

# Notice of Proposed Rulemaking

## Date Published

EV Rebates 2026

This package contains the following documents:

- Notice of Rulemaking
- Draft rules – edits highlighted
- Draft rules – edits included (final clean version)

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# Introduction

The Oregon Department of Environmental Quality invites public input on proposed permanent rule amendments to [chapter 340, Division 270](#) of the Oregon Administrative Rules relating to rebates for light duty vehicles and Medium/Heavy duty trucks.

## Overview

This rulemaking proposes amendments that revise and clarify rules for both the Oregon Clean Vehicle Rebate Program (OCVRP), addressing light-duty electric vehicles and the Zero-Emissions Rebates for Oregon Fleets Program (ZERO Fleet Rebate program), addressing medium- and heavy-duty electric vehicles. The focus of this rulemaking is adjusting program rules for financial sustainability and clarity. Both programs anticipate interest to exceed funding in future years. OCVRP has required some period of suspension each year since 2023, due to demand outpacing available funding. Proposed OCVRP amendments include adjustments to current Standard and Charge Ahead Rebate levels, limiting the number of rebates an individual can receive, clarifying definitions and updating citations and program processes. For the ZERO Fleet Rebate program, proposed amendments include adding eligibility details for medium- and heavy-duty vehicles, clarifying rebate award decision-making process and ensuring healthy price competition when spending public dollars.

A Rules Advisory Committee considered amendments to both programs. The Rule Advisory Committee was composed of representatives from affected communities, including vehicle manufacturers, dealers and industry groups, purchasers of new and used eligible electric vehicles, vehicle fleet owners, environmental and community-based organizations, EV associations, a rural conservation and development council, the City of Portland, and the public.

DEQ will provide rulemaking notice through the Oregon Trucking Association, Professional Business Development Group, Columbia Willamette Clean Cities Coalition, and Breaking Barriers Collaborative. The proposed rules are not expected to create significant negative economic impacts for any entity. These proposed rules do not impose regulations and there is no requirement to participate in OCVRP or the ZERO Fleet Rebate program.

## Request for other options

During the public comment period, DEQ asks for public comment on whether there are other options for achieving the rules' substantive goals while reducing the rules' negative economic impact on business.

DEQ is also seeking specific comment on the following items:

### **Rebate adjustments**

In the proposed rules, DEQ is proposing a Standard Rebate adjustment, lowering the rebate amount for plug-in hybrid vehicles to focus funds on those vehicles that provide the greatest air quality benefits.

While DEQ is not proposing a specific rule change at this time for the Charge Ahead Rebate, the agency is requesting public input on whether a similar adjustment should be considered for new or used plug in hybrid vehicles under the Charge Ahead Rebate program.

### **Rebate reservation process**

During the Rule Advisory Committee meetings the concept of implementing a rebate reservation system for the Oregon Clean Vehicle Rebate Program was discussed. The model would require all interested applicants to complete a simple rebate reservation form and receive a reservation to be eligible for the rebate.

DEQ is requesting feedback on if this reservation-based model would improve program accessibility and equity, reduce uncertainty for applicants and help avoid annual program suspensions. DEQ is also interested in comments on potential impacts to vehicle purchasing decisions, dealer participation, administrative complexity, and the program's ability to increase zero-emission vehicle adoption as they relate to OCVRP.

### **Program optimization**

Also, DEQ is seeking specific comment on ways to optimize the use of available funding in a way that considers the following:

- Avoiding annual program suspensions and improve predictability
- Limiting rebate spending to the available funding each year
- Distributing funds throughout the year
- Increasing zero-emission vehicle adoption
- Reducing administrative strain

## **Procedural summary**

### **More information**

Information about this rulemaking is on the [EV Rebates 2026](#) rulemaking web page.

## **Public hearings**

DEQ plans to hold two public hearings. Anyone can attend by webinar or teleconference.

### **Public hearing 1**

**Date:** Wednesday, Feb. 18, 2026

**Start time:** 1 p.m. (PST)

[Join via Teams](#)

Meeting ID: 277 640 586 168 37

Join by phone: +1 503-446-4951

Phone conference ID: 331 472 841#

### **Public hearing 2**

**Date:** Monday, Feb. 23, 2026

**Start time:** 6 p.m. (PST)

### [Join via Teams](#)

Meeting ID: **279 204 235 830 1**

Join by phone: **+1 503-446-4951**

Phone conference ID: **580 378 843#**

[Instructions on how to join a virtual hearing.](#)

## How to comment on this rulemaking proposal

DEQ is asking for public comment on the proposed rules. Anyone can submit comments and questions about this rulemaking. A person can submit comments by email, mail or at the public hearing.

- **Online web page:** [EV Rebates 2026](#)
- **Email:** Send comments by email to: [EVRebates.2026@DEQ.oregon.gov](mailto:EVRebates.2026@DEQ.oregon.gov)
- **Postal mail:**  
Oregon DEQ,  
Attn: Erica Timm  
700 NE Multnomah St., Room 600  
Portland, OR 97232-4100
- **At public hearings:** 1 p.m. (PST) on Wednesday, Feb. 18, 2026, **and** 6 p.m. (PST) on Monday, Feb. 23, 2026

## Comment deadline

DEQ will only consider comments on the proposed rules that DEQ receives by **4 p.m. (PST), on Wednesday, Feb. 25, 2026.**

## Note for public university students:

[ORS 192.345\(29\)](#) allows Oregon public university and OHSU students to protect their university email addresses from disclosure under Oregon's public records law. If you are an Oregon public university or OHSU student, notify DEQ that you wish to keep your email address confidential.

## Sign up for rulemaking notices

Get email or text updates about this rulemaking by either:

- Signing up through [GovDelivery](#).
- Signing up on the [rulemaking website](#).

## What will happen next?

DEQ will include a written response to comments in a staff report submitted to the Environmental Quality Commission. DEQ may modify the rule proposal based on the comments received.

Proposed rules only become effective if the Environmental Quality Commission adopts them. DEQ's intended action is to present the proposed rule changes to the commission as soon as possible after the earliest date on which the rule changes could take effect. DEQ intends to submit the proposed rule changes to the commission on or after Wednesday, March 11, 2026.

# Statement of need

## Oregon Clean Vehicle Rebate Program

### OCVRP - Financial sustainability

Topic	Discussion
What need would the proposed rule address?	In recent years, OCVRP program participation outpaces the available funding each year. At current budget levels, the program is projected to remain open for only two to three months a year, limiting access for many interested applicants. This window for eligible purchases/leases is expected to shorten further without program adjustments. The proposed rules would allow DEQ to extend program availability over a longer portion of the year and provide more opportunity for people to access the rebate.
How would the proposed rule address the need?	Proposed changes include limiting the number of rebates an individual can receive and adjusting amounts for the Standard Rebate and Charge Ahead Rebate for used vehicles. Current rebate levels are set at the highest amount allowed by statute and there is not currently a limit on the number of rebates per individual. Considering rebate adjustments and limiting rebates could decrease demand and individual rebate costs and enable more individuals to participate in the program.
How will DEQ know the rule addressed the need?	DEQ will know the rule addressed the need if more individual rebates are able to be issued each year and program projections indicate the program can provide a longer window of time for purchases to be eligible for a rebate than projected prior to the rulemaking.

### OCVRP - Rule clarity

Topic	Discussion
What need would the proposed rule address?	The current OCVRP rule lacks some specificity around vehicle and applicant eligibility, rebate options, application review procedures, and the appeals process. The proposed rule would provide clearer, more detailed requirements in

	these areas to improve transparency and consistent program administration.
How would the proposed rule address the need?	The proposed changes update outdated citations and retired processes referred to in the rules. Additionally, the proposed rules include new and updated program definitions. Finally, language has been proposed to highlight DEQ's ability to request additional documentation and follow-up actions and enable appellants to submit appeals by email.
How will DEQ know the rule addressed the need?	DEQ will know the rule addressed the need if there is an updated process for reviewing certain vehicle types and they receive fewer questions regarding vehicle, applicant and rebate application reviews.

## Zero-Emissions Rebates for Oregon Fleets

### ZERO Fleet - Rule clarity

Topic	Discussion
What need would the proposed rule address?	The proposed rule would reduce uncertainty and provide further clarity for the ZERO Fleet program by more clearly describing how vehicle eligibility is determined, and how rebate applications are reviewed. These clarifications would support more consistent, transparent administration of the medium- and heavy-duty vehicle rebate program.
How would the proposed rule address the need?	The rule proposes establishing an eligible vehicle list and highlighting DEQ's ability to request additional documentation and follow-up actions. By creating a definitive list of vehicles, applicants will have full clarity on what vehicles qualify for a rebate and DEQ is able to ensure that the funds are used on the intended vehicles. Beyond the list, by highlighting DEQ's ability to review documentation and follow-up with those who have used a rebate, we are able to further protect against fraud and waste - ensuring the vehicles are used for their intended purpose in Oregon.



How will DEQ know the rule addressed the need?	DEQ will know the rule addressed the need if a vehicle list is established, the application review process is clarified, and applicants understand which vehicles are eligible for the rebate and what to expect during the application review process.
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## **ZERO Fleet - Rebate flexibility**

<b>Topic</b>	<b>Discussion</b>
What need would the proposed rule address?	The proposed rule addresses the need for greater pricing flexibility for fleet purchasers participating in the ZERO Fleet program. Clarifying that rebate reservations are not tied to a single dealer reduces uncertainty and supports competitive pricing in a market with limited vehicle availability and long procurement timelines
How would the proposed rule address the need?	The rule proposes language that allows a purchaser with an approved rebate reservation to purchase from any approved dealer and be able to apply for another rebate extension if needed. Currently applicants must have a dealer and vehicle selected before applying for a rebate. The proposed rule would allow for the applicant to receive a voucher for a certain class of rebate and then pick out a vehicle and approved dealer.
How will DEQ know the rule addressed the need?	DEQ will know the rule addressed the need if applicants are allowed to use their rebate reservation at any approved dealer and they are able to apply for an additional rebate extension when needed

## **Federal relationship**

ORS 183.332, 468A.327 and OAR 340-011-0029 require DEQ to attempt to adopt rules that correspond with existing equivalent federal laws and rules unless there are reasons not to do so.

The proposed rules update existing rebate programs and administrative rules relating to state-issued rebates. They do not impose requirements different from or in addition to federal requirements. Additionally, there are no federal regulations regarding rebates under these programs.

## **What are the scientific, economic, technological, administrative and other reasons for exceeding applicable federal requirements?**

The rebate programs do not exceed federal requirements. They provide state funding for the purchase or lease of zero-emission vehicles pursuant to HB 2017 (2017) and HB 3409 (2023), which directed DEQ to establish the OCVRP and the ZERO Fleet Rebate program, respectively. This rulemaking is proposing amendments to these established rebate programs. These programs are entirely voluntary and do not impose any requirements at all—other than eligibility standards for those choosing to request a rebate.

