



State of Oregon Department of Environmental Quality

Draft Rules – Edits Highlighted

(Temporary Rulemaking) Division 270

Key to Identifying Changed Text:

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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 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](#)

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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

340-270-0030
Definitions and Abbreviations

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

(2) “Charge Ahead rebate” means a rebate for the purchase 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.

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

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

(a) Qualifies as a:

- (A) Light-duty zero-emission vehicle with an electrochemical energy storage capacity;
 - (B) Plug-in hybrid electric vehicle;
 - (C) Neighborhood electric vehicle; or
 - (D) Zero-emission motorcycle;
 - (b) Is new, or has been previously used only as a dealership floor model or test-drive vehicle;
 - (c) Has not previously been registered in Oregon;
 - (d) Is constructed entirely from new parts that have never been the subject of a retail sale;
 - (e) For motor vehicles as defined in OAR 340-270-0030(7)(d)(A) and (C), and for a motor vehicle as defined in OAR 340-270-0030(7)(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;
 - (f) For a motor vehicle as defined in 340-270-0030(7)(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;
 - (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.
- (5) “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.
- (6) “Lease date” means the day that the lease agreement is signed.
- (7) “Light-duty zero-emission vehicle” means a motor vehicle that:
- (a) Has a gross vehicle weight rating of 8,500 pounds or less;
 - (b) Is capable of travelling at a speed of 55 miles per hour or more;

(c) Has at least three wheels; and

(d) Is powered:

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

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

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

(87) “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. Providers must be registered as a 501(c)(3) organization based in Oregon or have an Oregon-based affiliate at the time the eligible vehicle is purchased or leased.

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

(109) “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.

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

(124) “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.

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

(143) “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.

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

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

(1517) “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).

(186) “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).

(179) “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.

(2018) “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](#)

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

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

340-270-0400

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 the vehicles purchased or leased prior to January 1, 2022, is from a low or moderate-income ~~qualifying~~ 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 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:

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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 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 to DEQ to demonstrate that it provides services to low and moderate income individuals, households, or both. DEQ will exercise its discretion to determine whether that the applicant has provided sufficient information to demonstrate that it meets this requirement.

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

(e) Provide proof of registration of the 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 to applications for Charge Ahead rebates.

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

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

- (a) Solicit feedback on program implementation; and
- (b) Take steps to ensure the program is promoted effectively.

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

340-270-0500

Allocation of Rebate Funding

DEQ will allocate at least 2+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](#)

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