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

HOUSE OF REPRESENTATIVES
152nd GENERAL ASSEMBLY

HOUSE BILL NO. 12
AS AMENDED BY
HOUSE AMENDMENT NO. 1

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

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

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

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

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

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

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

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

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

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

NOW, THEREFORE:

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

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

§ 8063. Electric vehicle rebate programs.

(a) As used in this section:

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

(2) “Department” means the Delaware Department of Natural Resources and Environmental Control.

(3) “Electric vehicle” means as defined in § 8062 of this chapter.

HD : LTK : MAW : 3491520049 Released: 06/27/2023 04:26 PM
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(4) “MSRP” means the manufacturer’s suggested retail price for an electric vehicle as set by the electric vehicle’s manufacturer.

(5) “Plug-in hybrid vehicle” means as defined in § 8062 of this chapter.

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

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

(1) Delaware residents.

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

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

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

(f) Eligible vehicles shall not exceed $50,000 in MSRP.

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

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

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

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

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

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

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