## **What alternatives did DEQ consider and why are you not pursuing them?**

DEQ considered the following alternatives:

- Not propose these rules
- Including a rebate reservation system within the Oregon Clean Vehicle Rebate Program

DEQ did not pursue these alternatives because not proposing the rules would not achieve the rules' intended goals of increasing financial sustainability, enhancing program clarity in both rebate programs, and allowing applicants additional flexibility within the ZERO Fleet Rebate Program.

Additionally, DEQ did not propose the inclusion of a required rebate reservation system at this time because of interest from RAC members in ensuring unused funds would quickly move back into rebate reservations. DEQ staff also felt it was necessary to further explore the administrative requirements of this new process.

# Rules affected, authorities, supporting documents

## Lead division

Air Quality

## Program or activity

Rebates for light-, medium- and heavy-duty zero-emission vehicles

## Chapter 340 action

### Amend

340-270-0030	340-270-0100	340-270-0110	340-270-0120	340-270-0200
340-270-0400	340-270-0410	340-270-0420	340-270-0430	340-270-0600
340-270-0620	340-270-0660	340-270-0680		

### Statutory authority - ORS

468.020	468.444	468.446	468.463	
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### Statutes implemented - ORS

468.442	468.446	468.463
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## Legislation

HB 2017 (2017)  
HB 4059 (2018)  
HB 2592 (2019)  
HB 2165 (2021)  
HB 5202 (2022)  
HB 4109 (2024)  
HB 3409 (2023)

## Documents relied on for rulemaking

These are reports, maps, studies, and similar documents that were used in completing this rulemaking. Do not list other statutes or rules here (OAR, ORS, CFR, USC, Federal Register) unless the rule writers relied on or referred to documents contained in those statutes or rules, such as reports, maps or studies.

Document title	Document location
<a href="#">OCVRP Rebate Statistics and Survey Data</a>	<a href="https://evrebate.oregon.gov/rebate-statistics">https://evrebate.oregon.gov/rebate-statistics</a>

<a href="https://theicct.org/wp-content/uploads/2022/10/ev-cost-benefits-2035-oct22.pdf">Assessment of light-duty electric vehicle costs and consumer benefits in the United States in the 2022-2035 time frame</a>	<a href="https://theicct.org/wp-content/uploads/2022/10/ev-cost-benefits-2035-oct22.pdf">https://theicct.org/wp-content/uploads/2022/10/ev-cost-benefits-2035-oct22.pdf</a>
<a href="https://atlaspolicy.com/wp-content/uploads/2025/10/Affordable-Vehicles-in-Decline.pdf">Issue Brief: Affordable Vehicles in Decline</a>	<a href="https://atlaspolicy.com/wp-content/uploads/2025/10/Affordable-Vehicles-in-Decline.pdf">https://atlaspolicy.com/wp-content/uploads/2025/10/Affordable-Vehicles-in-Decline.pdf</a>
<a href="https://iea.blob.core.windows.net/assets/7ea38b60-3033-42a6-9589-71134f4229f4/GlobalEVOutlook2025.pdf">Global EV Outlook 2025</a>	<a href="https://iea.blob.core.windows.net/assets/7ea38b60-3033-42a6-9589-71134f4229f4/GlobalEVOutlook2025.pdf">https://iea.blob.core.windows.net/assets/7ea38b60-3033-42a6-9589-71134f4229f4/GlobalEVOutlook2025.pdf</a>
<a href="https://www.recurrentauto.com/research/used-electric-vehicle-buying-report">Used Electric Car Prices &amp; Market Report — Q3 2025</a>	<a href="https://www.recurrentauto.com/research/used-electric-vehicle-buying-report">https://www.recurrentauto.com/research/used-electric-vehicle-buying-report</a>
<a href="https://pluginamerica.org/survey/2025-ev-driver-survey/">2025 EV Driver Survey</a>	<a href="https://pluginamerica.org/survey/2025-ev-driver-survey/">https://pluginamerica.org/survey/2025-ev-driver-survey/</a>
<a href="https://afdc.energy.gov/vehicles/electric-emissions-sources">Data Sources and Assumptions for the Electricity Sources and Fuel-Cycle Emissions Tool</a>	<a href="https://afdc.energy.gov/vehicles/electric-emissions-sources">https://afdc.energy.gov/vehicles/electric-emissions-sources</a>
<a href="https://evinfo.net/2025/10/2026-will-be-the-year-of-the-used-ev-says-recurrent-ceo/">2026 Will Be the 'Year of the Used EV,' Says Recurrent CEO</a>	<a href="https://evinfo.net/2025/10/2026-will-be-the-year-of-the-used-ev-says-recurrent-ceo/">https://evinfo.net/2025/10/2026-will-be-the-year-of-the-used-ev-says-recurrent-ceo/</a>
<a href="https://www.edmunds.com/car-news/edmunds-q3-2025-insights-used-car-report.html">Used Cars Are Linger on Lots as Prices Climb, But EVs Are Moving Fast</a>	<a href="https://www.edmunds.com/car-news/edmunds-q3-2025-insights-used-car-report.html">https://www.edmunds.com/car-news/edmunds-q3-2025-insights-used-car-report.html</a>

## Rules summary

As OAR 166-500-0030(1)(e) requires, the following are included to provide a brief summary of the proposed new rules and existing rules affected by this rulemaking.

### OAR chapter 340, division 270

Rule Number	Rule Title	Explanation
<a href="#"><u>340-270-0030</u></a>	Definitions and Abbreviations	Update outdated citations and process references, clarify vehicle definitions and add new definitions
<a href="#"><u>340-270-0100</u></a>	Vehicles Eligible for Zero-Emission Vehicle Standard Rebates	Clarify vehicle eligibility
<a href="#"><u>340-270-0110</u></a>	Amount of Zero-Emission Vehicle Standard Rebates	Decrease Standard Rebate amounts
<a href="#"><u>340-270-0120</u></a>	Requirements for Zero-Emission Vehicle Standard Rebates	Clarify the requirements for Standard Rebates and the application review process. Limit the number of Standard Rebates for individuals.

<b>Rule Number</b>	<b>Rule Title</b>	<b>Explanation</b>
<a href="#"><u>340-270-0200</u></a>	Application Review Process	Clarify the application review process
<a href="#"><u>340-270-0400</u></a>	Charge Ahead Program	Clarify vehicle references
<a href="#"><u>340-270-0410</u></a>	Vehicles Eligible for the Charge Ahead Program	Clarify vehicle references and eligibility
<a href="#"><u>340-270-0420</u></a>	Amount of Charge Ahead Program Rebate	Decrease the Charge Ahead Rebate amount for used vehicles
<a href="#"><u>340-270-0430</u></a>	Requirements for Charge Ahead Program Rebates	Clarify applicant and rebate eligibility and the rebate review process. Limit the number Charge Ahead Rebates for individuals
<a href="#"><u>340-270-0600</u></a>	Vehicles Qualifying for Zero-Emission Medium- and Heavy-Duty Vehicle Rebates	Clarify eligibility
<a href="#"><u>340-270-0620</u></a>	Overview of ZERO Fleet Rebate Process	Enable rebate reservation flexibility
<a href="#"><u>340-270-0660</u></a>	Conditions to Award of Rebate Funds	Clarify application review and eligibility requirements
<a href="#"><u>340-270-0670</u></a>	Post-Rebate Conditions	Clarify DEQ review process
<a href="#"><u>340-270-0680</u></a>	Vehicle Ownership Provisions and Refund Obligations	Clarify DEQ review process for ineligible applications

# Fee analysis

This rulemaking does not involve fees.

## Statement of fiscal and economic impact

### Fiscal and economic impact

The proposed rules are not anticipated to create significant negative economic impacts for any entity. The proposed OCVRP amendments limit the number of individual rebates one can receive, consider adjusting rebate amounts for OCVRP, enhance clarity and update program processes that currently cite outdated sources. The ZERO Fleet amendments clarify vehicle eligibility, update the application review process, and encourage price competition for vehicle sales.

The rebate programs provide a financial benefit to vehicle and equipment dealers and manufacturers because the supplemental rebates are likely to increase sales. The rules would continue to benefit private and public entities that seek to purchase or lease eligible vehicles. The rules would also continue to benefit the public by decreasing the cost of zero-emission vehicles. The rebate programs provide direct financial incentives for these purchases, creating a positive economic impact.

While the potential OCVRP rebate adjustments could decrease individual rebate amounts, which could impact affordability, the rules aim to conserve funding, which may enable the program to remain open longer each year and allow more individuals to take advantage of the rebate.

The proposed adjustments to the ZERO Fleet program are designed to ensure that funding is directed toward the fleet vehicles that the legislature intended to support, based on committee discussions regarding the scope of a rebate program for Medium- and Heavy-Duty vehicles. The core goal is to reduce diesel emissions in Oregon by accelerating the adoption of electric medium- and heavy-duty vehicles as alternatives to traditional diesel-powered engines. These changes would help target funding more effectively—prioritizing areas most affected by diesel pollution—and ultimately contribute to cleaner air and healthier communities across the state.

DEQ anticipates the fiscal impact to continue to be a net positive, as rebates will continue to be issued and thereby decrease the costs for eligible zero-emission vehicle purchase and leases, and will be available to more individuals. This in turn will reduce the costs to the state associated with air pollution and greenhouse gases. For example, recent analysis of the Charged Ahead Rebates funded by the EPA's CERTA grant showed that, on average, each vehicle rebated by OCVRP decreased GHG emissions by about 38 MT. In addition, the 1,841 OCVRP Charge Ahead Rebates issued earlier this year as part of the EPA's CERTA grant have an overall estimated health savings of between \$439,000 and \$839,000 dollars in Oregon, including an estimated \$9,400 on asthma alone.

# Statement of cost of compliance

## State agencies

DEQ does not expect the proposed OCVRP or ZERO Fleet rule changes to have a significant fiscal impact on state agencies. The rules propose amendments for financial sustainability and clarity and do not include additional requirements of state agencies. State agencies could benefit from the rebate programs, if they purchase or lease eligible vehicles and apply for the rebates, and they do not face any fiscal or economic impacts from the proposed rules. There is a small fiscal cost to DEQ to administer the program, and the ZERO Fleet rules are adding additional rebate application review steps to ensure fiscal accountability.

## Local governments

These rules do not impose regulations and there is not a requirement to participate in OCVRP or the ZERO Fleet Rebate program. Local Government participants affected by this rule are choosing to participate in the rebate program.

DEQ does not expect the proposed OCVRP or ZERO Fleet rule changes to have a significant fiscal impact on local governments. The rules propose amendments for financial sustainability and clarity and do not include additional requirements of local governments. Local governments could benefit from the rebate programs if they purchase or lease eligible vehicles and apply for the rebates, and they do not face any direct fiscal or economic impacts from the proposed rules.

## Public

These rules do not impose regulations and there is no requirement to participate in OCVRP or the ZERO Fleet Rebate program. Rebate participants affected by this rule would be choosing to participate in the rebate program.

