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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 3894

02/27/2020 Authored by Long and Garofalo The bill was read for the first time and referred to the Energy and Climate Finance and Policy Division

1.1 A bill for an act
1.2 relating to electric vehicles; establishing a program to provide rebates to purchasers
1.3 of electric vehicles; appropriating money; proposing coding for new law in
1.4 Minnesota Statutes, chapter 216C.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. 216C.401 ELECTRIC VEHICLE REBATES.

1.7 Subdivision 1. Definition. (a) For the purposes of this section, the following terms have
1.8 the meanings given.

1.9 (b) "Electric vehicle" has the meaning given in section 169.011, subdivision 26a,
1.10 paragraphs (a) and (b), clause (3).

1.11 (c) "New eligible electric vehicle" means an eligible electric vehicle that has not been
1.12 registered in any state.

1.13 (d) "Used eligible electric vehicle" means an eligible electric vehicle that has previously
1.14 been registered in a state.

1.15 Subd. 2. Eligibility. The purchaser of an electric vehicle is eligible for a rebate, subject
1.16 to the amounts and limits in subdivisions 3 and 4, if:

1.17 (1) the electric vehicle:

1.18 (i) has not been previously owned;

1.19 (ii) has not been modified from the original manufacturer's specifications; and

1.20 (iii) is purchased after the effective date of this act for use by the purchaser and not for
1.21 resale;

2.1 (2) the purchaser:

2.2 (i) is a resident of Minnesota, as defined in section 290.01, subdivision 7, paragraph (a),  
2.3 when the electric vehicle is purchased;

2.4 (ii) is a business that has a valid address in Minnesota from which business is conducted;

2.5 (iii) is a nonprofit corporation incorporated under chapter 317A; or

2.6 (iv) is a political subdivision of the state; and

2.7 (3) the purchaser:

2.8 (i) has not received a rebate or tax credit for the purchase of an electric vehicle from  
2.9 Minnesota; and

2.10 (ii) registers the electric vehicle in Minnesota.

2.11 Subd. 3. **Rebate amounts.** (a) A \$2,500 rebate may be issued under this section to an  
2.12 eligible purchaser for the purchase of a new eligible electric vehicle.

2.13 (b) A \$500 rebate may be issued under this section to an eligible purchaser for the  
2.14 purchase of a used eligible electric vehicle, provided the electric vehicle has not previously  
2.15 been registered in Minnesota.

2.16 Subd. 4. **Eligible expenses.** Appropriations made to support the activities of this section  
2.17 must be expended only to pay:

2.18 (1) rebates to eligible purchasers of eligible electric vehicles; and

2.19 (2) the department's reasonable costs to administer this section.

2.20 Subd. 5. **Limits.** (a) The number of rebates allowed under this section are limited to:

2.21 (1) no more than one rebate per resident per household; and

2.22 (2) no more than one rebate per business entity per year.

2.23 (b) A rebate must not be issued under this section for an electric vehicle with a  
2.24 manufacturer's suggested retail price that exceeds \$60,000.

2.25 Subd. 6. **Program administration.** (a) Rebate applications under this section must be  
2.26 filed with the commissioner on a form developed by the commissioner.

2.27 (b) The commissioner must develop administrative procedures governing the application  
2.28 and rebate award process. Applications must be reviewed and rebates awarded by the  
2.29 commissioner on a first-come, first-served basis.

3.1 (c) The commissioner may reduce the rebate amounts provided under subdivision 3 or  
3.2 restrict program eligibility based on fund availability or other factors.

3.3 Subd. 7. **Expiration.** This section expires June 30, 2025.

3.4 Sec. 2. **APPROPRIATION.**

3.5 \$15,000,000 in fiscal year 2021 is appropriated from the general fund to the commissioner  
3.6 of commerce to award rebates to eligible electric vehicle purchasers under Minnesota  
3.7 Statutes, section 216C.401.