STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND TWENTY-FOUR

S.P. 61 - L.D. 122

An Act to Update the Electric Vehicle Rebate Program and to Establish a Pilot Program to Support the Uptake of Medium Duty and Heavy Duty Zero-emission Vehicles

Be it enacted by the People of the State of Maine as follows:

- **Sec. 1. 35-A MRSA §10126, sub-§3,** as amended by PL 2023, c. 140, §2, is further amended to read:
- 3. Rebate Incentive program established; eligibility. In accordance with the provisions of this section, the trust shall establish and administer a program that provides rebates incentives for the purchase or lease of electric vehicles. A person may apply for and, as resources within the fund allow, receive a rebate an incentive for an electric vehicle, subject to eligibility requirements established by the trust. Eligibility criteria for the vehicle must include that the vehicle is: a battery electric vehicle or a plug-in hybrid electric vehicle; the vehicle is purchased, or leased for a term of 36 months or more, from its original equipment manufacturer or an authorized licensee of the original equipment manufacturer or a licensed automobile dealer for a term of 36 months or more, in the State or from its original equipment manufacturer, wherever located; and, to the extent required by Title 29-A, chapter 5, the vehicle is registered in the State. An automobile, as defined in Title 29-A, section 101, subsection 7, with a gross vehicle weight rating of 6,000 pounds or less is not eligible for the program if it has a manufacturer's suggested retail price greater than \$50,000 \$55,000. To the extent funds are available, the trust may extend program eligibility to medium duty vehicles and heavy duty vehicles that are battery electric vehicles or plug-in hybrid electric vehicles and to electric bicycles. Eligibility requirements for the recipient of the rebate incentive must include that the recipient attests to a commitment to retain ownership maintain a registration in this State to the extent required by Title 29-A, chapter 5, whether through purchase or lease, of the eligible electric vehicle for at least 36 months from the date of purchase or lease. The trust may require a recipient of a rebate an incentive under this section who does not retain ownership maintain a registration in this State of the eligible electric vehicle for at least 36 months to repay the trust up to the full amount of the rebate incentive. If the trust extends program eligibility to electric bicycles, the trust shall limit the electric bicycle rebates incentives to recipients who are low-income and moderate-income individuals and to entities that serve those individuals, as determined

by the trust. For a recipient to receive a rebate an incentive for the purchase of an electric bicycle under the program, the electric bicycle must serve as the recipient's principal means of commuting, as determined by the trust.

The trust shall establish the rebate incentive amount for each eligible electric vehicle. The trust shall establish rebate incentive amounts that it determines most effectively increase the purchase use of eligible electric vehicles in the State to advance the State's carbon reduction targets and reduce transportation-related energy costs. For each model of an eligible electric vehicle, the trust may establish different rebate incentive amounts based on the size of the vehicle battery. The trust may establish different rebate incentive amounts for the purpose of providing reasonable opportunity for participation in the program across different customer groups and geographic areas. The trust may establish reasonable limits on the number of rebates incentives per vehicle or per person.

- **Sec. 2. 35-A MRSA §10126, sub-§4,** as enacted by PL 2019, c. 258, §1 and reallocated by RR 2019, c. 1, Pt. A, §54, is amended to read:
- **4. List of eligible electric vehicles; applications.** The trust shall develop, make available on its publicly accessible website and periodically update a list of eligible electric vehicles and rebates incentives included in the program. The trust shall develop and make available at its offices and on its publicly accessible website all forms and other documents necessary for a person to apply for and receive a direct rebate incentive under this section.
- Sec. 3. Medium duty and heavy duty electric vehicle pilot program. For fiscal years 2023-24 to 2025-26, to the extent that funds within the Electric Vehicle Fund established by the Maine Revised Statutes, Title 35-A, section 10126, subsection 2 allow, the Efficiency Maine Trust, referred to in this section as "the trust," shall establish a pilot program to provide incentives for the purchase or lease of medium duty and heavy duty vehicles in commercial applications that are electric vehicles. For the purposes of this section, "electric vehicle" means a battery electric vehicle as defined in Title 35-A, section 10126, subsection 1, paragraph A. The pilot program must be designed to demonstrate the performance of the electric vehicles that are purchased or leased by pilot program participants and gather information about the electric vehicles' costs, benefits and other considerations relevant to their use and adoption in this State. The pilot program participants must be limited to businesses with 500 or fewer employees, that have their principal place of business in this State and that may use medium duty and heavy duty vehicles, excluding school buses, rated Class 2b through Class 8 under the United States Environmental Protection Agency classification system. In providing incentives for the purchase or lease of medium duty and heavy duty vehicles under the pilot program, the trust shall:
- 1. Ensure that at least 50% of funds used to provide incentives under the pilot program are provided to businesses with 50 or fewer employees;
 - 2. Give preference to purchases or leases that use supply channels in this State; and
- 3. Prioritize vehicle types commonly used and commercially available in the State for which the duty cycle proposed by the business is suitable for the electric vehicle model as determined by the trust, while giving consideration for the amount and type of daily use and the potential to improve energy independence and reduce greenhouse gas emissions.

By December 31, 2026, the trust shall submit a report of the activities and findings of the pilot program to the joint standing committee of the Legislature having jurisdiction over energy matters. The committee may report out a bill related to the trust's report to the 133rd Legislature in 2027.