



State of Oregon Department of Environmental Quality

# Notice of Proposed Rulemaking

**Feb. 28, 2022**

Electric Vehicle Rebate Rules - 2021

- Notice of Rulemaking
- Draft Rules – Edits Highlighted
- Draft Rules – Edits Included (final clean version)

## **Note for Readers:**

This package contains multiple documents. If you want to read more than one document at a time, you can open multiple copies of this PDF by downloading the PDF and then opening it in Adobe. You can then either:

- Click on the “Windows” item in the top ribbon
- Click on “New Window”
- A second copy of the PDF will open in a new window

## **Or:**

- Click on “File” in the top ribbon
- Click on “Open” in the top ribbon
- Double click on the name of the PDF you want to open
- A second copy of the PDF will open in a separate tab in the same window

# Table of Contents

Introduction .....	1
Request for Other Options .....	1
Overview .....	1
Procedural Summary.....	3
Statement of need .....	5
Rules affected, authorities, supporting documents.....	6
Documents relied on for rulemaking.....	6
Fee Analysis.....	7
Statement of fiscal and economic impact.....	8
Housing cost .....	12
Racial Equity .....	13
Federal relationship.....	14
Land use .....	14
EQC Prior Involvement.....	16
Advisory Committee .....	17
Public Engagement .....	19
Public Hearing.....	20
Accessibility Information.....	21
Draft Rules – Edits Highlighted .....	22
Draft Rules – Edits Included.....	34

# Introduction

DEQ invites public input on proposed permanent rule amendments to chapter 340 of the Oregon Administrative Rules.

## 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' potential negative economic impact on business.

DEQ is requesting comment on considerations to the Standard Rebate amount, such as whether to:

- Allow an automatic adjustment of rebate amounts if the program is oversubscribed by a certain amount. DEQ is considering allowing rebates to automatically decrease by \$500 for eligible vehicles if the program has more than \$2 million in requested rebates beyond available funding.

DEQ anticipates that demand for rebates will exceed available funding; therefore, DEQ is proposing to suspend the issuance of rebates once funds are oversubscribed. No vehicles purchased during the suspension period would be eligible to receive a rebate. DEQ is requesting comment on whether to institute a waitlist while the issuance of rebates is suspended. If DEQ institutes a waitlist, it could result in potential applicants waiting an unspecified amount of time before sufficient funds become available depending upon where they are in the waitlist queue.

## Overview

DEQ is seeking a revision to the Oregon Clean Vehicle Rebate Program (OCVRP) rules contained in OAR Chapter 340, Division 270 to incorporate 2021 Legislative changes affecting the program. The OCVRP contains two elements. One element provides rebates for the purchase or lease of eligible new zero-emission vehicles (referred to as Standard rebates) if all program requirements are met. The second element, referred to as the Charge Ahead rebate, provides rebates for the purchase or lease of qualifying new or used zero-emission vehicles if the purchaser or lessee is from a qualifying household (that is, a household with income that does not exceed 400 percent of federal poverty guidelines) and meets all program requirements (referred to as Charge Ahead rebates). These proposed rule changes, which apply to vehicles purchased or leased after Jan. 1, 2022, include:

- Increasing the amount of the Charge Ahead Rebate from \$2500 to \$5000
- Allowing low-income service providers to apply for the Charge Ahead Rebate
- Decreasing the amount of Standard Rebates by \$500, from:
  - \$1500 to \$1000 for electric vehicles with a battery capacity of less than 10 kWh
  - \$2500 to \$2000 for electric vehicles with a battery capacity of 10 kWh or more
- Further defining low-income service provider

- Clarifying how DEQ will implement the program if funds are oversubscribed
- Clarifying how low-income service providers apply for the Charge Ahead rebate
- Increasing the base manufacturer's suggested retail price (MSRP) cap for fuel celled vehicles to \$60,000

## **Background**

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

In 2018, the EQC adopted rules to implement a zero-emission vehicle rebate program in Oregon. In 2019 and 2020, the Oregon Legislature passed subsequent legislation to make further adjustments to the program expanding vehicle eligibility, clarifying program requirements and increasing access of rebates for applicants, particularly Charge Ahead Program participants. The EQC subsequently adopted these changes.

