

103RD GENERAL ASSEMBLY State of Illinois 2023 and 2024 HB3597

Introduced 2/17/2023, by Rep. Daniel Didech

SYNOPSIS AS INTRODUCED:

415 ILCS 5/9.19 new

Amends the Environmental Protection Act. Requires the Environmental Protection Agency to establish a voucher program to promote the use of electric vehicles by offering, subject to appropriation, a voucher in specified amounts per electric vehicle purchased or leased. Requires vouchers to be (1) made available for electric vehicles that are registered in Illinois or recognized under the International Registration Plan, (2) issued only to applicants who have a primary residence in Illinois, and (3) made available for direct purchases, purchases through third-party bulk orders, and leasing of electric vehicles. Provides that an applicant shall submit a proof of purchase, lease, or other binding contract regarding the electric vehicle in order to be awarded the voucher. Contains other requirements. Defines "electric vehicle". Contains other provisions.

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1 AN ACT concerning safety.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 3. Findings. The General Assembly finds that:

- (1) Accelerating the use of electric vehicles will help address Illinois' serious ozone nonattainment issues and provide significant public health benefits to Illinois residents.
- (2) Historically underserved communities are likely to benefit the most from this transition because they tend to be close to highways and warehouses where pollution from medium-duty and heavy-duty vehicles is the most concentrated.
- (3) Medium-duty and heavy-duty vehicles with a gross vehicle weight ranking (GVWR) of more than 8,500 pounds comprise only 5% of vehicles on the road, but they are responsible for 30% of greenhouse gas emissions, 42% of on-road emissions of nitrous oxide, and 51% of on-road $PM_{2.5}$ emissions nationally.
- (4) Transitioning medium-duty and heavy-duty vehicles, especially the heaviest and most polluting vehicles, to zero-emission models will significantly reduce air pollution and greenhouse gas emissions consistent with relevant State and federal laws and the State's public

1 policy goals.

- (5) Widespread adoption of medium-duty and heavy-duty vehicles will create significant economic benefits through reduced fueling and maintenance costs for both public and private fleets and will avoid costs related to negative health outcomes, hospital visits, and missed workdays.
- (6) Numerous companies working in the zero-emission vehicle industry operate within the State of Illinois, creating high-paying jobs and economic growth for the State. Policies encouraging adoption of zero-emission medium-duty vehicles and zero-emission heavy-duty vehicles will support this burgeoning industry in Illinois.
- (7) Illinois lacks a program that can help bring down the upfront costs of zero-emission medium-duty vehicles and zero-emission heavy-duty vehicles and that can help fleet operators realize the cost savings of this new technology and spur long-term economic development in the State.
- (8) Illinois can use federal funds available under the federal Inflation Reduction Act of 2022 to achieve zero emissions from medium-duty and heavy-duty vehicles.
- Section 5. The Environmental Protection Act is amended by adding Section 9.19 as follows:

- Sec. 9.19. Electric vehicle voucher program.
- 2 (a) The Agency shall establish a voucher program to
 3 promote the use of electric vehicles. Subject to
 4 appropriation, the program shall offer a voucher of up to
 5 \$40,000 for each purchased or leased electric vehicle,
 6 including the cost of charging equipment required for the
 7 electric vehicle, subject to the following limitations:
 - (1) Any commercial clean vehicle credit available under Section 45W of the Internal Revenue Code to an applicant for the electric vehicle for which the voucher is to be awarded shall be subtracted from the amount of the voucher under this Section.
 - (2) An applicant may not receive a voucher under this Section if the value of the federal tax credit described under paragraph (1), the voucher under this Section, and any other governmental incentive for the electric vehicle exceed the vehicle's Manufacturer Suggested Retail Price (MSRP) minus the MSRP of a vehicle deemed to be a comparable internal combustion vehicle under guidance of the U.S. Department of the Treasury.
 - (b) Vouchers offered under this Section shall be made available for electric vehicles that are registered in Illinois or recognized under the International Registration Plan and whose applicant has a primary residence in Illinois. Vouchers must be made available for direct purchases, purchases through third-party bulk orders, and leasing of

1 <u>electric vehicles.</u>

- (c) After an applicant receives notification that the applicant's voucher request has been granted preliminary approval by the Agency, the applicant shall submit a proof of purchase, lease, or other binding contract regarding the electric vehicle in order to be awarded the voucher. The preliminary approval of the voucher request may be renewed at 3-month intervals for up to 18 months, pending receipt of the applicant's proof of purchase, lease, or other binding contract regarding the purchase or leasing of the electric vehicle.
- (d) A person who receives a voucher under this Section must retain title or right of use of the electric vehicle incentivized under the program for a minimum of 36 consecutive months after the purchase date or lease date of the electric vehicle. Resale or sublease of the electric vehicle for financial gain within 36 months after the purchase date or lease date is prohibited.
- (e) If the electric vehicle of an applicant is leased, a lease term of at least 36 months is required for the electric vehicle to be eligible for the program.
- (f) Notwithstanding any other provision of law, no person may receive a grant under this Section for an electric vehicle that has received a low-duty vehicle credit from the State.

 The Agency shall adopt rules prohibiting a person from receiving a low-duty vehicle credit from the State for an

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(g) In this Section, "electric vehicle" means a vehicle
that is exclusively powered by and refueled by electricity,
must be plugged in to charge, is licensed to drive on public
roadways, and is classified by the USEPA as a medium duty or
heavy duty vehicle.