S T A T E O F N E W Y O R K

6947

I N S E N A T E

March 8, 2016

Introduced by Sen. O'MARA -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

AN ACT to amend the tax law, in relation to establishing a sales tax exemption for the purchase of electric vehicles and zero emission vehicles in the state; to amend the vehicle and traffic law, in relation to exempting electric vehicles and zero emission vehicles from the emissions inspection requirements; and to amend the public authorities law, in relation to establishing the zero emission vehicle rebate program within the New York state energy research and development authority

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Subdivision (a) of section 1115 of the tax law is amended by adding a new paragraph 44 to read as follows:

(44) ELECTRIC VEHICLES AND ZERO EMISSIONS VEHICLES. (A) AS USED IN THIS PARAGRAPH, "ELECTRIC VEHICLE" MEANS AN ELIGIBLE VEHICLE, AS SUCH TERM IS DEFINED IN PARAGRAPH (B) OF SUBDIVISION TWO OF SECTION EIGHTEEN HUNDRED EIGHTY-FOUR OF THE PUBLIC AUTHORITIES LAW, PURCHASED AND REGISTERED IN NEW YORK STATE.

(B) AS USED IN THIS PARAGRAPH, "ZERO EMISSION VEHICLE" MEANS A VEHICLE, PURCHASED AND REGISTERED IN NEW YORK STATE, MEETING THE STANDARDS PROVIDED IN 40 CFR 88.104-94(G).

S 2. Subdivision (d) of section 306 of the vehicle and traffic law, as amended by chapter 608 of the laws of 1993, is amended to read as follows:

(d) No person shall issue a certificate or certificates of inspection, inspection extension, or rejection notice without having made a complete inspection or inspections in conformity with the rules and regulations established by the commissioner, or shall wilfully issue a certificate or certificates of inspection for a motor vehicle, the mechanisms and other equipment or emissions of which do not comply with the standards prescribed by the rules and regulations established by the commissioner or the commissioner of environmental conservation, or wilfully issue a

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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certificate of inspection extension or rejection notice when the item or items of inspection conform to the standards established by the regulations of the commissioner or wilfully issue a certificate of inspection extension or rejection notice for an item or items for which inspection is not required by the regulations of the commissioner; PROVIDED, HOWEVER, THAT ANY ELECTRIC VEHICLE OR ZERO EMISSIONS VEHICLE WITH AN ENVIRONMENTAL PROTECTION AGENCY FUEL EFFICIENCY RATING OF FORTY MILES PER GALLON OR HIGHER, SHALL BE EXEMPT FROM THE PROVISIONS OF THIS SUBDIVISION.

S 3. The public authorities law is amended by adding a new section 1884 to read as follows:

S 1884. ZERO EMISSION VEHICLE REBATE PROGRAM. 1. THERE IS HEREBY ESTABLISHED WITHIN THE AUTHORITY A ZERO EMISSION VEHICLE (ZEV) REBATE PROGRAM. THE PURPOSE OF THE PROGRAM SHALL BE TO PROMOTE CLEAN TECHNOLOGY VEHICLES THAT CREATE ENVIRONMENTAL BENEFITS, CONTRIBUTE TO THE NUMBER OF VEHICLES ON THE ROAD TO FULFILL NEW YORK'S CONTRIBUTION TO THE MULTI-STATE COMPACT TO HAVE THREE MILLION THREE HUNDRED THOUSAND ZERO EMISSION VEHICLES ON THE ROAD BY TWO THOUSAND TWENTY-FIVE, AND CONTRIBUTE TO THE ECONOMIC GROWTH OF THE STATE.

2. FOR PURPOSES OF THIS SECTION:

(A) "ELIGIBLE PURCHASE" MEANS AND INCLUDES A TRANSACTION INVOLVING A TRADE IN OF A NON-ELIGIBLE VEHICLE, IN ORDER TO COMPLETE A PURCHASE TO OWN OR A LEASE OF NOT LESS THAN THIRTY-SIX MONTHS OF AN ELIGIBLE VEHICLE, PURCHASED AND REGISTERED IN NEW YORK STATE, AND PLACED INTO SERVICE ON OR AFTER THE EFFECTIVE DATE OF THIS SECTION.

(B) "ELIGIBLE VEHICLE" MEANS AND INCLUDES A NEW LIGHT-DUTY MOTOR ZERO EMISSIONS VEHICLE AS DEFINED IN 40 CFR 88.104-94(G) THAT:

(I) HAS FOUR WHEELS;

(II) WAS MANUFACTURED FOR USE PRIMARILY ON PUBLIC STREETS, ROADS AND HIGHWAYS;

(III) THE POWERTRAIN OF WHICH HAS NOT BEEN MODIFIED FROM THE ORIGINAL MANUFACTURER'S SPECIFICATIONS;

(IV) IS RATED AT NOT MORE THAN EIGHT THOUSAND FIVE HUNDRED POUNDS UNLOADED VEHICLE WEIGHT;

(V) HAS A MAXIMUM SPEED CAPABILITY OF AT LEAST FIFTY-FIVE MILES PER HOUR;

(VI) HAS A MANUFACTURER'S SUGGESTED RETAIL PRICE OF SIXTY THOUSAND DOLLARS OR LESS; AND

(VII) IS PROPELLED TO A SIGNIFICANT EXTENT BY A HYDROGEN FUEL CELL OR OTHER ZERO EMISSIONS RATED MOTOR AS DEFINED IN 40 CFR 88.104-94(G), OR AN ELECTRIC MOTOR THAT DRAWS ELECTRICITY FROM A BATTERY THAT:

(A) HAS A CAPACITY OF NOT LESS THAN FOUR KILOWATT HOURS; AND

(B) IS CAPABLE OF BEING RECHARGED FROM AN EXTERNAL SOURCE OF ELECTRICITY.