## **Key policy issues**

DEQ currently receives \$12 million dollars a year to provide rebate payments and implement the program. Program participation and interest continues to increase and DEQ anticipates program funding will be oversubscribed in 2022 and in subsequent years. Anticipating this shortfall, DEQ is adjusting both Standard and Charge Ahead rebate amounts to ensure access for Charge Ahead applicants while maximizing rebate funding. DEQ is specifically requesting comment on its proposed changes to the Standard rebate amounts. DEQ is also proposing language to adjust how it will prioritize processing of rebates if funds are oversubscribed and DEQ must suspend acceptance of rebate applications.

## **Affected parties**

DEQ is implementing the program established by Oregon Legislature. There are no regulated parties, because the proposed rules do not impose any requirements on parties who do not wish to participate in the program. Other parties who may choose to participate in the program may include:

- Automobile dealers that sell or lease new and or used zero-emission vehicles. Such dealers may be affected by the rules if they choose to apply the rebate to the purchase at the point of sale, by allowing purchasers to assign their rebates to the dealers or by otherwise assisting purchasers in obtaining rebates. Further, dealers could be affected by increased zero-emission vehicle sales.
- Automobile manufacturers, such as those that manufacture zero-emission vehicles eligible for rebates. Manufacturers may be affected by the rules if they allowed

purchasers to assign their rebates or otherwise assist purchasers in obtaining rebates. Further, dealers could be affected by increased zero-emission vehicle sales.

- Zero-emission vehicle purchasers such as low and moderate-income Oregon residents who purchase or lease zero-emission vehicles that qualify for rebates under the program.

## Procedural Summary

### More information

Information about this rulemaking is on this rulemaking's web page: [Electric Vehicle Rebate 2021](#)

### Public Hearings

DEQ plans to hold two public hearing(s). Anyone can attend a hearing in person, or by webinar or teleconference.

**Date: March 22, 2022**

**Start time: 11 a.m.**

[Join via Zoom](#)

Join by phone:

Call-in number: 1 888-475-4499

Meeting ID: 858 2990 6765

Passcode: 504294

**Date: March 22, 2022**

**Start time: 6:30 p.m.**

[Join via Zoom](#)

Join by phone:

Call-in number: 1 888-475-4499

Meeting ID: 852 6718 7186

Passcode: 502540

### 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, regular mail or at the public hearing.

## Comment deadline

DEQ will only consider comments on the proposed rules that DEQ receives by 4 p.m., on March 24, 2022.

## Submit comment by email to:

[Evrebate.2021@deq.oregon.gov](mailto:Evrebate.2021@deq.oregon.gov)

## 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.

## By mail

Oregon DEQ  
Attn: Rachel Sakata  
700 NE Multnomah St., Room 600  
Portland, OR 97232-4100

## At hearing

March 22, 2022, at 11 a.m. and 6:30 p.m.

## Sign up for rulemaking notices

Get email or text updates about this rulemaking by either:

- Signing up through this link: [GovDelivery](#);
- Signing up on the rulemaking web site: [Electric Vehicle Rebate 2021](#)

## What will happen next?

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

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 EQC 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 EQC at its May 2022 meeting.

# Statement of need

## **What need would the proposed rule address?**

House Bill 2165 (2021) made changes to the OCVRP, specifically to the Charge Ahead Rebate program. DEQ needs to adjust its rules to account for these legislative changes to ensure successful on-going implementation of the program. The 2021 legislation went into effect on Jan. 1, 2022, and applies to vehicles purchased or leased after that date. The EQC adopted temporary rules in November 2021 to ensure the program aligned with the effective date of the amended legislation. DEQ needs to adopt permanent rules, as the temporary rules expire on June 30, 2022, to ensure continuity of the program.

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

DEQ's rules will be consistent with the amended legislation and implement the changes approved by the legislature. DEQ's rules will ensure all eligible Charge Ahead Rebate applicants are able to receive the increased rebate amount.

## **How will DEQ know the rule addressed the need?**

DEQ will know the need has been addressed when Charge Ahead Rebate applicants are able to apply for a rebate with the increased rebate amount.

