuel cells that use hydrogen fuel and oxygen from the air to produce electricity; or

(C) Primarily by a zero-emission energy storage device that provides enough power for the vehicle to travel 75 miles or more using only electricity and may or may not use a backup alternative power unit that does not operate until the energy storage device is fully depleted.

~~(8)~~ "Low income household" means a household with income less than or equal to 80 percent of the area median income.

~~(9)~~ "Moderate income household" means a household with income less than or equal to 120 percent and greater than 80 percent of the area median income.

~~(10)~~ "Motor vehicle" has the meaning given that term in ORS 801.360.

(~~10~~11) “Neighborhood electric vehicle” means a motor vehicle that:

- (a) Is powered using an electric battery;
- (b) Has a gross vehicle weight not exceeding 3,000 pounds;
- (c) Is capable of traveling at a speed of up to 25 mph; and
- (d) Has at least four wheels.
- (e) DEQ will require certification to zero-emission standards in California Code of Regulations Title 13, section 1962.2 to show a vehicle meets these specifications.

(~~11~~12) “Person” means a person as defined in ORS 174.100 or a public body as defined in ORS 174.109.

(~~12~~13) “Plug-in hybrid electric vehicle” means a motor vehicle that:

- (a) Has zero evaporative emissions from its fuel system when operating as an electric vehicle;
- (b) Has an onboard electrical energy storage device with useful capacity of 10 or more miles of urban dynamometer driving schedule range, as described by the United States Environmental Protection Agency in 40 CFR 600.116-12, on electricity alone;
- (c) Is equipped with an onboard charger;
- (d) Is rechargeable from an external connection to an off-board electrical source;
- (e) Meets the super ultra-low emission vehicle standards for exhaust emissions, as certified to standards in California Code of Regulations, Title 13, section 1961(a)(4) (2003);
- (f) Has a warranty of at least 15 years and 150,000 miles on emission control components;
- (g) Is capable of travelling at a speed of 55 miles per hour or more;
- (h) Has an on-board internal combustion engine; and
- (i) Has at least three wheels.

(~~13~~14) “Purchase date” means the day that the purchase and sales agreement is signed.

(~~14~~15) “Used electric vehicle” means a light-duty zero-emission or plug-in hybrid electric vehicle that:

(a) Would have been eligible for the standard rebate at the time of its original sale or lease had the rebate program in OAR 340-270-0010 to -0500 existed or;

(b) Is a direct model predecessor of an eligible vehicle as defined in OAR 340-270-0030(4)(a)(A).

~~(4516)~~ “Vehicle dealer” means:

(a) A person engaged in business in this state that has been issued a vehicle dealer certificate under ORS 822.020; or

(b) A person engaged in business in another state that would be subject to ORS 822.005 if the person engaged in business in this state.

(c) It does not include a person who:

(A) Conducts an event that lasts less than 7 consecutive days, for which the public is charged admission and at which otherwise eligible vehicles are sold at auction; or

(B) Sells an otherwise eligible vehicle at auction at an event as described in (A).

~~(4617)~~ “Zero-emission motorcycle” means a motor vehicle that:

(a) Has zero evaporative emissions from its fuel system;

(b) Is capable of attaining a speed of 55 miles per hour or more;

(c) Is designed to travel on two wheels; and

(d) Is powered by electricity.

(e) DEQ will require documentation of the following as proof that a motorcycle meets these specifications:

(A) Successful completion of the most current California Zero-Emission Motorcycle Evaluation Procedure, as defined in California’s Implementation Manual for the Clean Vehicle Rebate Project; and

(B) Issuance of a “pass” determination and verification that the vehicle meets the specified range and acceleration requirements by the California Air Resources Board.

~~(4718)~~ “Zero-emission vehicle” means a motor vehicle that that is certified to zero-emission standards in California Code of Regulations, Title 13, section 1962.2.

[NOTE: View a PDF of California Implementation Manual by clicking on "Tables" link below.]