For those that choose to participate, the rebate programs provide direct financial incentives for the purchase or lease of zero-emission vehicles, creating a positive economic impact and air quality benefit for the public. People will realize a fiscal benefit from improved health outcomes due to better air quality from rebate funded projects. Proposed rules do not regulate or impact the public beyond the anticipated improvement in air quality associated with increased transition from gas and diesel vehicles to zero-emission vehicles encouraged by the rebate programs.

## OCVRP

While the potential OCVRP rebate adjustments could decrease individual rebate amounts, which could impact affordability, the rule aims to conserve funding, which may enable the program to remain open longer each year and allow more individuals to take advantage of the rebate. The decreased rebate amounts will also result in more individual vehicle rebates, increasing the number of individuals that are able to participate and an increase in the number zero-emission vehicles contributing to air quality improvements.

## ZERO Fleet

The proposed updates to the ZERO Fleet rule are intended to improve program clarity, minimize the risk of public funds misuse, and give purchasers the ability to compare prices with a rebate

voucher in hand before committing to a sale. This added transparency is expected to encourage more competitive pricing and help counter price inflation in the medium- and heavy-duty zero-emission vehicle market. If adopted, these changes would strengthen participant confidence, protect public investments, and support Oregon businesses, non-profits, and government entities in securing better value.

## **Large businesses - businesses with more than 50 employees**

There are no businesses or industries subject to the proposed rules because the rules do not impose any requirements on parties who do not wish to participate in the program. Businesses or industries that are likely to be impacted by the proposed rules are those that manufacture or sell automobiles, or those that apply to for a rebate.

Large businesses would not incur any mandatory compliance costs as a result of the proposed OCVRP or ZERO Fleet rules because the proposed rules do not impose any requirements on parties who do not wish to participate in the program. Under the program rules large businesses would be eligible to apply for rebate funding to lease and purchase new zero-emission vehicles. Businesses that apply for rebate funding would be responsible for the costs of preparing and applying and submitting annual reports.

Large business automobile manufacturers and car dealerships, such as those that manufacture or sell electric vehicles eligible for the rebate programs, could be affected by increased sales or leases, which could result in a positive fiscal impact. Large business automobile manufacturers and car dealerships that manufacture or sell cars other than electric vehicles eligible for a rebate could be affected by decreased sales or leases of non-rebated cars, if buyers or lessees opted to purchase rebate-eligible vehicles because of the added financial incentive provided by rebates. This could result in a negative fiscal impact for these manufacturers and dealerships.

## **Small businesses – businesses with 50 or fewer employees**

Small businesses' cost to comply with the proposed rules is anticipated to be identical to costs described above for large businesses.

### **ORS 183.336 - Cost of Compliance for Small Businesses**

#### **a. Estimated number of small businesses and types of businesses and industries with small businesses subject to proposed rule.**

Using recent employment data, DEQ identified up to 2,216 truck transportation businesses potentially affected by the ZERO Fleet section of this rule. Other sectors likely to benefit from available rebate funding include 368 couriers and messengers and up to 318 transit and ground passenger transportation businesses. DEQ also identified 302 new car dealers and 288 used car dealers potentially affected by the OCVRP section of this rule. All these businesses will continue to see the benefits associated with the rebate programs, if they choose to apply for rebate funding.

#### **b. Projected reporting, recordkeeping and other administrative activities, including costs of professional services, required for small businesses to comply with the proposed rule.**



Businesses that apply for ZERO Fleet Rebate funding would continue to be responsible for the costs of preparing and applying and submitting annual reports. DEQ estimates these costs would be minimal, a total of less than two hours of staff time, and would occur for those businesses that choose to purchase or lease new medium- and heavy-duty zero-emissions vehicles and apply for a ZERO Fleet Rebate for their fleets. Those costs may be offset in whole or in part by any rebates received. No additional activities are required to comply with the proposed Oregon Clean Vehicle Rebate Program rules.

**c. Projected equipment, supplies, labor and increased administration required for small businesses to comply with the proposed rule.**

The proposed OCVRP and ZERO Fleet rules would not require any additional resources for small businesses to comply.

**d. Describe how DEQ involved small businesses in developing this proposed rule.**

DEQ included small business representatives on the Rule Advisory Committee that made recommendations to DEQ on the cost of compliance for small businesses, and this statement incorporates those recommendations. DEQ also provided rulemaking notice through the Oregon Trucking Association, Professional Business Development Group, Columbia Willamette Clean Cities Coalition, and Breaking Barriers Collaborative. These associations include small businesses as part of their membership.

## Documents relied on for fiscal and economic impact

Document title	Document location
Covered Employment and Wages (QCEW) Oregon, 2024 Annual	<a href="#">Link to the 2024 report</a>

## Advisory committee fiscal review

DEQ appointed an advisory committee.

As ORS 183.333 requires, DEQ asked for the committee's recommendations on:

- Whether the proposed rules would have a fiscal impact,
- The extent of the impact, and
- Whether the proposed rules would have a significant adverse impact on small businesses; if so, then how DEQ can comply with ORS 183.540 reduce that impact.

The committee reviewed the draft fiscal and economic impact statement and its findings are stated in the approved minutes dated Dec 1, 2025.

The committee members supported DEQ's fiscal impact statement, finding no significant impact on small businesses or other affected stakeholders. The committee members determined the proposed rules would not have a significant adverse impact on small businesses in Oregon.

## Housing cost

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 rules would have no effect on the development costs because they make amendments to rules that provide rebates to the public, and commercial and public fleet's zero-emission vehicles. The rebate revenue reduces the purchase price of vehicles and the incentive amount is unlikely to influence development costs in any way.

## Racial equity

ORS 183.335(2)(a)(F) requires state agencies to provide a statement identifying how adoption of this rule will affect racial equity in this state.

Staff anticipate limited to no impacts to racial equity in the state resulting from the proposed amendments. The proposed OCVRP amendments limit the number of individual rebates one can receive, adjust rebate amounts for OCVRP and update program processes that currently cite outdated sources. The ZERO Fleet amendments clarify which vehicles are eligible for the rebate and further define the meaning of "Fleet Vehicles" in the medium- and heavy-duty weight classes.

The potential OCVRP rebate adjustments could decrease individual rebate amounts, which could impact affordability, however, the rule aims to conserve funding, which may enable both programs to remain open longer and support more individuals participating in the program and increase EV accessibility. In Oregon, data shows that Black, Indigenous, and People of Color (BIPOC) are more likely to have low- and moderate-incomes than other groups. If the Charge Ahead Rebate Program, which is available to low- and moderate-income households, can remain open longer and issue more individual rebates, the rules could enhance racial equity. Increasing accessibility to EVs helps to ensure that BIPOC communities are not left behind in acquiring cleaner modes of transportation, potentially reducing their vulnerability to fossil fuel price increases and reducing air pollution within their communities.

The proposed adjustments to the ZERO Fleet program are designed to ensure that funding is directed toward the fleet vehicles the legislature intended to support, allow DEQ to monitor for misuse, and help purchasers get the best price for their vehicles. The core goal is to reduce diesel emissions in Oregon by accelerating the adoption of electric medium- and heavy-duty vehicles as alternatives to traditional diesel-powered engines. These changes would help target and preserve funding more effectively—prioritizing areas most affected by diesel pollution—and ultimately contributing to cleaner air and healthier communities across the state. By prioritizing funding for fleet vehicles, safeguarding public resources, and encouraging market competition to help drive down costs, the ZERO Fleet program is designed to maximize its impact on air quality across Oregon—particularly in communities disproportionately burdened by diesel emissions. Many of these communities are home to BIPOC residents who have historically faced higher exposure to pollution, in part due to systemic inequities in urban planning. In the past, major highways were often routed directly through established BIPOC neighborhoods, placing the environmental and health burdens of transportation infrastructure on marginalized populations. This legacy continues to shape disparities in air quality and public health today.

# Environmental justice considerations

ORS 182.545 requires natural resource agencies to consider the effects of their actions on environmental justice issues.

## Environmental justice analysis

Environmental justice is the fair treatment and meaningful involvement of all people regardless of race, color, national origin, culture, education or income with respect to the development, implementation and enforcement of environmental laws, regulations and policies. DEQ is committed to incorporating environmental justice best practices into its programs and decision-making, to ensure all people in Oregon have equitable environmental and public health protections.

DEQ considered these effects by building a Rule Advisory Committee that represents diverse interests and groups and seeking input from those impacted.

Staff recognize that emissions from vehicles disproportionately impact some communities more than others. Those communities are typically lower income and have more people that identify as black, indigenous and people of color.

Zero-emission vehicles typically cost more than conventional gas-powered vehicles, creating a barrier to ownership. The Oregon Clean Vehicle Rebate Program is required to allocate at least 20% of funds to Charge Ahead Rebates for low- and moderate-income households. Some of the proposed rule changes could help this portion of the program stay open longer by conserving funds, thereby expanding access to EVs and reducing air pollution in applicants' communities. However, lowering Charge Ahead Rebate amounts may limit who can afford an EV and participate in the program.

The Zero-Emissions Rebates for Oregon Fleets program is mandated to allocate 40% of state funding for medium- and heavy-duty vehicle rebates to communities disproportionately impacted by diesel pollution. The proposed rule changes are designed to ensure that these funds are directed toward reducing diesel emissions in the vehicle classes for which they are intended. This targeted approach will help deliver meaningful air quality improvements for communities located near major transportation corridors, such as highways, where medium- and heavy-duty trucks predominantly operate.

Staff included representatives from those impacted by the proposed rules on the Rule Advisory Committee. Staff reached out to environmental and clean air advocacy organizations as well as advocacy organizations for communities of color during the rulemaking process to:

- Provide background information
- Describe rule concepts
- Request, listen and incorporate their feedback
- Respond to questions.

# Land use

## Land-use considerations

In adopting new or amended rules, ORS 197.180 and OAR 340-018-0070 require DEQ to determine whether the proposed rules significantly affect land use. If so, DEQ must explain how the proposed rules comply with state wide land-use planning goals and local acknowledged comprehensive plans.

Under OAR 660-030-0005 and OAR 340 Division 18, DEQ considers that rules affect land use if:

- The statewide land use planning goals specifically refer to the rule or program, or
- The rule or program is reasonably expected to have significant effects on:
- Resources, objects, or areas identified in the statewide planning goals, or
- Present or future land uses identified in acknowledge comprehensive plans

DEQ determined whether the proposed rules involve programs or actions that affect land use by reviewing its Statewide Agency Coordination plan. The plan describes the programs that DEQ determined significantly affect land use. DEQ considers that its programs specifically relate to the following statewide goals:

Goal	Title
5	Natural Resources, Scenic and Historic Areas, and Open Spaces
6	Air, Water and Land Resources Quality
11	Public Facilities and Services
16	Estuarine Resources
19	Ocean Resources

Statewide goals also specifically reference the following DEQ programs:

- Nonpoint source discharge water quality program – Goal 16
- Water quality and sewage disposal systems – Goal 16
- Water quality permits and oil spill regulations – Goal 19

## Determination

DEQ determined that these proposed rules do not affect land use under OAR 340-018-0030 or DEQ's State Agency Coordination Program.