# Rules affected, authorities, supporting documents

## Lead division

Air Quality Division

## Program or activity

Air Quality Planning

## Chapter 340 action

Amend				
340-270-0010	340-270-0020	340-270-0030	340-270-0100	340-270-0110
340-270-0200	340-270-0400	340-270-0420	340-270-0430	340-270-0500

Statutory Authority - ORS				
468.020	2017 Or. Law Ch. 750, Sec. 148-157	2018 Or. Law Ch. 93, Sec. 18-21	2019 Or. Laws Ch. 491, Sec 35-37	2021 Or. Laws, Ch. 95 §§ 4a, 5, 6, 8 and 9

Statutes Implemented - ORS				
2017 Or. Laws Ch. 750 Sec. 148-157	2018 Or. Laws Ch. 93 Sec. 18-21	2019 Or. Laws Ch. 491 Sec 35-37	2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9	

## Legislation

House Bill 2017 (2017)

House Bill 4059 (2018)

House Bill 2592 (2019)

House Bill 2165 (2021)

## Documents relied on for rulemaking

Document title	Document location
House Bill 2165 (2021)	<a href="https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/HB2165/Enrolled">https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/HB2165/Enrolled</a>
2021 Or. Laws Ch. 95	<a href="https://www.oregonlegislature.gov/bills_laws/lawsstatutes/2021orlaw0095.pdf">https://www.oregonlegislature.gov/bills_laws/lawsstatutes/2021orlaw0095.pdf</a>



# Fee Analysis

This rulemaking does not involve fees.

# Statement of fiscal and economic impact

## Fiscal and Economic Impact

DEQ is proposing the EQC adopt revisions to the Oregon Clean Vehicle Rebate Program under Division 270 of Chapter 340 of the Oregon Administrative Rules. The OCVRP contains two elements. One element provides rebates for the purchase or lease of eligible new zero-emission vehicles (referred to as Standard rebates) if all program requirements are met. The second element, referred to as the Charge Ahead rebate, provides rebates for the purchase or lease of qualifying new or used zero-emission vehicles if the purchaser or lessee is from a qualifying household (that is, a household with income that does not exceed 400 percent of federal poverty guidelines) and meets all program requirements (referred to as Charge Ahead rebates).

The proposed rules would revise the OCVRP rules to incorporate 2021 Legislative changes affecting the program.

- Increasing the amount of the Charge Ahead Rebate from \$2500 to \$5000
- Decreasing the amount of Standard Rebates by \$500, from:
  - \$1500 to \$1000 for electric vehicles with a battery capacity of less than 10 kWh
  - \$2500 to \$2000 for electric vehicles with a battery capacity of 10 kWh or more
- Allowing low-income service providers to apply for the Charge Ahead Rebate
- Further defining low-income service provider
- Clarifying how DEQ will implement the program if funds are oversubscribed
- Clarifying how low-income service providers apply for the Charge Ahead rebate
- Increasing the base manufacturer's suggested retail price (MSRP) cap for fuel celled vehicles to \$60,000

DEQ anticipates that the proposed rules will have positive fiscal impacts on affected parties. DEQ has also identified potential negative fiscal impacts. Overall, DEQ expects any fiscal impacts to be relatively minor, given that the proposed rules only impact those who choose to participate in the program. If the program is oversubscribed, those applicants will not be able to participate and may choose to not purchase or delay their purchasing decision as a result.

## Statement of Cost of Compliance

### State agencies

DEQ does not expect the proposed rule changes to have a significant fiscal impact on state agencies.

## **Local governments**

DEQ does not expect the proposed rule changes to have a significant fiscal impact on local governments.

## **Public**

The public would not incur any mandatory compliance costs as a result of the proposed rule changes because the proposed rules do not impose any requirements on parties who do not wish to participate in the program.

The rule changes are expected to have a positive fiscal impact on the public, particularly for low- and moderate-income households. The rule increases the amount of the Charge Ahead rebate from \$2500 to \$5000. When combined with a Standard Rebate, eligible Charge Ahead applicants could receive up to a \$7000 rebate. This provides a larger rebate amount towards the purchase or lease of a new or used vehicle and reduces the out-of-pocket costs incurred by the recipient.

