

EDDIE BAZA CALVO

Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam.

32-14-1710

MAY 3 0 2014

Honorable Judith T. Won Pat, Ed.D. Speaker I Mina'trentai Dos Na Liheslaturan Guåhan 155 Hesler Street Hagåtña, Guam 96910

Dear Madame Speaker:

Transmitted herewith is Bill No. 203-32 (COR) "AN ACT TO ADD A NEW CHAPTER 45A TO DIVISION 2 OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING THE PLUG-IN ELECTRIC VEHICLE REBATE PROGRAM ACT" which lapsed into law on May 24, 2014 as Public Law 32-164.

EDDIE BAZA CALVO

Senseramente

1710



# I MINA'TRENTAI DOS NA LIHESLATURAN GUÂHAN 2013 (FIRST) Regular Session

## CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÂHAN

This is to certify that Substitute Bill No. 203-32 (COR), "AN ACT TO ADD A NEW CHAPTER 45A TO DIVISION 2 OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING THE PLUG-IN ELECTRIC VEHICLE REBATE PROGRAM ACT," was on the 9<sup>th</sup> day of May, 2014, duly and regularly passed.

May, 2014, duly and regularly passed.	
	Shall
	Judith T. Won Pat, Ed.D. Speaker
Tina Rose Muña Barnes Legislative Secretary	
This Act was received by <i>I Maga'lahen Gu</i> 2014, at <u>シャ3</u> o'clock <u>우</u> .M.	wahan this 12th day of May,
APPROVED:	Assistant Staff Officer  Maga'lahi's Office
EDDIE BAZA CALVO Governor of Guam	
Date:MAY 2 4 2014	
Public Law No. 32-164	

## I MINA'TRENTAI DOS NA LIHESLATURAN GUÅHAN 2013 (FIRST) Regular Session

#### Bill No. 203-32 (COR)

As substituted by the Committee on Appropriations, Public Debt, Legal Affairs, Retirement, Public Parks, Recreation, Historic Preservation and Land; and amended on the Floor.

Introduced by:

1

Chris M. Dueñas
Dennis G. Rodriguez, Jr.
Tommy Morrison
V. Anthony Ada
T. C. Ada
FRANK B. AGUON, JR.
B. J.F. Cruz
Michael T. Limtiaco
Brant T. McCreadie
T. R. Muña Barnes
Vicente (ben) C. Pangelinan
R. J. Respicio
Michael F. Q. San Nicolas
Aline A. Yamashita, Ph.D.
Judith T. Won Pat, Ed.D.

AN ACT TO ADD A NEW CHAPTER 45A TO DIVISION 2 OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING THE PLUG-IN ELECTRIC VEHICLE REBATE PROGRAM ACT.

#### BE IT ENACTED BY THE PEOPLE OF GUAM.

- 2 Section 1. Legislative Findings and Intent. I Liheslaturan Guåhan finds
- 3 Guam to be an ideal location for the use of plug-in electric vehicles. According to
- 4 national driving statistics, the typical car owner drives less than thirty miles daily.
- 5 The average daily driving distance for Guam drivers would seem to fall within the

national average given our size and the location of most centers of employment and commerce.

I Liheslatura further finds that several Guam car dealers offer electric vehicles that purport the capability to go between 73 and 80 miles on a full charge, which has been rated by the USEPA as between 110 and 132 miles per gallon (mpg) equivalent. The Guam Power Authority estimates the cost to "fill up" an electric vehicle is about \$2.50 per gallon, as opposed to \$4.73 per gallon of unleaded gas. If a typical family on Guam spends \$400 per month on fuel purchases, this same family could realize a savings of almost \$200 at the fuel pump by purchasing a plug-in electric vehicle.

I Liheslatura further finds plug-in electric vehicles to be a relatively recent innovation in automotive technology, which has led to higher prices for this type of vehicle. In recognition of the need to improve consumer interest in electric vehicles, the federal government has been offering a tax credit that can be taken at the time of purchase or when the purchaser files a return for the year in which the electric vehicle was purchased. The offering of this tax credit levels the playing field when a consumer considers the purchase of a new vehicle.

Therefore, it is the intent of *I Liheslaturan Guåhan* to also level the playing field by strongly encouraging Guam motorists to consider the purchase of plug-in electric vehicles by offering its own rebate incentive program for plug-in electric vehicle purchasers. It is also the intent of *I Liheslaturan Guåhan* that this rebate shall be *in addition to* any federal tax credit applicable to the purchase of plug-in electric vehicles.

