

OREGON AUTO DEALERS



February 8, 2024

Joint Committee on Transportation

Re: Support for HB 4109-13

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

We, the undersigned organizations, write to express our support of HB 4109-13.

Forth is a nonprofit trade association that advocates for the equitable advancement of transportation electrification across all sectors. **Climate Solutions** is a regional non-profit working to accelerate clean energy solutions to the climate crisis. The **Oregon Auto Dealers Association** represents over 200 members representing over 90% of the new vehicles sold in Oregon and is the dealer's partner in business, working to improve the general welfare of the automobile industry in Oregon.

Our organizations share a long history with the Oregon Clean Vehicle Rebate Program (OCVRP) and share a commitment to ensuring the program is successful. We were members of the coalition to develop the OCVRP in 2017, it was first proposed as HB 2704 and ultimately passed as part of HB 2017. Since then, the program has grown to become a national model.

We support the -13 amendment because it will establish a "Charge Ahead Zero-Emission Incentive Fund" to assist the Department of Environmental Quality (DEQ) in their administration of the OCVRP. Creating two funds will resolve an administrative issue borne by two rebates – with different consumer and vehicle eligibility – being paid out of the same fund.

This new fund would be established *in addition* to the OCVRP's existing "Zero-Emission Incentive Fund". The OCVRP is funded through the motor vehicle privilege tax and in our review, the -13 amendment intentionally does not adjust the current tax rate or the distribution of privilege tax revenue among its programmatic recipients.

We also understand that the -13 amendment will help DEQ in their administration of federal funding, should Oregon be successful in their federal Climate Pollution Reduction Grants (CPRG) application, which includes the Oregon Clean Vehicle Rebate Program. We appreciate that there are no eligibility changes proposed in the -13 amendment and that rebate amounts, consumer eligibility, new or used vehicle eligibility, and vehicle model eligibility will remain as is.

Broadly speaking, the OCVRP is experiencing unprecedented demand as Oregonians want to do their part for the climate and to reduce their second highest household costs. We recognize there needs to be a review of the OCVRP and discussions on program sustainability. We look forward to participating in those future conversations with other stakeholders.

Thank you for the opportunity to submit testimony in support of HB 4109-13.

Jeanette Shaw Policy Director Forth Greg Remensberger Executive Vice President Oregon Auto Dealers Association

Meredith Connolly *Oregon Director* **Climate Solutions**