Providing a pathway for low-income service providers to apply for the Charge Ahead rebate may also have a positive fiscal impact on the public. These providers would save money on the cost of purchasing an electric vehicle for their organization that provides services to low- and moderate-income households. There are also potential health benefits associated with these rules, as it could increase the number of electric vehicles in use, particularly in low- and moderate-income household areas. Conventional gasoline vehicles emit harmful pollutants such as particulate matter, air toxics, carbon monoxide, and nitrogen oxides. Replacing conventional vehicles with electric vehicles would reduce these emissions and could result in reduced mortality, fewer hospital and emergency room visits, and fewer missed days of work and school.

Increasing the MSRP cap for fuel-celled vehicles provides for a greater number of eligible fuel cell vehicles an applicant can choose from and receive. Increased participation can result in more rebates being issued resulting in a positive fiscal impact to the public.

The proposed rule changes are not expected to have significant negative fiscal impacts on the public. However, the increased amount of the Charge Ahead rebate may result in fewer rebates being available to the public because the available funding may be spent down more quickly. Additionally, decreasing the Standard rebate may result in some members of the public not being able to purchase or lease a vehicle because they were relying on the higher amount. The increased eligibility of other applicants to apply for the rebate could also result in DEQ not having enough funding to fund all eligible applications; thus, there could be a negative fiscal impact on members of the public who were eligible for a rebate but could not receive a rebate because of DEQ having to suspend the program.

## **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.

Large businesses would not incur any mandatory compliance costs as a result of the proposed rules because the proposed rules do not impose any requirements on parties who do not wish to participate in the program. There are no projected reporting, recordkeeping, or other administrative activities required for compliance. There are no anticipated additional equipment, supplies, labor, or increased administration required for compliance with the proposed rules.

Large business automobile manufacturers and car dealerships, such as those that manufacture or sell electric vehicles eligible for Charge Ahead rebates or other vehicles eligible for a rebate, 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 as a result 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**

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. DEQ identified up to 3,973 small businesses potentially affected by this rule. This includes 382 automobile dealers (that sell both new and used vehicles). Additionally, there could be up to 3,591 low-income service providers who could be affected by this rule.

Small businesses would not incur any mandatory compliance costs as a result of the proposed rules because the proposed rules do not impose any requirements on parties who do not wish to participate in the program. There are no projected reporting, recordkeeping, or other administrative activities required for compliance. There are no anticipated equipment, supplies, labor, or increased administration required for compliance with the proposed rules.

Overall, DEQ anticipates that affected small businesses would benefit from the proposed rules. The proposed rule would expand incentives for low-income service providers who buy or lease a new or used electric vehicle. There could be a positive fiscal impact on small businesses manufacturing, selling, or leasing electric vehicles eligible for a rebate, as a larger pool of applicants could utilize this incentive and increase sales or leases in Oregon. There could be a negative fiscal impact on small businesses manufacturing, selling, or leasing cars other than electric vehicles eligible for a rebate, as a result of customers choosing to purchase rebate-

eligible vehicles. There could also be a negative fiscal impact on small businesses who are not low-income service providers as they will need to incur higher costs for purchasing an electric vehicle because they do not qualify for the rebate.

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

DEQ originally identified up to 382 small business automobile dealers (that sell both new and used vehicles) and 3,591 low-income service providers that could participate in the OCVRP.

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

No additional activities are required to comply with the proposed rules.

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

No additional activities are required to comply with the proposed rules. If the low-income service provider decides to participate in the rebate program, they would be required to collect and submit paperwork associated with the rebate application to prove program eligibility.

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

DEQ included small business representatives on the Electric Vehicle Rebate Rule Advisory Committee that advised DEQ on the cost of compliance for small businesses. DEQ also provided rulemaking notice through the Oregon Auto Dealers Association, the Oregon Independent Auto Dealers Association, and the Oregon Vehicle Dealers Association. These associations include small businesses as part of their membership.