[ED. NOTE: To view tables referenced in rule text, [click here to view rule.](#)]

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, [and House Bill 2592 \(2019\), Sec. 35-37](#)

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, [and House Bill 2592 \(2019\), Sec. 35-37](#)

**History:**

DEQ 6-2019, amend filed 01/28/2019, effective 01/28/2019

DEQ 186-2018, adopt filed 05/14/2018, effective 05/14/2018

**340-270-0100**

**Vehicles Eligible for Zero-Emission Vehicle Standard Rebates**

To qualify for a standard rebate, a motor vehicle must qualify as an eligible vehicle, as defined in OAR 340-270-0030(4), and must have a purchase or lease date on or after effective date of the program for the type of vehicle, as established in OAR 340-270-0020.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, [and House Bill 2592 \(2019\), Sec. 35-37](#)

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, [and House Bill 2592 \(2019\), Sec. 35-37](#)

**History:**

DEQ 186-2018, adopt filed 05/14/2018, effective 05/14/2018

**340-270-0110**

**Amount of Zero-Emission Vehicle Standard Rebates**

(1) The amount of the rebate for eligible light-duty zero-emission vehicles and plug-in hybrid electric vehicles with electrochemical energy storage capacities of 10 kilowatt hours or more is \$2,500.

(2) The amount of the rebate for eligible light-duty zero-emission vehicles and plug-in hybrid electric vehicles with electrochemical energy storage capacities of less than 10 kilowatt hours is \$1,500.

(3) The amount of the rebate for eligible neighborhood electric vehicles is \$750.

(4) The amount of the rebate for eligible zero-emission motorcycles is \$750.

(5) DEQ will set the rebate amounts annually. In doing so, if DEQ determines that the rebate amounts should be adjusted, DEQ will engage in rulemaking to adjust the rebate amounts established herein.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, [and House Bill 2592 \(2019\), Sec. 35-37](#)

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059

(2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**History:**

DEQ 186-2018, adopt filed 05/14/2018, effective 05/14/2018

**340-270-0120**

**Requirements for Zero-Emission Vehicle Standard Rebates**

(1) A person may only apply for a rebate if the person:

(a) Owns or leases a vehicle that meets the requirements established in OAR 340-270-0100;

(b) If leasing a vehicle, has a minimum lease term of 24 months;

(c) Intends to retain the registration of the eligible vehicle for a minimum of 24 consecutive months after the purchase or lease date; and

(d) Is an Oregon resident.

(2) To qualify for a rebate, an applicant must:

(a) Apply using a form approved by DEQ;

(b) Provide information and documentation sufficient to allow DEQ to verify that the applicant purchased or leased an eligible vehicle;

(c) Purchase or lease an eligible vehicle from a vehicle dealer or an original equipment manufacturer, that does not have licensed franchised new automobile dealers in Oregon;

(d) Provide proof of registration of the eligible vehicle in Oregon;

(e) Submit an application within 6 months after the vehicle purchase or lease date~~;~~, except that persons who purchased or leased an eligible vehicle between January 1, 2018 and August 2, 2018 may apply for the rebate if an application is submitted to DEQ by March 30, 2020. If DEQ has already received an application from the rebate applicant who purchased or leased an eligible vehicle between January 1, 2018 and August 2, 2018, and the applicant has been notified by DEQ of its receipt, the applicant does not need to reapply;

(f) Provide any additional information and documentation requested by DEQ that is necessary to ascertain that the applicant qualifies for a rebate; and

(g) Participate in ongoing research efforts and surveys regarding the program.

(3) Recipients may assign the rebate to a vehicle dealer, or to an original equipment manufacturer, that does not have licensed franchised new automobile dealers in Oregon. The limit established in subsection (5) of this rule does not apply to vehicle dealers or automobile manufacturers who receive rebate assignments pursuant to this section.

(4) Recipients may not make or allow any modifications to the vehicle's emission-control systems, hardware, or software calibrations, or the vehicle's hybrid system.

(5) An organization that applies for a rebate, including businesses, non-profit organizations, and state and municipal governments, is limited to 10 rebates per entity per calendar year. Organizational applicants must be based in Oregon or have an Oregon-based affiliate at the time the eligible vehicle is purchased or leased.