**Section 2.** A new Chapter 45A is hereby *added* to Division 2 of Title 10, Guam Code Annotated, to read:

26 "CHAPTER 45A

## PLUG-IN ELECTRIC VEHICLE REBATE PROGRAM ACT

1	§ 45A101. Establishment and Title.
2	§ 45A102. Definitions.
3	§ 45A103. Rebate Incentive Offered.
4	§ 45A104. Eligible Vehicle, Determined.
5	§ 45A105. Rebates, Funded.
6	§ 45A106. Program, Phase-out.
7	§ 45A107. Rules and Regulations.
8	§ 45A108. Effective Date.
9	§ 45A109. Severability.
10	§ 45A101. Establishment and Title. This Chapter shall be known
11	as the Plug-In Vehicle Rebate Program Act (Act). The Guam Energy Office
12	(GEO) shall develop, implement, and administer the Plug-In Vehicle Rebate
13	Program (Program) to provide financial assistance toward the purchase of a
14	plug-in electric vehicle.
15	§ 45A102. Definitions. For the purposes of this Chapter, except as
16	otherwise specifically provided, the following words and phrases, together
17	with all of the common derivatives thereof (i.e. verbs, plurals, gender, etc.),
18	shall have the meaning ascribed to them in this Chapter.
19	(a) Natural person shall mean a human being.
20	(b) Purchaser shall mean the natural person who purchased a
21	new qualified plug-in vehicle for which an application for the
22	Program is made.
23	(c) Qualified plug-in electric drive motor vehicle shall mean
24	a new vehicle with at least four wheels, that draws propulsion using a
25	traction battery that has at least four kilowatt hours (kWh) of capacity,
26	uses an external source of energy to recharge the battery, has a gross

vehicle weight rating of *not more than* 14,000 pounds, and meets specified emission standards.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

§ 45A103. Rebate Incentive Offered. Each natural person that purchases a qualified plug-in electric drive motor vehicle shall be eligible for one (1) rebate that shall be calculated to consist of not more than ten percent (10%) of the total base price of the qualified plug-in electric drive motor vehicle not to exceed a total base price of Thirty Thousand Dollars (\$30,000). Each natural person shall only be eligible for one rebate for said natural person's lifetime. The terms the purchaser must meet include, but are not limited to, proof of purchase of the new qualified plug-in electric drive motor vehicle and proof of insurance for said vehicle. The purchaser shall agree to maintain ownership of the qualified plug-in electric drive motor vehicle for a period of not less than thirty-six (36) months, and shall complete and submit the necessary forms as prescribed by the GEO to claim a rebate pursuant to the Program. If the purchaser transfers ownership of the qualified plug-in electric drive motor vehicle for which a rebate was granted within the thirty-six (36) month period, the purchaser shall repay a prorated amount of the rebate granted to be determined by the GEO in the formulation of its promulgated rules and regulations. The rebate offered in this Section shall be in addition to any federal tax credit applicable to the purchase of a qualified plug-in electric drive motor vehicle.

§ 45A104. Eligible Vehicle, Determined. A rebate is available for the purchase of a new qualified plug-in electric drive motor vehicle pursuant to the definition in §45A102(c) of this Chapter.

§ 45A105. Rebates, Funded. Beginning with Fiscal Year 2015, the rebates *shall* be paid from sums set aside in the annual budget of the government of Guam enacted for each fiscal year. Beginning in Fiscal Year

2015, Three Hundred Thousand Dollars (\$300,000) *shall* be appropriated from the General Fund to the Guam Energy Office for the payment of rebates to eligible claimants. This appropriation *shall* continue to be available until fully expended.

§ 45A106. Program, Phase-out. The rebate authorized in this Chapter is subject to a phase-out (reduction) once one hundred (100) qualified plug-in electric drive motor vehicle rebates have been provided beginning after October 1, 2014. The phase-out *shall* begin in the second calendar quarter after the quarter in which the hundredth (100<sup>th</sup>) rebate has been granted. During this quarter, the GEO *shall* be authorized to *only* provide fifty percent (50%) of the full rebate for the following two (2) quarters, then twenty-five percent (25%) of the full rebate for an additional two (2) quarters, and no rebate thereafter.

§ 45A107. Rules and Regulations. Within one hundred eighty (180) days after the enactment of this Act, the GEO *shall* adopt such rules and regulations as may be necessary to implement the provisions of this Chapter in accordance with the Administrative Adjudication Act.

§ 45A108. Effective Date. With the exception of §45A106 and §45A107 of this Chapter being effective upon enactment of this Act, all other provisions of this Chapter *shall* be effective on October 1, 2014.

§ 45A109. Severability. If any of the provisions of this Chapter or the application thereof to any person or circumstance is held invalid, such invalidity *shall not* affect any other provision or application of this Chapter which can be given effect without the invalid provision or application, and to this end the provisions of this Chapter are severable."