**Documents relied on for fiscal and economic impact**

Document title	Document location
Oregon Department of Employment 2019 data	Employment Department 875 Union Street NE Salem OR 97311

## **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 Feb. 7, 2022.

The committee agreed with DEQ's analysis regarding the fiscal and economic impacts. The committee did provide comments about how adjusting the Standard Rebate amounts might affect EV purchases. However, the committee also recommended maintaining the higher Charge Ahead Rebate amounts in order to provide better access for qualifying households. The committee 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 only affect purchasers of zero-emission vehicles and automobile dealers and manufacturers who sell or produce zero-emission vehicles.

## Racial Equity

The adoption of this rule doubles the amount of the Charge Ahead Rebate to \$5000 and allows low-income service providers, defined as an organization that provides health, dental, social, financial, energy conservation or other assistive services to low- or moderate-income households, to apply for the Charge Ahead Rebate. These rule changes increase accessibility to households with low and moderate incomes; Black, Indigenous, and People of Color (BIPOC) are more likely to have low and moderate incomes than other groups. Increasing accessibility to EVs ensures BIPOC communities are not left behind in acquiring cleaner modes of transportation and reducing air pollution within their communities.

# Federal relationship

## Relationship to federal requirements

ORS 183.332 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 are in addition to federal requirements since there are no federal regulations regarding rebates for the purchase or lease of zero-emission vehicles. The proposed rules protect the environment by reducing greenhouse gases.

## What alternatives did DEQ consider if any?

DEQ did not consider any alternatives to the proposed rule because the Legislature passed House Bill 2165, requiring DEQ to implement these legislative changes.

# Land use

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(2) 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, objectives or areas identified in the statewide planning goals, or
  - Present or future land uses identified in acknowledged comprehensive plans

To determine whether the proposed rules involve programs or actions that affect land use, DEQ reviewed its Statewide Agency Coordination plan, which describes the DEQ programs that have been determined to significantly affect land use. DEQ considers that its programs specifically relate to the following statewide goals:

Goal	Title
5	Open Spaces, Scenic and Historic Areas, and Natural Resources
6	Air, Water and Land Resources Quality
9	Ocean Resources
11	Public Facilities and Services
16	Estuarial 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, OAR 660-030-0005(2), or DEQ's State Agency Coordination Program.

## **EQC Prior Involvement**

DEQ shares general rulemaking information with EQC through the monthly Director's Report.

DEQ shared information about this rulemaking with the EQC in the Oregon Clean Vehicle Rebate Program temporary rule adoption action item in the Nov. 17, 2021 meeting.

# Advisory Committee

## Background

DEQ convened the Oregon Clean Vehicle Rebate Program 2021 Rule advisory committee. The committee included representatives from the automobile industry and dealers, environmental groups, low-income service providers, and environmental justice groups. The committee met twice. The committee's web page is located at: <https://www.oregon.gov/deq/rulemaking/Pages/EVRebate2021.aspx> and a summary of the meeting minutes is available.

The committee members were:

<b>Oregon Clean Vehicle Rebate Program 2021 Rule Advisory Committee</b>	
<b>Name</b>	<b>Representing</b>
Jessi Adams	Community Action Partnership of Oregon (CAPO)
Neil Baunsgard	The Environmental Center
Amy Corbett	Metropolitan Family Services
Gary Exner	Oregon Electric Vehicle Association
Ingrid Fish	City of Portland
Rhett Lawrence	Forth
Sergio Lopez	Verde
Victoria Paykar	Climate Solutions
Julia Rege	Alliance for Automotive Innovation
Greg Remensperger	Oregon Auto Dealers Association
Diane Sparks	Oregon Independent Auto Dealers
Linda Woodley	Diversifying Energy

## 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
  - Oregon Clean Vehicle Rebate Program
- 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 provided input to DEQ on certain program elements. The committee specifically discussed:

- Adjusting the rebate amounts, specifically whether to adjust the Standard Rebate amount, given the program is anticipated to be oversubscribed in 2022 and beyond.
- Reviewing how DEQ interprets base MSRP for vehicle eligibility
- Implementation of how to verify low-income service providers for the Charge Ahead Rebate
- Enhanced communication and outreach, particularly how to prioritize Charge Ahead communities
- Opportunities to provide rebates for Charge Ahead applicants besides the dealerships or individuals. This included a discussion of DEQ's intent to launch a prequalification process for Charge Ahead Rebate applicants to get the rebate applied at the dealerships.

