I MINA' TRENTAI DOS NA LIHESLATURAN GUÅHAN 2013 (FIRST) Regular Session

Bill No. 203 -32(Corz.)

Introduced by:

Chris M. Duenas D. G. Rodriguez, Jr. **A** V.A. Ada <u>T. A. Morrisson</u>

AN ACT TO OFFER INCENTIVES FOR THE PURCHASE OF PLUG-IN ELECTRIC VEHICLES.

1 BE IT ENACTED BY THE PEOPLE OF GUAM.

Legislative Findings and Intent. I Liheslaturan Guåhan finds Guam to bean 2 Section 1. ideal location for the use of plug-in electric vehicles. According to national driving statistics, the typical car 3 owner drives less than 30 miles daily. The average daily driving distance for Guam drivers would seem to 4 5 fall within the national average given our size and the location of most centers of employment and commerce. I Liheslatura further finds several Guam car dealers offer electric vehicles that purport the capability to go 6 7 between 73-80 miles on a full charge, which has been rated by the USEPA as between 110-132 miles per gallon equivalent (MPGe). The Guam Power Authority estimates the cost to "fill up" an electric vehicle is 8 9 about \$2.50 per gallon, as opposed to \$4.73 per gallon of unleaded gas. If a typical family on Guam spends 10 \$400 per month on fuel purchases, this same family could realize a savings of almost \$200 at the fuel pump 11 by purchasing a plug-in electric vehicle. *I Liheslatura* further finds plug-in electric vehicles to be a relatively recent innovation in automotive technology which has led to higher prices for this type of vehicle. In 12 recognition of the need to improve consumer interest in electric vehicles, the federal government has been 13 14 offering a tax credit that can be taken at the time of purchase or when the purchaser files a return for the year 15 in which the electric vehicle was purchased. The offering of this tax credit levels the playing field when a 16 consumer considers the purchase of a new vehicle. Therefore, it is the intent of I Liheslaturan Guåhan to also, level the playing filed by strongly encouraging Guam motorists to consider the purchase of plug-in electric 17 vehicles by offering its own incentive of \$7500 per plug-in electric vehicle. It is also the intent of I 18 Liheslaturan Guåhan that this rebate shall be in addition to any federal tax credit applicable to the purchase of 19 20 plug-in electric vehicles.

Section 2. **Incentive offered.** Each person that purchases a plug-in electric vehicle (EV) 1 that meets the definition contained in Section 3 of this Act shall be eligible for a rebate of \$7,500, 2 3 subject to certain terms. The terms the purchaser must meet are: show proof of purchase of a new vehicle and show proof of insurance. In addition, the vehicle owner must agree to: maintain 4 ownership of the EV for a period of no less than thirty-six (36) months; wait for at least thirty-six 5 (36) months before purchasing a new vehicle and submitting a new claim for a rebate; and, complete 6 7 and submit the necessary forms to claim a rebate. The rebate offered in this Section shall be in 8 addition to any federal tax credit applicable to the purchase of a plug-in electric vehicle.

9 Section 3. Eligible Vehicle, determined. A rebate is available for the purchase of a new 10 qualified plug-in electric drive motor vehicle that draws propulsion using a traction battery that has 11 at least four kilowatt hours (kWh) of capacity, uses an external source of energy to recharge the 12 battery, has a gross vehicle weight rating of up to 14,000 pounds, and meets specified emission 13 standards.

Section 4. Rebates, funded. Beginning with Fiscal Year 2015, the rebates shall be paid from sums set aside in the annual budget of the government of Guam enacted for each fiscal year. Three Hundred Seventy-five Thousand Dollars (\$375,000.00) shall be appropriated from the General Fund to the Guam Energy Office for the payment of rebates to eligible claimants. This appropriation shall continue to be available until expended. This Section shall be effective on October 1, 2014.

19 Section 5. Administering Agency. The Guam Energy Office shall administer the rebate 20 program created by this Act. The Guam Energy Office shall promulgate rules and regulations for the 21 administration of this program in accordance with the Administrative Adjudication Law.

Section 6. Effective Date. With the exception of Section 4 of this Act, the provisions of
this Act shall be effective upon enactment.