



SPONSOR: Rep. Phillips & Rep. Heffernan & Rep. Longhurst &
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Reps. Baumbach, Bush, Griffith, Harris, Morrison,
Wilson-Anton; Sens. Hansen, Huxtable, Poore, Sokola

HOUSE OF REPRESENTATIVES
152nd GENERAL ASSEMBLY

HOUSE BILL NO. 12

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO ELECTRIC VEHICLES.

1 WHEREAS, many states have announced goals to increase the percentage of vehicles sold in their state that are
2 zero-emission vehicles (ZEVs), by certain dates;

3 WHEREAS, nearly every state offers some form of Electric Vehicle (EV) incentive, ranging from simple
4 emissions inspection exemptions to financial assistance in the form of grants, rebates, or tax credits;

5 WHEREAS, some states also allow their regulated utilities to offer incentives for EV owners;

6 WHEREAS, a new electric vehicle in 2021 costs about \$10,000 more than the average new car overall;

7 WHEREAS, fuel savings on electric vehicles cost consumers on average, approximately \$1,000 per year;

8 WHEREAS, federal tax credit incentives for qualifying EV models can be up to \$7,500;

9 WHEREAS, the average salary per household for a Delaware family is \$72,724;

10 WHEREAS, low-income Delawareans may not be able to afford the higher upfront costs to afford EVs and
11 associated operating costs; and

12 WHEREAS, the federal Inflation Reduction Act (IRA) includes a tax credit for used EVs up to \$4000 or 30% of
13 the purchase price, which can further help lower-income buyers access the EV market.

14 NOW, THEREFORE:

15 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

16 Section 1. Amend Subchapter II, Chapter 80, Title 29 of the Delaware Code by making deletions as shown by
17 strike through and insertions as shown by underline as follows:

18 § 8063. Electric vehicle rebate programs.

19 (a) As used in this section:

20 (1) "All-electric vehicle" means as defined in § 8062 of this chapter.

21 (2) "Department" means the Delaware Department of Natural Resources and Environmental Control.

22 (3) "Electric vehicle" means as defined in § 8062 of this chapter.

23 (4) "Plug-in hybrid vehicle" means as defined in § 8062 of this chapter.

24 (5) “Total Vehicle price” means the final purchase price after any added features, equipment, and extended
25 warranties but before rebates, incentives, and trade-ins. The cost of taxes and tags is not included in the total vehicle
26 price.

27 (b) The Department shall administer a rebate program to incentivize the purchase and lease of new and used
28 electric vehicles by Delaware residents. Qualifying electric vehicles shall be eligible for a rebate in an amount determined
29 by the Department based on availability of funds and the Department’s assessment of the maturation of the market,
30 provided, however, that the rebate for all-electric vehicles shall not exceed \$2,500 per vehicle and the rebate for plug-in
31 hybrid vehicles shall not exceed \$1,000 per vehicle.

32 (c) All of the following are eligible to participate in the rebate programs upon purchase of a qualifying vehicle:

33 (1) Delaware residents.

34 (2) Active-duty military members stationed in Delaware.

35 (d) No more than 2 electric vehicle rebates may be permitted per recipient over the life of the program.

36 (e) The Department shall establish standards and procedures for administration of electric vehicle incentive
37 programs. Such standards may include criteria for establishing qualifying electric vehicles including price caps, mileage
38 range, battery size, and other relevant factors.

39 (f) Eligible vehicles shall not exceed \$60,000 in total vehicle price.

40 (g) Applications for the rebate and incentive programs must be made using forms and procedures developed by the
41 Department.

42 (h) The Department may utilize third-party providers to administer rebate and incentive programs.

43 (i) The Department may utilize funds allocated to the Department under § 6046 of Title 7 for the programs
44 established in subsection (b). Funds shall be issued on a first come, first serve basis as funds are available.

45 Section 2. This Act takes effect upon its enactment into law.

46 Section 3. Section 1 of this Act shall be repealed 6 months after the Department of Natural Resources and
47 Environmental Control notifies the Registrar of Regulations, the Chief Clerk of the House of Representatives, and the
48 Secretary of the Senate of any of the following:

49 (1) Available funds to support the Electric Vehicle Rebate Program established in Section 1 will be exhausted
50 within the following year.

51 (2) The Department of Natural Resources and Environmental Control, in consultation with the Department of
52 Transportation, determines that the median cost of electric vehicles, as defined in Section 1, is comparable with the
53 median cost of similar internal combustion engine vehicles.

SYNOPSIS

This Act creates an Electric Vehicle Rebate Program to incentivize the purchase and lease of new and used electric vehicles by Delaware residents. All-electric vehicles shall receive a rebate of no more than \$2,500 and hybrid vehicles shall receive a rebate of no more than \$1,000. The Department of Natural Resources and Environmental Control shall develop standards, forms, and procedures necessary to implement this program.

This program will be terminated if either of the following occurs and notice is given to the Registrar of Regulations and the General Assembly:

- (1) Available funds for the program will be exhausted within the following year; or
- (2) It is determined that the median cost of electric vehicles is comparable with the median cost of similar internal combustion engine vehicles