# Public Engagement

## Public notice

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

- On Feb. 28, 2022 Filing notice with the Oregon Secretary of State for publication in the March Oregon Bulletin;
- Posting the Notice, Posting the Notice, Invitation to Comment and Draft Rules on the web page for this rulemaking, located at:  
<https://www.oregon.gov/deq/rulemaking/Pages/EVRebate2021.aspx>;
- Emailing approximately 25,136 interested parties on the following DEQ lists through GovDelivery:
- DEQ Public Notices
  - Rulemaking
  - Oregon Clean Vehicle Rebate Program
  - Low Emission/Zero Emission Vehicle Program
- Emailing the following key legislators required under ORS 183.335:
  - Representative Pam Marsh
  - House Speaker Dan Rayfield
  - Senator Lee Beyer
  - Senate President Peter Courtney
- Emailing advisory committee members,
- Posting on the DEQ event calendar: [DEQ Calendar](#)

## 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, by regular mail or at the public hearing.

### Comment deadline

DEQ will only consider comments on the proposed rules that DEQ receives by 4 p.m., on March 24, 2022.

### Submit comment by email to:

[Evrebate.2021@deq.oregon.gov](mailto:Evrebate.2021@deq.oregon.gov)

### 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.

## **By mail**

Oregon DEQ  
Attn: Rachel Sakata  
700 NE Multnomah St., Room 600  
Portland, OR 97232-4100

## **At hearing**

March 22, 2022, 11 a.m. and 6:30 p.m.

# **Public Hearing**

DEQ plans to hold two public hearings. Anyone can attend a hearing in person, or by webinar or teleconference.

**Date: March 22, 2022**

**Start time: 11 a.m.**

[Join via Zoom](#)

Join by phone:

Call-in number: 1 888-475-4499

Meeting ID: 858 2990 6765

Passcode: 504294

**Date: March 22, 2022**

**Start time: 6:30 p.m.**

[Join via Zoom](#)

Join by phone:

Call-in number: 1 888-475-4499

Meeting ID: 852 6718 7186

Passcode: 502540

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.

## **Accessibility Information**

You may review copies of all documents referenced in this announcement electronically. To schedule a review of all websites and documents referenced in this announcement, call Rachel Sakata, DEQ (503-863-4271).

Please notify DEQ of any special physical or language accommodations or if you need information in large print, Braille or another format, or any other arrangements necessary to accommodate a disability. To make these arrangements, contact DEQ, Portland, at 503-229-5696 or call toll-free in Oregon at 1-800-452-4011, ext. 5696; fax to 503-229-6762; or email to [deqinfo@deq.state.or.us](mailto:deqinfo@deq.state.or.us). Hearing impaired persons may call 711.

# Draft Rules – Edits Highlighted

## Key to Identifying Changed Text:

~~Deleted Text~~

New/inserted text

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

#### 340-270-0010

##### Overview

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

(2) Background. The 2017 Oregon Legislature adopted House Bill 2017 that authorizes DEQ to establish a rebate program for zero-emission vehicles. The 2018 Oregon Legislature adopted House Bill 4059, which clarified and removed existing requirements. The 2019 Oregon Legislature adopted House Bill 2592, which clarified and removed existing requirements. [The 2021 Oregon Legislature adopted House Bill 2165, 2021 Oregon Laws chapter 95, which changed existing requirements.](#) OAR division 270 of chapter 340 implements those laws.

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

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

#### 340-270-0020

##### Effective Dates

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



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

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

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

~~(4)~~ The effective dates of the program are contingent on appropriate funding.

**Statutory/Other Authority:** [ORS 468.020](#), 2017 Or. Law Ch. 750 Sec. 148-157, ORS 468.020, 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 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

**340-270-0030**

**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(8)(d)(A) and (C) and (15), and for a motor vehicle as defined in OAR 340-270-0030(8)(d)(B) that was purchased or leased prior to January 1, 2022, Hhas 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(8)(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.