## **EQC prior involvement**

DEQ has not provided a specific update to the EQC focused on this proposed rule revision. However, DEQ has regularly provided updates to the EQC on overall program implementation and status, and an informational item is scheduled for the March 2026 EQC meeting to present an overview of the program and the proposed rule changes.

# Advisory committee

## Background

DEQ convened the EV Rebates 2026 advisory committee. The Rule Advisory Committee included representatives of affected communities, including vehicle manufacturers, dealers and industry groups, purchasers of new and used eligible vehicles, vehicle fleets, environmental and community-based organizations, EV associations, a rural conservation and development council, the City of Portland and the public. The committee met twice, once in November 2025 and once in December 2025, and considered the policy, fiscal and economic impact of the proposed rules on the business or organization they represent. The committee's web page is located at: [Department of Environmental Quality : EV Rebates 2026 : Rulemaking at DEQ : State of Oregon](#)

The committee members were:

Name	Representing
Steve Douglas	Alliance of Automotive Innovation
Ingrid Fish	City of Portland, BPS
Brett Morgan	Climate Solutions
Chris Chandler	Emerald Valley Electric Vehicle Association
Don Emerson	FMI Trucks
Stu Green	Forth
Michael Scheloske	GM
Sandra Jones	Metropolitan Family Services
Greg Remensperger	Oregon Auto Dealers Association
Kristopher Fortin	Oregon Environmental Council
Ken Hoffman	Oregon EV Association
Diane Sparks	Oregon Independent Auto Dealers Association
Mark Gibson	Oregon Trucking Association
Eric Anderson	Pride Disposal
Edgar Sánchez	Private Citizen
Michael Graham	Sapien
Wayne Hammond	TEC
Neil Baunsgard	The Environmental Center
Robert Wallace	Wy'east Resource Conservation and Development Council

## Meeting notifications

To notify people about the advisory committee's activities, DEQ:

- Sent GovDelivery bulletins, a free e-mail subscription service, to the following lists:

- Rulemaking
- DEQ Public Notices
- Low-Emission/Zero-Emission Vehicle Program
- Oregon Clean Vehicle Rebate Program
- Posted meeting information and materials on the rulemaking web page
- Added advisory committee announcements to DEQ's calendar of public meetings at [DEQ Calendar](#).

## Committee discussions

In addition to the recommendations described under the Statement of Fiscal and Economic Impact section above, the committee discussed and provided key input on OCVRP rebate adjustments and rebate limits and ZERO Fleet Rebate Program vehicle eligibility and rebate reservation and review processes.

A summary of the OCVRP discussion includes:

- Openness to rebate level adjustments to increase financial sustainability, with an interest in ensuring those that need the rebate the most were prioritized.
- Most RAC members supported a moderate decrease to the Standard Rebate and a fractional rebate for the Charge Ahead Rebate for used vehicles.
- An interest in limiting the number of individual rebates, but maintaining some ability for individuals to apply more than once over the lifetime of the program
- Support in clarifying definitions, especially in ways that would ensure the used vehicles rebated by the program are reliable for the applicants throughout the required 24-month ownership period
- Interest in a rebate reservation system, or another process that would allow the program to remain open year-round, but want to ensure the process is accessible and that unused rebate funds would quickly move back into the program for new reservations

A summary of the ZERO Fleet Rebate Program discussion includes:

- Most RAC members expressed support for implementing a vehicle eligibility list, while seeking clarity on the decision-making process for adding vehicles.
- Members agreed to allow Purchasers an additional six-month window to receive and register their zero-emission vehicles.
- There was interest in the program's launch timeline and questions about the duration of the development process for medium- and heavy-duty rebates.
- Members asked about the maximum number of rebates a Purchaser can receive.
- Questions arose regarding manufacturer requirements and the necessary infrastructure to support heavy-duty EVs.
- Members showed interest in permitting used vehicles to qualify for ZERO Fleet rebates in the future as more medium- and heavy-duty EVs enter the market.

# Public engagement

## Public notice

DEQ provided notice of the proposed rulemaking and rulemaking hearing by:

- On Jan. 20, 2026, filing notice with the Oregon Secretary of State for publication in the February 2026 Oregon Bulletin;
- Posting the notice, invitation to comment and draft rules on the [rulemaking web page](#).
- Emailing approximately 24,995 interested parties on the following DEQ lists through GovDelivery:
  - Rulemaking
  - DEQ Public Notices
  - Low Emission/Zero-Emission Vehicle Program
  - Oregon Clean Vehicle Rebate Program
  - Diesel/Biodiesel
  - Diesel Emissions Identification Program
  - VW Settlement Funds
  - Greenhouse Gas Programs
  - VIP
- Emailing the following key legislators required under [ORS 183.335](#):
  - Senator Chris Gorsek,
  - Chair Senate Transportation Committee
  - Representative Susan McLain, Chair, House Transportation Committee
- Emailing advisory committee members
- Posting on the [DEQ event calendar](#)
- DEQ also provided rulemaking notice through the Oregon Trucking Association, Professional Business Development Group, Columbia Willamette Clean Cities Coalition, and Breaking Barriers Collaborative.

## How to comment on this rulemaking proposal

DEQ is asking for public comment on the proposed rules. Anyone can submit comments and questions about this rulemaking. A person can submit comments by email, mail or at the public hearing.

- **Email:** Send comments by email to: [EVRebates.2026@DEQ.oregon.gov](mailto:EVRebates.2026@DEQ.oregon.gov)
- **Postal mail:** Oregon DEQ, Attn: Erica Timm, 700 NE Multnomah St., Room 600, Portland, OR 97232-4100
- **At public hearing:** 1 p.m. (PST) on Wednesday, Feb. 18, 2026, **or** 6 p.m. (PST) on Monday, Feb. 23, 2026

## Comment deadline

DEQ will only consider comments on the proposed rules that DEQ receives by **4 p.m. (PST), on Wednesday, Feb. 25, 2026**.



## Note for public university students:

ORS 192.345(29) allows Oregon public university and OHSU students to protect their university email addresses from disclosure under Oregon's public records law. If you are an Oregon public university or OHSU student, notify DEQ that you wish to keep your email address confidential.

## Public hearing

ORS 183.335(1); 468.020(2) [Public Hearings](#)  
DEQ plans to hold two public hearing(s).

**The public hearings are virtual only.**

Anyone can attend a hearing by webinar or teleconference.

Date: **Wednesday, Feb. 18, 2026**  
Start time: 1 p.m. (PST)  
Teleconference phone number: **+1 503-446-4951**  
Participant code: **331 472 841#**  
Webinar link: [Join via Teams](#)  
Meeting ID: **277 640 586 168 37**

Or

Date: **Monday, Feb. 23, 2026**  
Start time: 6 p.m. (PST)  
Teleconference phone number: **+1 503-446-4951**  
Participant code: **580 378 843#**  
Webinar link: [Join via Teams](#)  
Meeting ID: **279 204 235 830 1**

[Instructions on how to join webinar.](#)

DEQ will consider all comments and testimony received before the closing date. DEQ will summarize all comments and respond to comments in the Environmental Quality Commission staff report.

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## Non-discrimination statement

DEQ does not discriminate on the basis of race, color, national origin, disability, age, sex, religion, sexual orientation, gender identity or marital status in the administration of its programs and activities.

For translation or other formats, visit DEQ's [Civil Rights and Environmental Justice page](#).

# Draft rules – edits highlighted

## Key to identifying changed text:

~~Deleted Text~~

New/inserted text

### Division 270 ZERO-EMISSION AND ELECTRIC VEHICLE REBATES

#### 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) “Base manufacturer’s suggested retail price” or “base MSRP” means the lowest retail prices suggested by the manufacturer for a given model of a new motor vehicle. The base MSRP does not include the price of optional accessories or equipment, destination charges, or dealership add-ons. The base MSRP model must be available for sale and purchase.

(3) “Charge Ahead rebate” means a rebate for the purchase or lease 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.

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

(5) “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) For motor vehicles as defined in OAR 340-270-0030(9)(d)(A) and (C) and (15), and for a motor vehicle as defined in OAR 340-270-0030(9)(d)(B) that was purchased or leased prior to

January 1, 2022, has a base manufacturer's suggested retail price of less than \$50,000. The manufacturer must have the base MSRP model available for sale and purchase;

(f) For a light-duty zero emission vehicle as defined in 340-270-0030(9)(d)(B), that was purchased or leased on or after January 1, 2022, has a base manufacturer's suggested retail price of less than \$60,000. The manufacturer must have the base MSRP model available for sale and purchase;

(g) 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

(h) 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.

(6) "Heavy-duty zero-emission vehicle" means an on-road vehicle with a manufacturer's Gross Vehicle Weight Rating greater than 26,000 pounds with a drivetrain that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions.

(7) "Household" means an individual living alone, a family with or without children, or a group of individuals who are living together as one economic unit.

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

(9) "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.

(10) "Low-income service provider" means an organization that provides health, dental, social, financial, energy conservation or other assistive services to low or moderate income households

in Oregon. A low-income service provider must be registered as a 501(c)(3) organization based in Oregon at the time the eligible vehicle is purchased or leased.

(11) “Low income household” means an individual or a household with income less than or equal to 50 percent of the area median income.

(12) “Medium duty zero emissions vehicle” means an on-road vehicle with a manufacturer's Gross Vehicle Weight Rating 8,501-26,000 pounds with a drivetrain that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions.

(13) “Moderate income household” means an individual or a household with income less than or equal to 80 percent of the area median income.

(14) “Motor vehicle” has the meaning given that term in ORS 801.360.

(15) “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 or 1962.4 to show a vehicle meets these specifications.

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

(17) “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) 1961.2 or 1961.4;

(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.

(18) "Purchase date" means the day that the purchase and sales agreement is signed.

(19) "Qualifying household" means a household with income that does not exceed 400 percent of federal poverty guidelines.

(20) "Qualifying vehicle" means a motor vehicle, as defined in ORS 801.360, or a combination of vehicles operated as a unit, that:

(a) Has a gross vehicle weight rating of 8,501 pounds or greater;

(b) Has a drivetrain that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions;

(c) Is included on DEQ's Eligible Vehicle List.

(21) "Rebate" means a return of a part of a payment to purchase or lease a vehicle.

(22) "Total vehicle cost" means the base price of the vehicle, additional features, and packages (including but not limited to battery upgrades, autonomous upgrades, wheel and tire packages, paint options, and audio and infotainment system). It does not include any OEM or dealership discounts, applicable taxes, title, license or registration fees, vehicle pre-order or ordering fees, document processing fees or additional maintenance, warranty or repair packages purchased from the dealership.

(23) "Used electric vehicle" means a light-duty zero-emission or plug-in hybrid electric vehicle that:

(a) Would have been eligible:

(A) 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(5)(a)(A).