(6) If the rebate recipient is an organization that applies for a rebate, it must submit annual usage data to DEQ for 3 years.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157-~~2~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157-~~2~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**History:**

DEQ 186-2018, adopt filed 05/14/2018, effective 05/14/2018

**340-270-0200**

**Application Review Process**

(1) DEQ will process applications on a first-come, first-serve basis as received by DEQ: except in circumstances where a rebate recipient assigns a rebate to a vehicle dealer, or to an original equipment manufacturer, that does not have licensed franchised new automobile dealers in Oregon.-

(2) DEQ will reject all applications that do not meet the applicable requirements of OAR 340-270-0100, -0120, -0410, and -0430.

(3) As provided in OAR 340-270-0120(2)(f), DEQ may require additional information or documentation to complete its review of an application. If DEQ does not receive the requested information and documentation within 14 days of its request, DEQ may reject the application.

(4) DEQ will provide a written explanation for all rejected applications. If DEQ rejects an application, an applicant may appeal that rejection by:

(a) Providing a written explanation of why the applicant believes that DEQ misapplied the statute or its rules or otherwise improperly rejected the applicant;

(b) Submitting that written explanation by depositing the explanation in the mail, with proper postage, postmarked within 60 days of the date of DEQ's written rejection; and

(c) Submitting the explanation to the Agency itself.



(5) DEQ will respond to an appeal of a rejection in writing as soon as is practicable. DEQ's response to an appeal is an order in other than a contested case.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**History:**

DEQ 200-2018, temporary amend filed 12/04/2018, effective 12/04/2018 through 06/01/2019

DEQ 186-2018, adopt filed 05/14/2018, effective 05/14/2018

**340-270-0300**

**Vehicle Ownership Provision**

(1) If a rebate recipient sells the eligible vehicle **for which a rebate was received**, or terminates the eligible vehicle's lease, before the end of 24 months after the purchase or lease date, the rebate recipient must notify DEQ and must reimburse DEQ **for the entire rebate amount in a prorated amount based on the number of months that the rebate recipient owned or leased the vehicle**.

(2) DEQ may waive the reimbursement requirement if DEQ determines a waiver is **appropriate given unforeseeable or unavoidable circumstances that gave rise to a need for the rebate recipient to sell the qualifying vehicle or terminate the qualifying lease before the end of the 24-month period**.

(3) To request a waiver, a person must submit a written application for a waiver to DEQ of the termination of the lease or sale of the vehicle that includes an explanation of why the person believes the waiver is appropriate.

(4) DEQ will provide a written explanation for all rejected waiver applications. If DEQ rejects a waiver application, an applicant may appeal that rejection by:

(a) Providing a written explanation of why the applicant believes that DEQ misapplied the statute or its rules or otherwise improperly rejected the applicant;

(b) Submitting that written explanation by depositing the explanation in the mail, with proper postage, postmarked within 60 days of the date of DEQ's written rejection; and

(c) Submitting the explanation to the Agency itself.

(5) DEQ will respond to an appeal of a rejection in writing as soon as is practicable. DEQ's response to an appeal is an order in other than a contested case.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**History:**

DEQ 186-2018, adopt filed 05/14/2018, effective 05/14/2018

**340-270-0400**

**Charge Ahead Program**

(1) OAR 340-270-0400 through -0430 establish the requirements for the Charge Ahead Program.

(2) The Charge Ahead Program provides rebates for the purchase or lease of new or used electric vehicles that meet the requirements of OAR 340-270-0410 if the purchaser is from a low -or moderate-income household during the year the vehicle was purchased or leased.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**History:**

DEQ 186-2018, adopt filed 05/14/2018, effective 05/14/2018

**340-270-0410**

**Vehicles Eligible for the Charge Ahead Program**

(1) To be eligible for a Charge Ahead rebate, a motor vehicle must be either:

(a) A new or used light-duty zero-emission vehicle with an electrochemical storage capacity and have a purchase or lease date on or after January 1, 2018; or

(b) A new or used plug-in hybrid electric vehicle and have a purchase or lease date on or after September 29, 2019.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**History:**

DEQ 186-2018, adopt filed 05/14/2018, effective 05/14/2018

**340-270-0420**

**Amount of Charge Ahead Program Rebate**

(1) The amount of the Charge Ahead rebate is \$2,500.