~~(65) "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. For all motor vehicles with a purchase or lease date before the effective date of these rules, DEQ will apply the definition of household that most benefits the applicant, with this new definition of household applying retroactively if it is in the benefit of the applicant. For all motor vehicles with a purchase or lease date on or after the effective date of these rules, DEQ will apply this new definition of household.~~

~~(76) "Lease date" means the day that the lease agreement is signed.~~

~~(87) "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.

(9) “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.

~~(108)~~ “Low income household” means an individual or a household with income less than or equal to ~~580~~ percent of the area median income.

~~(119)~~ “Moderate income household” means an individual or a household with income less than or equal to ~~120 percent and greater than~~ 80 percent of the area median income.

~~(120)~~ “Motor vehicle” has the meaning given that term in ORS 801.360.

~~(134)~~ “Neighborhood electric vehicle” means a motor vehicle that:

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

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

(153) “Plug-in hybrid electric vehicle” means a motor vehicle that:

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

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

(17) “Qualifying household” means a household with income that does not exceed 400 percent of federal poverty guidelines.

(1518) “Used electric vehicle” means a light-duty zero-emission or plug-in hybrid electric vehicle that:

- (a) Would have been eligible for the standard rebate at the time of its original sale or lease had the rebate program in OAR 340-270-0010 to -0500 existed; or;
- (b) Is a direct model predecessor of an eligible vehicle as defined in OAR 340-270-0030(4)(a)(A).

(1986) “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).

(~~1207~~) “Zero-emission motorcycle” means a motor vehicle that:

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

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

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

(d) Is powered by electricity.

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

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

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

(~~2148~~) “Zero-emission vehicle” means a motor vehicle that that is certified to zero-emission standards in California Code of Regulations, Title 13, section 1962.2.

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

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

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

To qualify for a standard rebate, a motor vehicle must qualify as an eligible vehicle, as defined in OAR 340-270-0030([54](#)), and must have a purchase or lease date on or after effective date of the program for the type of vehicle, as established in OAR 340-270-0020.

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

### **340-270-0110**

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

(1) The amount of the rebate for eligible light-duty zero-emission vehicles and plug-in hybrid electric vehicles with electrochemical energy storage capacities of 10 kilowatt hours or more is ~~\$2,500~~[2,000](#).

(2) The amount of the rebate for eligible light-duty zero-emission vehicles and plug-in hybrid electric vehicles with electrochemical energy storage capacities of less than 10 kilowatt hours is ~~\$1,500~~[1,000](#).

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

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

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

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

~~(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; 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, and House Bill 2592 (2019), Sec. 33-37

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 33-37, 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

**History:**

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 or used 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 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

**340-270-0420**

**Amount of Charge Ahead Program Rebate**

(1) ~~(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.](#)

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

(3) DEQ will set the rebate amounts annually. 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 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; and

(d) Is an Oregon resident.

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

(a) Apply using a form approved by DEQ;

(b) Provide information and documentation sufficient to allow DEQ to verify that the applicant purchased or leased 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, ~~except that persons who purchased or leased a vehicle that meets the requirements established in OAR 340-270-0410 between January 1, 2018 and August 2, 2018 may apply for a rebate if an application is submitted to DEQ by March 30, 2020. If DEQ has already received an application from the person who purchased or leased a vehicle that meets the requirements established in OAR 340-270-0410 between January 1, 2018 and August 2, 2018, and the applicant has been notified by DEQ of its receipt, the applicant does not need to reapply;~~

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

(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 pursuant to this section.

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

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

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

(7) DEQ will conduct community outreach to ~~low income households, moderate income households~~ [qualifying households](#) and ~~community-based organizations~~ [low-income service providers](#), in order to:

(a) Solicit feedback on program implementation; and

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

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

**340-270-0500**

**Allocation of Rebate Funding**

DEQ will allocate at least ~~2~~<sup>4</sup>0 percent of available moneys deposited per biennium into the Zero-Emission Incentive Fund for rebates under the Charge Ahead Program.