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

(c) Has not been declared a "totaled" vehicle or a "total loss" or have a salvage title;

(d) If a light-duty zero emission vehicle, is able to travel 75 miles or more using only electricity;  
or

(e) If a plug-in hybrid electric vehicle, will continue to be within the warranty period of at least 15 years and 150,000 miles on emission control components for the required 24 months an applicant must maintain ownership and Oregon registration.

(24) “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).

(25) “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 may request and consider the following documentation to determine whether a motorcycle meets these specifications :

(A) Successful completion of the most current California Zero-Emission Motorcycle Evaluation Procedure, as defined in the Purchase Incentive Programs Implementation Manual for Manufacturers of Zero-Emission Motorcycles (Aug. 1, 2025) or an evaluation procedure determined by DEQ to be comparable to those procedures upon the written approval of DEQ ; 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.

(26) “Zero Emission Rebates for Oregon Fleets - ZEROFleet” means Oregon DEQ’s incentive program providing rebates for the purchase or lease of zero emissions medium and heavy-duty vehicles in OAR 340-270-0030 and OAR 340-270-0600 through OAR 340-270-0700.

(27) "Zero-emission vehicle" means a motor vehicle that that is certified to zero-emission standards in California Code of Regulations, Title 13, section 1956.8, 1962, 1962.1, 1962.2, 1962.4 and 2195.1.

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

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157, House Bill 4059 (2018), Sec. 18-21 & 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, House Bill 2592 (2019), Sec. 35-37 & , 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

**History:**

DEQ 18-2025, minor correction filed 07/15/2025, effective 07/15/2025

DEQ 15-2024, amend filed 09/30/2024, effective 09/30/2024

DEQ 6-2022, amend filed 05/19/2022, effective 05/19/2022

DEQ 19-2021, temporary amend filed 11/17/2021, effective 01/01/2022 through 06/29/2022

DEQ 2-2020, amend filed 01/24/2020, effective 01/24/2020

DEQ 21-2019, temporary amend filed 09/27/2019, effective 09/29/2019 through 03/26/2020

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**

(1) To qualify for a standard rebate, a motor vehicle must:

(a) Qualify as an eligible vehicle, as defined in OAR 340-270-0030(5); and

(b) 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.

(2) Notwithstanding subsection (1), a motor vehicle that otherwise qualifies for a standard rebate cannot receive a standard rebate if it has received a Charge Ahead Rebate or been rebated by the Zero Emission Rebates for Oregon Fleets program, as established in OAR 340-270-0030 and OAR 340-270-0600 through OAR 340-270-0700.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157, House Bill 4059 (2018), Sec. 18-21 & 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, House Bill 2592 (2019), Sec. 35-37 & 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

**History:**

DEQ 19-2025, minor correction filed 07/15/2025, effective 07/15/2025

DEQ 15-2024, amend filed 09/30/2024, effective 09/30/2024

DEQ 6-2022, amend filed 05/19/2022, effective 05/19/2022

DEQ 2-2020, amend filed 01/24/2020, effective 01/24/2020

DEQ 21-2019, temporary amend filed 09/27/2019, effective 09/29/2019 through 03/26/2020

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:

(a) For eligible vehicles purchased or leased prior to May 19, 2026, is \$2,500.

(b) For eligible vehicles purchased or leased on or after May 19, 2026:

(A) \$2,000 for the purchase or lease of a new light-duty zero-emission vehicle; or

(B) \$1500 for the purchase or lease of a new plug-in hybrid electric vehicle.

(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:

(a) For vehicles purchased or leased prior to May 19, 2026, is \$1,500.

(b) For vehicles purchased or leased on or after May 19, 2026 is \$750.

(3) The amount of the rebate for eligible neighborhood electric vehicles :

(a) For vehicles purchased or leased prior to May 19, 2026, is \$750.

(b) For vehicles purchased or leased on or after May 19, 2026 is \$375.

(4) The amount of the rebate for eligible zero-emission motorcycles :

(a) For vehicles purchased or leased prior to May 19, 2026, is \$750.

(b) For vehicles purchased or leased on or after May 19, 2026 is \$375.

(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.

(6) In the event that the allocated funds in the Zero Emission Incentive Fund reach less than \$6 million when accounting for any existing balance and anticipated funding for that year, DEQ will evaluate the program's compliance with 340-270-0500. If DEQ forecasts it will not meet the targets in 340-270-0500, it will initiate a temporary rulemaking to decrease the Standard Rebate amount.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157, House Bill 4059 (2018), Sec. 18-21 & 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, House Bill 2592 (2019), Sec. 35-37 & 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

**History:**

DEQ 6-2022, amend filed 05/19/2022, effective 05/19/2022

DEQ 2-2020, amend filed 01/24/2020, effective 01/24/2020

DEQ 21-2019, temporary amend filed 09/27/2019, effective 09/29/2019 through 03/26/2020

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 standard 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;

(d) Is an Oregon resident; and

(e) Did not purchase or lease an eligible vehicle at a time when DEQ had suspended the program.

(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 as required by 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 2 years.

(7) A person shall not submit an application for a vehicle for both a standard rebate and for a rebate under the Zero Emission Rebates for Oregon Fleets program, as established in OAR 340-270-0030 and OAR 340-270-0600 through OAR 340-270-0700. If potentially eligible for both a standard rebate and a rebate under the Zero Emissions Rebates for Oregon Fleets program, the person can choose which rebate to apply for, if any.

(8) A person shall not submit an application for a vehicle for both a Standard Rebate and for a Charge Ahead Rebate. If potentially eligible for both a Standard Rebate and a Charge Ahead Rebate, the person can choose which rebate to apply for, if any.

(9) Beginning May 19, 2026, an individual that applies for a rebate is limited to a total of two (2) rebates and cannot receive any additional rebates. If an individual has already received two (2) or more rebates as of May 19, 2026, they are not eligible for any additional rebates.

(10) DEQ may, at any time, request any additional information to determine compliance with program requirements, including, without limitation, any additional vehicle, purchaser, and dealer documentation and photos.

(11) If the department determines that the vehicle, purchaser, or dealer were or becomes ineligible for the rebate or that the purchaser or dealer has failed to comply with applicable requirements, including any of the program rules, DEQ may require the recipient to refund all or a portion of the rebate award and may impose penalties pursuant to ORS 468.140.

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

**History:**

DEQ 15-2024, amend filed 09/30/2024, effective 09/30/2024

DEQ 2-2020, amend filed 01/24/2020, effective 01/24/2020

DEQ 21-2019, temporary amend filed 09/27/2019, effective 09/29/2019 through 03/26/2020

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 as provided in OAR 340-270-0200(2), or 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) In the event that funding for rebate payments from the Zero Emission Incentive Fund is exhausted, DEQ will:

(a) Cease acceptance of new applications at least 30 days prior to the anticipated exhaustion of funds. Any purchases or leases made during the period DEQ ceases acceptance are not eligible for the rebate. Only applicants with existing applications submitted to DEQ at the time funds are exhausted will be eligible to receive payment; and

(b) When program funds are replenished DEQ will first process any applications that were submitted prior to DEQ's cessation of acceptance of new applications but that were not issued a rebate because funds were exhausted. Once DEQ resumes accepting new applications, DEQ will prioritize processing of Charge Ahead Rebate applications. DEQ will resume processing applications as stated in OAR 340-270-0200(1) after 20 percent of program funding is distributed to Charge Ahead applicants. If DEQ has not reached the 20 percent threshold 3 months after DEQ resumes application processing, then DEQ will resume processing as stated in OAR 340-270-0200(1).

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

(4) 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 30 days of its request, DEQ may reject the application.

(5) 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 or by emailing OCVRPAppeals@deq.oregon.gov delivered within 60 days of DEQ's written rejection; and

(c) Submitting the explanation to the person specified on the letter rejecting the application.

(6) 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 & 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, House Bill 2592 (2019), Sec. 35-37 & 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

**History:**

DEQ 6-2022, amend filed 05/19/2022, effective 05/19/2022

DEQ 2-2020, amend filed 01/24/2020, effective 01/24/2020

DEQ 21-2019, temporary amend filed 09/27/2019, effective 09/29/2019 through 03/26/2020

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

### **340-270-0400**

#### **Charge Ahead Program**

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

(2) The Charge Ahead Program will provide rebates only for the purchase or lease of new eligible vehicles or used electric vehicles that meet the requirements of OAR 340-270-0410 if the purchaser:

(a) For vehicles purchased or leased prior to January 1, 2022, was from a low or moderate-income household during the year the vehicle was purchased or leased; or

(b) For vehicles purchased or leased on or after January 1, 2022, is from a qualifying household or is a low-income service provider 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 & 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, House Bill 2592 (2019), Sec. 35-37 & 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

#### **History:**

DEQ 6-2022, amend filed 05/19/2022, effective 05/19/2022

DEQ 19-2021, temporary amend filed 11/17/2021, effective 01/01/2022 through 06/29/2022

DEQ 2-2020, amend filed 01/24/2020, effective 01/24/2020

DEQ 21-2019, temporary amend filed 09/27/2019, effective 09/29/2019 through 03/26/2020

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

### **340-270-0410**

#### **Vehicles Eligible for the Charge Ahead Program**

To qualify for a Charge Ahead rebate, a motor vehicle must be either a new eligible vehicle or a used electric vehicle with an electrochemical storage capacity and have a purchase or lease date on or after January 1, 2018, or a new or used plug-in hybrid electric vehicle and have a purchase or lease date on or after September 29, 2019. Vehicles receiving a Standard Rebate or rebated by the Zero Emission Rebates for Oregon Fleets program, as established in OAR 340-270-0030 and OAR 340-270-0600 through OAR 340-270-0700, are not eligible for a Charge Ahead rebate.

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

#### **History:**

DEQ 15-2024, amend filed 09/30/2024, effective 09/30/2024

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DEQ 21-2019, temporary amend filed 09/27/2019, effective 09/29/2019 through 03/26/2020

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:

(a) For vehicles purchased or leased prior to January 1, 2022, \$2,500 per vehicle or

(b) For vehicles purchased or leased on or after January 1, 2022, \$5,000 per vehicle.

(c) For vehicles purchased or leased on or after January 1, 2025:

(A) \$7,500 for the purchase or lease of a new light-duty zero-emission vehicle or plug-in hybrid electric vehicle; or

(B) \$5,000 for the purchase or lease of a used light-duty zero-emission vehicle or plug-in hybrid electric vehicle

(d) For vehicles purchased or leased on or after May 19, 2026:

(A) \$7,500 for the purchase or lease of a new light-duty zero-emission vehicle or plug-in hybrid electric vehicle; or

(B) At least \$2,500, where the total vehicle price equals at least \$2,500, and up to lesser of \$4,000 or 30% of the total vehicle price, for the purchase or lease of a used light-duty zero emission vehicle or plug-in hybrid electric vehicle.

