

PREPARED TESTIMONY OF GENERAL MOTORS
HEARING ON HOUSE BILL ON HB 2092
HOUSE COMMITTEE ON ENERGY AND ENVIRONMENT
APRIL 2, 2015

Good morning, Chairman Vega Pederson and members of the committee.

My name is Dave Reinhard and I am pleased to appear before you today on behalf of General Motors in support of HB 2092, a bill to establish an alternative fuel and zero-emission vehicle rebate program to provide rebates to purchasers of qualifying vehicles.

General Motors is a leader in manufacture and sale of alternative fuel vehicles, including:

The Chevrolet *Volt*, *Spark EV*, the *Cadillac ELR* and the recently announced 200 mile battery electric vehicle, the Chevrolet *Bolt*.

HB 2092 will provide purchasers of qualifying AFVs a tax incentive to offset a percentage of the higher initial acquisition cost for these vehicles which operate more efficiently and more cleanly.

The **need for the development** and wide-scale deployment of alternatively fueled vehicles to reduce tailpipe emissions and greenhouse gas production, **as well as** mitigating our nation's dependence on foreign oil, has **long been a policy goal** at both the State and Federal level.

And **Oregon has and continues to be a recognized leader** in this undertaking, not only seeking the policy goal of AFV deployment.

The benefits of AFVs are well understood both in terms of the environment and our nation's energy "balance sheet." But while these vehicles offer significant promise on both fronts, they currently come with a higher price tag than a comparable vehicles propelled by traditional fuels.

Incentives, then, have become an **important part of the initial "procurement equation"** as a means of fostering adoption by mitigating their incrementally higher acquisition costs.

Incentives come in a variety of forms, and include tax credits or deductions, as well as point-of-sale rebates, for either the vehicle itself or the related vehicle charging equipment. Non-monetary incentives include discounts on vehicle registration, preferred parking in public spaces, and access to restricted high-occupancy (HOV) lanes.

All incentives are helpful, but the literature suggests and our sales data confirms that **monetary incentives provide the greatest efficacy in the purchase decision process**.

GM understands the importance of these vehicles in our nation's transportation portfolio. We have and continue to invest significant amounts of capital in the development of a variety of alternative fuels including battery electric, natural gas, and hydrogen.

We, like you, are committed to helping the nation achieve both environmental health and energy independence. **But we need your help.** Policy decisions like the one before you are **crucial to our mutual success.**

For these reasons, GM is pleased to add its name to the list of supporters of HB 2092.

Madame Chair, we wish to thank you and the committee for your thoughtful attention and consideration.