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

# Draft Rules – Edits Included

## Division 270 ZERO-EMISSION AND ELECTRIC VEHICLE REBATES

### 340-270-0010

#### Overview

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

(2) Background. The 2017 Oregon Legislature adopted House Bill 2017 that authorizes DEQ to establish a rebate program for zero-emission vehicles. The 2018 Oregon Legislature adopted House Bill 4059, which clarified and removed existing requirements. The 2019 Oregon Legislature adopted House Bill 2592, which clarified and removed existing requirements. The 2021 Oregon Legislature adopted House Bill 2165, 2021 Oregon Laws chapter 95, which changed existing requirements. OAR division 270 of chapter 340 implements those laws.

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

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

### 340-270-0020

#### Effective Dates

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

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

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

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

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157, ORS 468.020, 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 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

**340-270-0030**

**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(8)(d)(A) and (C) and (15), and for a motor vehicle as defined in OAR 340-270-0030(8)(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(8)(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) "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.

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

(8) "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.

(9) “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.

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

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

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

(13) “Neighborhood electric vehicle” means a motor vehicle that:

(a) Is powered using an electric battery;

(b) Has a gross vehicle weight not exceeding 3,000 pounds;

(c) Is capable of traveling at a speed of up to 25 mph; and

(d) Has at least four wheels.

(e) DEQ will require certification to zero-emission standards in California Code of Regulations Title 13, section 1962.2 to show a vehicle meets these specifications.

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

(15) “Plug-in hybrid electric vehicle” means a motor vehicle that:

(a) Has zero evaporative emissions from its fuel system when operating as an electric vehicle;

(b) Has an onboard electrical energy storage device with useful capacity of 10 or more miles of urban dynamometer driving schedule range, as described by the United States Environmental Protection Agency in 40 CFR 600.116-12, on electricity alone;

(c) Is equipped with an onboard charger;

(d) Is rechargeable from an external connection to an off-board electrical source;

(e) Meets the super ultra-low emission vehicle standards for exhaust emissions, as certified to standards in California Code of Regulations, Title 13, section 1961(a)(4) (2003);

(f) Has a warranty of at least 15 years and 150,000 miles on emission control components;

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

(h) Has an on-board internal combustion engine; and

(i) Has at least three wheels.

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

(17) “Qualifying household” means a household with income that does not exceed 400 percent of federal poverty guidelines.

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

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

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

(19) “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).

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

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

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



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

(d) Is powered by electricity.

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

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

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

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

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

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

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

To qualify for a standard rebate, a motor vehicle must qualify as an eligible vehicle, as defined in OAR 340-270-0030(5), and must have a purchase or lease date on or after effective date of the program for the type of vehicle, as established in OAR 340-270-0020.

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

### **340-270-0110**

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

(1) The amount of the rebate for eligible light-duty zero-emission vehicles and plug-in hybrid electric vehicles with electrochemical energy storage capacities of 10 kilowatt hours or more is \$2,000.

(2) The amount of the rebate for eligible light-duty zero-emission vehicles and plug-in hybrid electric vehicles with electrochemical energy storage capacities of less than 10 kilowatt hours is \$1,000.

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

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

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

**Statutory/Other Authority:** ORS 468.020, 2017 Or. Law Ch. 750 Sec. 148-157, House Bill 4059 (2018), Sec. 18-21 & 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 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, until more funds are available. 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.

(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; 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, and House Bill 2592 (2019), Sec. 33-37

**Statutes/Other Implemented:** 2017 Or. Law Ch. 750 Sec. 148-157, House Bill 4059 (2018), Sec. 18-21, and House Bill 2592 (2019), Sec. 33-37, 2021 Or. Laws, Ch. 95, §§ 4a, 5, 6, 8 and 9

**History:**

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 or used 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 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

**340-270-0420**

**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.

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

(3) DEQ will set the rebate amounts annually. 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 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; and
- (d) Is an Oregon resident.

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

- (a) Apply using a form approved by DEQ;
- (b) Provide information and documentation sufficient to allow DEQ to verify that the applicant purchased or leased 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 pursuant to this section.

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

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

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

(7) 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.

**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 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

**340-270-0500**

**Allocation of Rebate Funding**

DEQ will allocate at least 20 percent of available moneys deposited per biennium into the Zero-Emission Incentive Fund for rebates under the Charge Ahead Program.

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