(2) DEQ will set the rebate amounts annually. If DEQ determines that the rebate amounts should be adjusted, DEQ will engage in rulemaking to adjust the rebate amounts.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157, House Bill 4059 (2018), Sec. 18-21 & 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, House Bill 2592 (2019), Sec. 35-37 & 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

**History:**

DEQ 15-2024, amend filed 09/30/2024, effective 09/30/2024

DEQ 6-2022, amend filed 05/19/2022, effective 05/19/2022

DEQ 19-2021, temporary amend filed 11/17/2021, effective 01/01/2022 through 06/29/2022

DEQ 2-2020, amend filed 01/24/2020, effective 01/24/2020

DEQ 21-2019, temporary amend filed 09/27/2019, effective 09/29/2019 through 03/26/2020

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 Charge Ahead 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;

- (d) Is an Oregon resident;
- (e) Has not been previously owned or leased by the person or a household member;
- (f) The vehicle will be primarily used by household members; and
- (g) Did not purchase or lease an eligible vehicle at a time when DEQ had suspended the program.

(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 a vehicle that meets the requirements established in OAR 340-270-0410;
- (c) Provide sufficient information to allow DEQ to determine that:
  - (A) For vehicles purchased or leased prior to January 1, 2022, 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 household 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; or
  - (B) For vehicles purchased or leased on or after January 1, 2022, that either:
    - (i) The applicant is a member of a qualifying household during the year the vehicle was purchased or leased. DEQ will rely on documentation of an applicant's household 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 federal poverty level determinations of the U.S. Department of Health and Human Services available at the time of application; or
    - (ii) The applicant is a low-income service provider during the year the vehicle was purchased or leased. The applicant must provide documentation that demonstrates to DEQ's satisfaction that the applicant is a low-income service provider, as defined in OAR 340-270-0030(9).
- (d) Purchase or lease an eligible vehicle from a vehicle dealer or from an original equipment manufacturer, that does not have licensed franchised new automobile dealers in Oregon;
- (e) Provide proof of registration of the 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;
- (g) Provide any additional information and documentation requested by DEQ that is necessary to ascertain that the applicant qualifies for a rebate;

(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 circumvents the intent of the Charge Ahead Program, including an attestation that the person has not in the past owned or leased the vehicle 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 as required by 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) A low income service provider that applies for a rebate is limited to 10 rebates per calendar year.

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

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

(8) DEQ will conduct community outreach to qualifying households and low-income service providers, in order to:

(a) Solicit feedback on program implementation; and

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

(9) A person shall not submit an application for a vehicle for both a standard rebate and for a rebate under the Zero Emission Rebates for Oregon Fleets program, as established in OAR 340-270-0030 and OAR 340-270-0600 through OAR 340-270-0700. If potentially eligible for both a standard rebate and a rebate under the Zero Emissions Rebates for Oregon Fleets program, the person can choose which rebate to apply for, if any.

(10) A person shall not submit an application for a vehicle for both a standard rebate and for a charge ahead rebate. If potentially eligible for both a standard rebate and a charge ahead rebate, the person can choose which rebate to apply for, if any.

(11) Beginning May 19, 2026, an individual that applies for a rebate is limited to a total of two (2) rebates and cannot receive any additional rebates. If an individual has already received two (2) or more rebates as of May 19, 2026, they are not eligible for any additional rebates.

(12) DEQ may, at any time, request any additional information to determine compliance with program requirements, including, without limitation, any additional vehicle, purchaser, and dealer documentation and photos.

(13) If the department determines that the vehicle, purchaser, or dealer were or becomes ineligible for the rebate or that the purchaser or dealer has failed to comply with applicable requirements, including any of the program rules, DEQ may require the recipient to refund all or a portion of the rebate award and may impose penalties pursuant to ORS 468.140.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157, House Bill 4059 (2018), Sec. 18-21 & 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, House Bill 2592 (2019), Sec. 35-37 & 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

**History:**

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DEQ 2-2020, amend filed 01/24/2020, effective 01/24/2020

DEQ 21-2019, temporary amend filed 09/27/2019, effective 09/29/2019 through 03/26/2020

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

**340-270-0600**

**Vehicles Qualifying for Zero-Emission Medium and Heavy Duty Vehicle Rebates**

(1) To be eligible for a medium and heavy-duty vehicle rebate, a motor vehicle must be:

(a) A qualifying vehicle, as defined in 340-270-0030(20), 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(3);

(b) A new zero emission vehicle. Retrofits and repowers of existing vehicles or those already owned by the Applicant are not eligible;

(c) (3) Purchased or leased and registered within twelve months of receipt of rebate approval. An applicant may request and DEQ may approve an extension for up to an additional six months each, allowing a maximum of twelve additional months, on a form provided by DEQ. Any extension requests will be reviewed on a case-by-case basis; and;

(d) Procured from a vehicle dealer that meets program eligibility requirements.

(2) Vehicles rebated by the Oregon Clean Vehicle Rebate Program, as established in OAR 340-270-0010 through OAR 340-270-0500, are not eligible for a ZERO Fleet rebate.

**Statutory/Other Authority:** ORS 468.020 & 468.463(7)

**Statutes/Other Implemented:** ORS 468.463 & 468.469

**History:**

DEQ 20-2025, minor correction filed 07/15/2025, effective 07/15/2025

DEQ 15-2024, adopt filed 09/30/2024, effective 09/30/2024

**340-270-0620**

**Overview of ZERO Fleet Rebate Process**

(1) Purchaser selects an eligible vehicle dealer or an original equipment manufacturer that does not have licensed franchised new automobile dealers in Oregon and selects a qualifying vehicle.



(2) Purchaser and vehicle dealer prepare and submit their separate applications as required by OAR 340-270-0630 and OAR 340-270-0640, respectively, including proof of eligibility and application fee. If a vehicle dealer has already been approved, the vehicle dealer does not need to obtain a new approval unless there is a change from the prior vehicle dealer application and approval.

(3) DEQ reviews the applications as required by OAR 340-270-0650 and, if the purchaser, vehicle dealer, and vehicle are eligible and funds are available for the specific purchase, approves rebate(s) and sends the purchaser a rebate reservation approval letter.

(4) DEQ will award approved rebate funds as required by and subject to the conditions set forth in OAR 340-270-0660.

(5) The rebate recipient will remain subject to and be responsible for complying with the ongoing program requirements set forth in OAR 340-270-0670 and OAR 340-270-0680.

(6) A purchaser with an approved rebate reservation may apply the reservation toward the purchase of a qualifying vehicle from any approved vehicle dealer to obtain the best available price.

**Statutory/Other Authority:** ORS 468.020 & 468.463(7)

**Statutes/Other Implemented:** ORS 468.463 & 468.469

**History:**

DEQ 15-2024, adopt filed 09/30/2024, effective 09/30/2024

### **340-270-0660**

#### **Conditions to Award of Rebate Funds**

(1) DEQ may, at any time, request any additional information to determine compliance with program requirements, including, without limitation, any additional vehicle, purchaser, and dealer documentation and photos.

(2) DEQ will automatically reserve awarded rebate funds for twelve months from the date of the approval and will award rebate dollars when the following conditions are met:

(a) Vehicle dealer and the purchaser must execute their respective program agreements and submit all documentation to DEQ;

(b) Vehicle dealer must deliver qualifying vehicle to purchaser and purchaser must register the vehicle in Oregon; and

(c) Purchaser submits all program documentation to DEQ, including verification that vehicle is delivered and registered in Oregon.

(3) DEQ may renew rebate reservations for up to two six-month extensions if requested prior to expiration and may grant the extension based on evidence from the purchaser and vehicle dealer of a good faith efforts to deliver and register vehicle within the additional time provided.

(4) Purchaser may provide the awarded rebate to the vehicle dealer or submit the awarded rebate to DEQ for funding.

**Statutory/Other Authority:** ORS 468.020 & 468.463(7)

**Statutes/Other Implemented:** ORS 468.463 & 468.469

**History:**

DEQ 15-2024, adopt filed 09/30/2024, effective 09/30/2024

### **340-270-0670**

#### **Post-Rebate Conditions**

(1) DEQ may, at any time, request any additional information to determine compliance with program requirements, including, without limitation, any additional vehicle, purchaser, and dealer documentation and photos.

(2) 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 (2) of this rule does not apply to vehicle dealers or automobile manufacturers who receive rebate assignments as required by this section.

(3) An organization that applies for a rebate is limited to five rebates per entity per calendar year. Organizational applicants must be based in Oregon or have an Oregon-based affiliate at the time the qualifying vehicle is purchased or leased.

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

(5) In each of the three years following receipt of a rebate, rebate recipients must:

(a) Maintain records of the miles driven or hours of use for the qualifying vehicle and whether the miles driven or hours used occurred in Oregon; and

(b) Provide an annual report to DEQ to demonstrate that more than 50 percent of the miles driven or hours of use of the qualifying vehicle occurred in Oregon.

**Statutory/Other Authority:** ORS 468.020 & 468.463(7)

**Statutes/Other Implemented:** ORS 468.463 & 468.469

**History:**

DEQ 15-2024, adopt filed 09/30/2024, effective 09/30/2024

### **340-270-0680**

#### **Vehicle Ownership Provisions and Refund Obligations**

(1) If a rebate recipient sells the qualifying vehicle, fails to fulfill post rebate conditions of 340-270-0670 for which a rebate was received, or terminates the qualifying vehicle's lease, before the end of 36 months after the purchase or lease date, the rebate recipient must notify DEQ and reimburse DEQ for the rebate in a prorated amount based on the number of months that the rebate recipient owned or leased the qualifying vehicle. The prorated reimbursement amount required shall be due and payable immediately upon the sale or lease termination.

(2) If the department determines that the vehicle, purchaser, or dealer were or becomes ineligible for the rebate or that the purchaser or dealer has failed to comply with applicable requirements, including any of the program rules, DEQ may require the recipient to refund all or a portion of the rebate award and may impose penalties pursuant to ORS 468.

(3) DEQ may waive the reimbursement requirement if DEQ determines a waiver is appropriate given unforeseeable or unavoidable or other appropriate circumstances that gave rise to a need for the rebate recipient to sell the vehicle or terminate the lease before the end of the 36-month period.

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

(5) DEQ will consider the following factors in determining whether waiver is appropriate;

(a) the extent to which the rebate recipient appears to be taking advantage of or unfairly benefitting from the rebate program; or

(b) any other factors that DEQ considers appropriate.

(6) 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.

(7) 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 & 468.463(7)

**Statutes/Other Implemented:** ORS 468.463 & 468.469

**History:**

DEQ 15-2024, adopt filed 09/30/2024, effective 09/30/2024

# Draft rules – edits incorporated

## Division 270 ZERO-EMISSION AND ELECTRIC VEHICLE REBATES

### 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) “Base manufacturer’s suggested retail price” or “base MSRP” means the lowest retail prices suggested by the manufacturer for a given model of a new motor vehicle. The base MSRP does not include the price of optional accessories or equipment, destination charges, or dealership add-ons. The base MSRP model must be available for sale and purchase.

(3) “Charge Ahead rebate” means a rebate for the purchase or lease 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.