3. THE AUTHORITY SHALL AWARD REBATES FOR ELIGIBLE VEHICLES IN AMOUNTS AS DETERMINED BY THIS SECTION. AN APPLICANT IS ELIGIBLE TO RECEIVE A MAXIMUM OF ONE REBATE PER YEAR.

4. THE AUTHORITY SHALL DETERMINE THE REBATE ELIGIBILITY OF EACH APPLICANT IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION AND RULES PROMULGATED BY THE AUTHORITY. THE TOTAL AMOUNT OF REBATES ALLOCATED TO CERTIFIED APPLICANTS IN EACH FISCAL YEAR SHALL NOT EXCEED THE AMOUNT OF FUNDS AVAILABLE FOR THE PROGRAM IN THAT FISCAL YEAR. REBATES SHALL BE ALLOCATED TO APPLICANTS ON A FIRST-COME, FIRST-SERVED BASIS, DETERMINED BY THE DATE THE APPLICATION IS RECEIVED, UNTIL ALL APPROPRIATED FUNDS FOR THE FISCAL YEAR ARE EXPENDED OR THE PROGRAM ENDS, WHICHEVER COMES FIRST. THE AUTHORITY SHALL HAVE AUTHORITY TO REDUCE ELIGIBLE VEHICLE

REBATE AMOUNTS FROM THE AMOUNTS SPECIFIED IN SUBDIVISION SEVEN OF THIS SECTION. SUCH REDUCTION SHALL OCCUR ONLY IF THE AUTHORITY FORECASTS FUNDS WOULD BE EXHAUSTED PRIOR TO THE END OF A FISCAL YEAR.

5. THE AUTHORITY SHALL PROMULGATE RULES TO IMPLEMENT AND ADMINISTER THIS SECTION ON OR BEFORE OCTOBER FIFTEENTH, TWO THOUSAND SIXTEEN, INCLUDING RULES RELATING TO THE FORMS REQUIRED TO CLAIM A REBATE UNDER THIS SECTION, THE REQUIRED DOCUMENTATION AND BASIS FOR ESTABLISHING ELIGIBILITY FOR A REBATE, PROCEDURES AND GUIDELINES FOR CLAIMING A REBATE, AND THE COLLECTION OF ECONOMIC IMPACT DATA FROM APPLICANTS.

6. THE AUTHORITY SHALL DETERMINE AND PUBLISH ON ITS WEBSITE ON AN ONGOING BASIS THE AMOUNT OF AVAILABLE FUNDING FOR REBATES REMAINING IN EACH FISCAL YEAR.

7. (A) THE PURCHASER OR LESSEE OF AN ELIGIBLE VEHICLE MAY BE ELIGIBLE FOR ONLY ONE OF THE REBATES SPECIFIED IN THIS PARAGRAPH:

(I) A PERSON WHO PURCHASES OR LEASES A NEW ELIGIBLE VEHICLE MAY RECEIVE UP TO A TWO THOUSAND FIVE HUNDRED DOLLAR REBATE IF THE BATTERY CAPACITY OF THE ELIGIBLE VEHICLE IS TEN KILOWATT HOURS OR GREATER OR IS A HYDROGEN FUEL CELL OR OTHER ZERO EMISSIONS RATED MOTOR AS DEFINED IN 40 CFR 88.104-94(G); OR

(II) A PERSON WHO PURCHASES OR LEASES A NEW ELIGIBLE VEHICLE MAY RECEIVE UP TO A ONE THOUSAND FIVE HUNDRED DOLLAR REBATE IF THE BATTERY CAPACITY IS FOUR KILOWATT HOURS OR GREATER, BUT LESS THAN TEN KILOWATT HOURS.

(B) INCENTIVES SHALL BE APPLIED FOR USING THE FORMS DEVELOPED AND PROVIDED BY THE AUTHORITY AND SHALL INCLUDE THE VERIFICATION OF PURCHASE OR LEASE BY THE DEALER.

(C) ANY REBATES SHALL BE LESS ANY SALES TAX EXEMPTION FOR ELECTRIC VEHICLES AND ZERO EMISSIONS VEHICLES PROVIDED PURSUANT TO PARAGRAPH FORTY-FOUR OF SUBDIVISION (A) OF SECTION ELEVEN HUNDRED FIFTEEN OF THE TAX LAW.

S 4. This act shall take effect immediately, except that section one of this act shall take effect July 1, 2016.