(2) A Charge Ahead rebate may be combined with a standard rebate under OAR 340-270-0110 if the applicant meets the requirements in OAR 340-270-0100.

(3) DEQ will set the rebate amounts annually. In doing so, if DEQ determines that the rebate amounts should be adjusted, DEQ will engage in rulemaking to adjust the rebate amounts established herein.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**History:**

DEQ 186-2018, adopt filed 05/14/2018, effective 05/14/2018

**340-270-0430**

**Requirements for Charge Ahead Program Rebates**

(1) A person may only apply for a rebate if the person:

(a) Owns or leases a vehicle that meets the requirements established in OAR 340-270-0410;

(b) If leasing a vehicle, has a minimum lease term of 24 months;

(c) Intends to retain the registration of the eligible vehicle for a minimum of 24 consecutive months after the purchase or lease date; and

(d) Is an Oregon resident.

(2) To qualify for a Charge Ahead rebate, an applicant must:

(a) Apply using a form approved by DEQ;

(b) Provide information and documentation sufficient to allow DEQ to verify that the applicant purchased or leased ~~an eligible vehicle;~~ a vehicle that meets the requirements established in OAR 340-270-0410;

(c) Provide sufficient information to allow DEQ to determine that the applicant is a member of a low- or moderate-income household during the year the vehicle was purchased or leased. DEQ will rely on documentation of an applicant's income from the year the vehicle was purchased or leased or, if that information is unavailable or inadequate, from a previous year. DEQ will rely on the most recent area median income determinations of the Housing and Community Services Department available at the time of application.

(d) Purchase or lease an eligible vehicle from a vehicle dealer or an original equipment manufacturer, that does not have licensed franchised new automobile dealers in Oregon;

(e) Provide proof of registration of the ~~eligible vehicle~~vehicle that meets the requirements established in OAR 340-270-0410 in Oregon;

~~(f) Submit an application within 6 months after the vehicle purchase or lease date;~~

(f) Submit an application within 6 months after the vehicle purchase or lease date, except that persons who purchased or leased a vehicle that meets the requirements established in OAR 340-270-0410 between January 1, 2018 and August 2, 2018 may apply for a rebate if an application is submitted to DEQ by March 30, 2020. If DEQ has already received an application from the person who purchased or leased a vehicle that meets the requirements established in OAR 340-270-0410 between January 1, 2018 and August 2, 2018, and the applicant has been notified by DEQ of its receipt, the applicant does not need to reapply;

(g) Provide any additional information and documentation requested by DEQ that is necessary to ascertain that the applicant qualifies for a rebate; ~~and~~

~~(h)~~(h) Provide information requested by DEQ that DEQ determines is necessary to ascertain that the person is not buying, selling, or leasing vehicles in a manner that DEQ determines circumvents the intent of the Charge Ahead Program, including an attestation that the person has not owned or leased the vehicle in the past for which a rebate is sought; and

(i) Participate in ongoing research efforts and surveys regarding the program.

(3) Recipients may assign the rebate to a vehicle dealer, or to an original equipment manufacturer; that does not have licensed franchised new automobile dealers in Oregon. The limit established in subsection (5) of this rule does not apply to vehicle dealers or automobile manufacturers who receive rebate assignments pursuant to this section.

(4) Recipients may not make or allow any modifications to the vehicle's emission-control systems, hardware, or software calibrations, or the vehicle's hybrid system.

(5) The application review process established by OAR 230-270-0200 will apply to applications for Charge Ahead rebates.

(6) The vehicle ownership requirements established by OAR 230-270-0300 will apply to Charge Ahead Rebates.

~~(7)~~ DEQ will conduct community outreach to low income households, moderate-income households and community-based organizations, in order to:

(a) Solicit feedback on program implementation; and

(b) Take steps to ensure the program is promoted effectively.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**History:**

DEQ 186-2018, adopt filed 05/14/2018, effective 05/14/2018

**340-270-0500**

**Allocation of Rebate Funding**

DEQ will allocate at least 10 percent of available moneys deposited per biennium into the Zero-Emission Incentive Fund for rebates under the Charge Ahead Program.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157-~~&~~, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 35-37

**History:**

DEQ 186-2018, adopt filed 05/14/2018, effective 05/14/2018