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

(5) “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) For motor vehicles as defined in OAR 340-270-0030(9)(d)(A) and (C) and (15), and for a motor vehicle as defined in OAR 340-270-0030(9)(d)(B) that was purchased or leased prior to January 1, 2022, has a base manufacturer’s suggested retail price of less than \$50,000. The manufacturer must have the base MSRP model available for sale and purchase;

(f) For a light-duty zero emission vehicle as defined in 340-270-0030(9)(d)(B), that was purchased or leased on or after January 1, 2022, has a base manufacturer's suggested retail price of less than \$60,000. The manufacturer must have the base MSRP model available for sale and purchase;

(g) 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

(h) 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.

(6) "Heavy-duty zero-emission vehicle" means an on-road vehicle with a manufacturer's Gross Vehicle Weight Rating greater than 26,000 pounds with a drivetrain that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions.

(7) "Household" means an individual living alone, a family with or without children, or a group of individuals who are living together as one economic unit.

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

(9) "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.

(10) "Low-income service provider" means an organization that provides health, dental, social, financial, energy conservation or other assistive services to low or moderate income households in Oregon. A low-income service provider must be registered as a 501(c)(3) organization based in Oregon at the time the eligible vehicle is purchased or leased.

(11) “Low income household” means an individual or a household with income less than or equal to 50 percent of the area median income.

(12) “Medium duty zero emissions vehicle” means an on-road vehicle with a manufacturer's Gross Vehicle Weight Rating 8,501-26,000 pounds with a drivetrain that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions.

(13) “Moderate income household” means an individual or a household with income less than or equal to 80 percent of the area median income.

(14) “Motor vehicle” has the meaning given that term in ORS 801.360.

(15) “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 or 1962.4 to show a vehicle meets these specifications.

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

(17) “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) 1961.2 or 1961.4;

(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.

(18) "Purchase date" means the day that the purchase and sales agreement is signed.

(19) "Qualifying household" means a household with income that does not exceed 400 percent of federal poverty guidelines.

(20) "Qualifying vehicle" means a motor vehicle, as defined in ORS 801.360, or a combination of vehicles operated as a unit, that:

(a) Has a gross vehicle weight rating of 8,501 pounds or greater;

(b) Has a drivetrain that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions;

(c) Is included on DEQ's Eligible Vehicle List.

(21) "Rebate" means a return of a part of a payment to purchase or lease a vehicle.

(22) "Total vehicle cost" means the base price of the vehicle, additional features, and packages (including but not limited to battery upgrades, autonomous upgrades, wheel and tire packages, paint options, and audio and infotainment system). It does not include any OEM or dealership discounts, applicable taxes, title, license or registration fees, vehicle pre-order or ordering fees, document processing fees or additional maintenance, warranty or repair packages purchased from the dealership.

(23) "Used electric vehicle" means a light-duty zero-emission or plug-in hybrid electric vehicle that:

(a) Would have been eligible:

(A) 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(5)(a)(A).

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

(c) Has not been declared a "totaled" vehicle or a "total loss" or have a salvage title;

(d) If a light-duty zero emission vehicle, is able to travel 75 miles or more using only electricity; or

(e) If a plug-in hybrid electric vehicle, will continue to be within the warranty period of at least 15 years and 150,000 miles on emission control components for the required 24 months an applicant must maintain ownership and Oregon registration.

(24) "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).

(25) "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 may request and consider the following documentation to determine whether a motorcycle meets these specifications:

(A) Successful completion of the most current California Zero-Emission Motorcycle Evaluation Procedure, as defined in the Purchase Incentive Programs Implementation Manual for Manufacturers of Zero-Emission Motorcycles (Aug. 1, 2025) or an evaluation procedure determined by DEQ to be comparable to those procedures upon the written approval of DEQ; 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.

(26) "Zero Emission Rebates for Oregon Fleets - ZEROFleet" means Oregon DEQ's incentive program providing rebates for the purchase or lease of zero emissions medium and heavy-duty vehicles in OAR 340-270-0030 and OAR 340-270-0600 through OAR 340-270-0700.

(27) "Zero-emission vehicle" means a motor vehicle that that is certified to zero-emission standards in California Code of Regulations, Title 13, section 1956.8, 1962, 1962.1, 1962.2, 1962.4 and 2195.1.

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

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157, House Bill 4059 (2018), Sec. 18-21 & 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, House Bill 2592 (2019), Sec. 35-37 & , 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

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DEQ 2-2020, amend filed 01/24/2020, effective 01/24/2020

DEQ 21-2019, temporary amend filed 09/27/2019, effective 09/29/2019 through 03/26/2020

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**

(1) To qualify for a standard rebate, a motor vehicle must:

(a) Qualify as an eligible vehicle, as defined in OAR 340-270-0030(5); and

(b) 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.

(2) Notwithstanding subsection (1), a motor vehicle that otherwise qualifies for a standard rebate cannot receive a standard rebate if it has received a Charge Ahead Rebate or been rebated by the Zero Emission Rebates for Oregon Fleets program, as established in OAR 340-270-0030 and OAR 340-270-0600 through OAR 340-270-0700.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157, House Bill 4059 (2018), Sec. 18-21 & 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, House Bill 2592 (2019), Sec. 35-37 & 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

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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:

(a) For eligible vehicles purchased or leased prior to May 19, 2026, is \$2,500.

(b) For eligible vehicles purchased or leased on or after May 19, 2026:

(A) \$2,000 for the purchase or lease of a new light-duty zero-emission vehicle; or

(B) \$1500 for the purchase or lease of a new plug-in hybrid electric vehicle.

(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:

(a) For vehicles purchased or leased prior to May 19, 2026, is \$1,500.

(b) For vehicles purchased or leased on or after May 19, 2026 is \$750.

(3) The amount of the rebate for eligible neighborhood electric vehicles:

(a) For vehicles purchased or leased prior to May 19, 2026, is \$750.

(b) For vehicles purchased or leased on or after May 19, 2026 is \$375.

(4) The amount of the rebate for eligible zero-emission motorcycles:

(a) For vehicles purchased or leased prior to May 19, 2026, is \$750.

(b) For vehicles purchased or leased on or after May 19, 2026 is \$375.

(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.

(6) In the event that the allocated funds in the Zero Emission Incentive Fund reach less than \$6 million when accounting for any existing balance and anticipated funding for that year, DEQ will evaluate the program's compliance with 340-270-0500. If DEQ forecasts it will not meet the targets in 340-270-0500, it will initiate a temporary rulemaking to decrease the Standard Rebate amount.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157, House Bill 4059 (2018), Sec. 18-21 & 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, House Bill 2592 (2019), Sec. 35-37 & 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

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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 standard 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;

(d) Is an Oregon resident; and

(e) Did not purchase or lease an eligible vehicle at a time when DEQ had suspended the program.

(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 as required by 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 2 years.

(7) A person shall not submit an application for a vehicle for both a standard rebate and for a rebate under the Zero Emission Rebates for Oregon Fleets program, as established in OAR 340-270-0030 and OAR 340-270-0600 through OAR 340-270-0700. If potentially eligible for both a standard rebate and a rebate under the Zero Emissions Rebates for Oregon Fleets program, the person can choose which rebate to apply for, if any.

(8) A person shall not submit an application for a vehicle for both a Standard Rebate and for a Charge Ahead Rebate. If potentially eligible for both a Standard Rebate and a Charge Ahead Rebate, the person can choose which rebate to apply for, if any.

(9) Beginning May 19, 2026, an individual that applies for a rebate is limited to a total of two (2) rebates and cannot receive any additional rebates. If an individual has already received two (2) or more rebates as of May 19, 2026, they are not eligible for any additional rebates.

(10) DEQ may, at any time, request any additional information to determine compliance with program requirements, including, without limitation, any additional vehicle, purchaser, and dealer documentation and photos.

(11) If the department determines that the vehicle, purchaser, or dealer were or becomes ineligible for the rebate or that the purchaser or dealer has failed to comply with applicable requirements, including any of the program rules, DEQ may require the recipient to refund all or a portion of the rebate award and may impose penalties pursuant to ORS 468.140.

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

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DEQ 21-2019, temporary amend filed 09/27/2019, effective 09/29/2019 through 03/26/2020

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 as provided in OAR 340-270-0200(2), or 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) In the event that funding for rebate payments from the Zero Emission Incentive Fund is exhausted, DEQ will:

(a) Cease acceptance of new applications at least 30 days prior to the anticipated exhaustion of funds. Any purchases or leases made during the period DEQ ceases acceptance are not eligible for the rebate. Only applicants with existing applications submitted to DEQ at the time funds are exhausted will be eligible to receive payment; and

(b) When program funds are replenished DEQ will first process any applications that were submitted prior to DEQ's cessation of acceptance of new applications but that were not issued a rebate because funds were exhausted. Once DEQ resumes accepting new applications, DEQ will prioritize processing of Charge Ahead Rebate applications. DEQ will resume processing applications as stated in OAR 340-270-0200(1) after 20 percent of program funding is distributed to Charge Ahead applicants. If DEQ has not reached the 20 percent threshold 3 months after DEQ resumes application processing, then DEQ will resume processing as stated in OAR 340-270-0200(1).

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

(4) 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 30 days of its request, DEQ may reject the application.

(5) 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 or by emailing [OCVRPAppeals@deq.oregon.gov](mailto:OCVRPAppeals@deq.oregon.gov) delivered within 60 days of DEQ's written rejection; and

(c) Submitting the explanation to the person specified on the letter rejecting the application.

(6) 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 & 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, House Bill 2592 (2019), Sec. 35-37 & 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

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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

**340-270-0400**

**Charge Ahead Program**

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

(2) The Charge Ahead Program will provide rebates only for the purchase or lease of new eligible vehicles or used electric vehicles that meet the requirements of OAR 340-270-0410 if the purchaser:

(a) For vehicles purchased or leased prior to January 1, 2022, was from a low or moderate-income household during the year the vehicle was purchased or leased; or

(b) For vehicles purchased or leased on or after January 1, 2022, is from a qualifying household or is a low-income service provider 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 & 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, House Bill 2592 (2019), Sec. 35-37 & 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

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DEQ 2-2020, amend filed 01/24/2020, effective 01/24/2020

DEQ 21-2019, temporary amend filed 09/27/2019, effective 09/29/2019 through 03/26/2020

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

**340-270-0410**

**Vehicles Eligible for the Charge Ahead Program**

To qualify for a Charge Ahead rebate, a motor vehicle must be either a new eligible vehicle or a used electric vehicle with an electrochemical storage capacity and have a purchase or lease date on or after January 1, 2018, or a new or used plug-in hybrid electric vehicle and have a purchase or lease date on or after September 29, 2019. Vehicles receiving a Standard Rebate or rebated by the Zero Emission Rebates for Oregon Fleets program, as established in OAR 340-270-0030 and OAR 340-270-0600 through OAR 340-270-0700, are not eligible for a Charge Ahead rebate.

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

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DEQ 21-2019, temporary amend filed 09/27/2019, effective 09/29/2019 through 03/26/2020

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:

(a) For vehicles purchased or leased prior to January 1, 2022, \$2,500 per vehicle or

(b) For vehicles purchased or leased on or after January 1, 2022, \$5,000 per vehicle.

(c) For vehicles purchased or leased on or after January 1, 2025:

(A) \$7,500 for the purchase or lease of a new light-duty zero-emission vehicle or plug-in hybrid electric vehicle; or

(B) \$5,000 for the purchase or lease of a used light-duty zero-emission vehicle or plug-in hybrid electric vehicle

(d) For vehicles purchased or leased on or after May 19, 2026:

(A) \$7,500 for the purchase or lease of a new light-duty zero-emission vehicle or plug-in hybrid electric vehicle; or

(B) At least \$2,500, where the total vehicle price equals at least \$2,500, and up to lesser of \$4,000 or 30% of the total vehicle price, for the purchase or lease of a used light-duty zero emission vehicle or plug-in hybrid electric vehicle.

(2) DEQ will set the rebate amounts annually. If DEQ determines that the rebate amounts should be adjusted, DEQ will engage in rulemaking to adjust the rebate amounts.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157, House Bill 4059 (2018), Sec. 18-21 & 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, House Bill 2592 (2019), Sec. 35-37 & 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

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DEQ 21-2019, temporary amend filed 09/27/2019, effective 09/29/2019 through 03/26/2020

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 Charge Ahead 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;

(d) Is an Oregon resident;

(e) Has not been previously owned or leased by the person or a household member;

(f) The vehicle will be primarily used by household members; and

(g) Did not purchase or lease an eligible vehicle at a time when DEQ had suspended the program.

(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 a vehicle that meets the requirements established in OAR 340-270-0410;

(c) Provide sufficient information to allow DEQ to determine that:

(A) For vehicles purchased or leased prior to January 1, 2022, 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 household 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; or

(B) For vehicles purchased or leased on or after January 1, 2022, that either:

(i) The applicant is a member of a qualifying household during the year the vehicle was purchased or leased. DEQ will rely on documentation of an applicant's household 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 federal poverty level determinations of the U.S. Department of Health and Human Services available at the time of application; or

(ii) The applicant is a low-income service provider during the year the vehicle was purchased or leased. The applicant must provide documentation that demonstrates to DEQ's satisfaction that the applicant is a low-income service provider, as defined in OAR 340-270-0030(9).

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

(e) Provide proof of registration of the 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;

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

(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 circumvents the intent of the Charge Ahead Program, including an attestation that the person has not in the past owned or leased the vehicle 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 as required by 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) A low income service provider that applies for a rebate is limited to 10 rebates per calendar year.
- (6) The application review process established by OAR 230-270-0200 applies to applications for Charge Ahead rebates.
- (7) The vehicle ownership requirements established by OAR 230-270-0300 apply to Charge Ahead Rebates.
- (8) DEQ will conduct community outreach to qualifying households and low-income service providers, in order to:
- (a) Solicit feedback on program implementation; and
  - (b) Take steps to ensure the program is promoted effectively.
- (9) A person shall not submit an application for a vehicle for both a standard rebate and for a rebate under the Zero Emission Rebates for Oregon Fleets program, as established in OAR 340-270-0030 and OAR 340-270-0600 through OAR 340-270-0700. If potentially eligible for both a standard rebate and a rebate under the Zero Emissions Rebates for Oregon Fleets program, the person can choose which rebate to apply for, if any.
- (10) A person shall not submit an application for a vehicle for both a standard rebate and for a charge ahead rebate. If potentially eligible for both a standard rebate and a charge ahead rebate, the person can choose which rebate to apply for, if any.
- (11) Beginning May 19, 2026, an individual that applies for a rebate is limited to a total of two (2) rebates and cannot receive any additional rebates. If an individual has already received two (2) or more rebates as of May 19, 2026, they are not eligible for any additional rebates.
- (12) DEQ may, at any time, request any additional information to determine compliance with program requirements, including, without limitation, any additional vehicle, purchaser, and dealer documentation and photos.
- (13) If the department determines that the vehicle, purchaser, or dealer were or becomes ineligible for the rebate or that the purchaser or dealer has failed to comply with applicable requirements, including any of the program rules, DEQ may require the recipient to refund all or a portion of the rebate award and may impose penalties pursuant to ORS 468.140.

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157, House Bill 4059 (2018), Sec. 18-21 & 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, House Bill 2592 (2019), Sec. 35-37 & 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

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**340-270-0600**

**Vehicles Qualifying for Zero-Emission Medium and Heavy Duty Vehicle Rebates**

(1) To be eligible for a medium and heavy-duty vehicle rebate, a motor vehicle must be:

(a) A qualifying vehicle, as defined in 340-270-0030(20), 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(3);

(b) A new zero emission vehicle. Retrofits and repowers of existing vehicles or those already owned by the Applicant are not eligible;

(c) Purchased or leased and registered within twelve months of receipt of rebate approval. An applicant may request and DEQ may approve an extension for up to an additional six months each, allowing a maximum of twelve additional months, on a form provided by DEQ. Any extension requests will be reviewed on a case-by-case basis; and;

(d) Procured from a vehicle dealer that meets program eligibility requirements.

(2) Vehicles rebated by the Oregon Clean Vehicle Rebate Program, as established in OAR 340-270-0010 through OAR 340-270-0500, are not eligible for a ZERO Fleet rebate.

**Statutory/Other Authority:** ORS 468.020 & 468.463(7)

**Statutes/Other Implemented:** ORS 468.463 & 468.469

**History:**

DEQ 20-2025, minor correction filed 07/15/2025, effective 07/15/2025

DEQ 15-2024, adopt filed 09/30/2024, effective 09/30/2024

**340-270-0620**

**Overview of ZERO Fleet Rebate Process**

(1) Purchaser selects an eligible vehicle dealer or an original equipment manufacturer that does not have licensed franchised new automobile dealers in Oregon and selects a qualifying vehicle.

(2) Purchaser and vehicle dealer prepare and submit their separate applications as required by OAR 340-270-0630 and OAR 340-270-0640, respectively, including proof of eligibility and application fee. If a vehicle dealer has already been approved, the vehicle dealer does not need to obtain a new approval unless there is a change from the prior vehicle dealer application and approval.

(3) DEQ reviews the applications as required by OAR 340-270-0650 and, if the purchaser, vehicle dealer, and vehicle are eligible and funds are available for the specific purchase, approves rebate(s) and sends the purchaser a rebate reservation approval letter.

(4) DEQ will award approved rebate funds as required by and subject to the conditions set forth in OAR 340-270-0660.

(5) The rebate recipient will remain subject to and be responsible for complying with the ongoing program requirements set forth in OAR 340-270-0670 and OAR 340-270-0680.

(6) A purchaser with an approved rebate reservation may apply the reservation toward the purchase of a qualifying vehicle from any approved vehicle dealer to obtain the best available price.

**Statutory/Other Authority:** ORS 468.020 & 468.463(7)

**Statutes/Other Implemented:** ORS 468.463 & 468.469

**History:**

DEQ 15-2024, adopt filed 09/30/2024, effective 09/30/2024

### **340-270-0660**

#### **Conditions to Award of Rebate Funds**

(1) DEQ may, at any time, request any additional information to determine compliance with program requirements, including, without limitation, any additional vehicle, purchaser, and dealer documentation and photos.

(2) DEQ will automatically reserve awarded rebate funds for twelve months from the date of the approval and will award rebate dollars when the following conditions are met:

(a) Vehicle dealer and the purchaser must execute their respective program agreements and submit all documentation to DEQ;

(b) Vehicle dealer must deliver qualifying vehicle to purchaser and purchaser must register the vehicle in Oregon; and

(c) Purchaser submits all program documentation to DEQ, including verification that vehicle is delivered and registered in Oregon.

(3) DEQ may renew rebate reservations for up to two six-month extensions if requested prior to expiration and may grant the extension based on evidence from the purchaser and vehicle dealer of a good faith efforts to deliver and register vehicle within the additional time provided.

(4) Purchaser may provide the awarded rebate to the vehicle dealer or submit the awarded rebate to DEQ for funding.

**Statutory/Other Authority:** ORS 468.020 & 468.463(7)

**Statutes/Other Implemented:** ORS 468.463 & 468.469

**History:**

DEQ 15-2024, adopt filed 09/30/2024, effective 09/30/2024

### **340-270-0670**

#### **Post-Rebate Conditions**

- (1) DEQ may, at any time, request any additional information to determine compliance with program requirements, including, without limitation, any additional vehicle, purchaser, and dealer documentation and photos.
- (2) 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 (2) of this rule does not apply to vehicle dealers or automobile manufacturers who receive rebate assignments as required by this section.
- (3) An organization that applies for a rebate is limited to five rebates per entity per calendar year. Organizational applicants must be based in Oregon or have an Oregon-based affiliate at the time the qualifying vehicle is purchased or leased.
- (4) Recipients may not make or allow any modifications to the vehicle's emission-control systems, hardware, or software calibrations.
- (5) In each of the three years following receipt of a rebate, rebate recipients must:
  - (a) Maintain records of the miles driven or hours of use for the qualifying vehicle and whether the miles driven or hours used occurred in Oregon; and
  - (b) Provide an annual report to DEQ to demonstrate that more than 50 percent of the miles driven or hours of use of the qualifying vehicle occurred in Oregon.

**Statutory/Other Authority:** ORS 468.020 & 468.463(7)

**Statutes/Other Implemented:** ORS 468.463 & 468.469

**History:**

DEQ 15-2024, adopt filed 09/30/2024, effective 09/30/2024

### **340-270-0680**

#### **Vehicle Ownership Provisions and Refund Obligations**

- (1) If a rebate recipient sells the qualifying vehicle, fails to fulfill post rebate conditions of 340-270-0670 for which a rebate was received, or terminates the qualifying vehicle's lease, before the end of 36 months after the purchase or lease date, the rebate recipient must notify DEQ and reimburse DEQ for the rebate in a prorated amount based on the number of months that the rebate recipient owned or leased the qualifying vehicle. The prorated reimbursement amount required shall be due and payable immediately upon the sale or lease termination.
- (2) If the department determines that the vehicle, purchaser, or dealer were or becomes ineligible for the rebate or that the purchaser or dealer has failed to comply with applicable requirements, including any of the program rules, DEQ may require the recipient to refund all or a portion of the rebate award and may impose penalties pursuant to ORS 468.
- (3) DEQ may waive the reimbursement requirement if DEQ determines a waiver is appropriate given unforeseeable or unavoidable or other appropriate circumstances that gave rise to a need

for the rebate recipient to sell the vehicle or terminate the lease before the end of the 36-month period.

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

(5) DEQ will consider the following factors in determining whether waiver is appropriate;

(a) the extent to which the rebate recipient appears to be taking advantage of or unfairly benefitting from the rebate program; or

(b) any other factors that DEQ considers appropriate.

(6) 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.

(7) 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 & 468.463(7)

**Statutes/Other Implemented:** ORS 468.463 & 468.469

**History:**

DEQ 15-2024, adopt filed 09/30/2024, effective 09/30/2024