



OFFICE OF SENATOR SABINA FLORES PEREZ

Chairperson

Committee on Environment, Revenue and Taxation, and Procurement

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÁHAN

35TH GUAM LEGISLATURE

PRESS RELEASE

Senator Perez Statement for Bill 84-35 (Electric Vehicle Rebate)

Guam, March 3, 2020 – Senator Perez’s statement from today’s Session discussion on Bill 84-35, relevant to Guam’s Electric Vehicle Rebate:

Bill 84-35 promotes the adoption of electric vehicles on Guam. It does so by adopting rules and regulations for a local electric vehicle rebate, and extending these rebates to businesses and non-profits. I would like to thank my co-sponsors on this measure, Speaker Muña Barnes and Senator Lee.

Currently, Guam law provides a 10% rebate (up to \$3000) on any electric vehicle bought on Guam, but this rebate is only available to individuals. At this time, only seven people on Guam had made use of this rebate.

It’s important we encourage more electric vehicles on our roads. Bill 84-35 extends the current 10% rebate to local businesses and non-profit organizations, and allows them to use the rebate on up to three electric cars. Regardless of whether a person is driving for themselves or on behalf of a business, electric vehicles are better for our environment and reduce our island’s reliance on imported fuel.

When this bill was introduced, only one model of electric vehicle (the Nissan Leaf) was sold on Guam. I’m encouraged to see another model (the Hyundai Kona EV) was recently introduced to Guam, and that all major car manufacturers plan to begin selling fully electric vehicles in the near future. An electric four-door car can now be bought on Guam for under \$40k, will have a range of between 150-250 miles, and can be charged overnight on a regular outlet (or charged much faster on specialized chargers).

Electric vehicles are ideal for an island such as Guam, including for many of our businesses. Government can play an important role by incentivizing early adoption through this rebate program. Early adopters will help normalize electric vehicles for Guam and speed up our transition to cleaner vehicles.

Current Guam law incorporates a phase-out period for the rebate. The first 100 vehicle rebates will receive 10% of the value of the vehicle, up to \$3000 per purchase. After 100 rebates have been issued, the amount is reduced by 50% for the next six months (so the maximum rebate will be \$1500), then by another 50% for the final six months (making the maximum rebate \$750). Bill 84-35 proposes extending the final six-month period to twelve months. As of today, Guam Energy Office has given seven rebates for a total of \$17,322 over the last six years, and has a remaining \$45,700 already appropriated and set aside for the rebate program.

The bill also adopts rules and regulations written by the Guam Energy Office and that had previously gone through most of the triple A process. However, before being added by the



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Compiler of Laws, it was noted that a few elements of the proposed rules and regulations were not fully authorized by Guam Code Annotated. As such, the triple A process was stopped, those portions were removed (such as references to a home appliance rebate program), and the updated rules and regulations are attached to this bill. Once Bill 84-35 is adopted, the attached rules and regulations will also be adopted.

Unfortunately, Guam's biggest export is cash. We send hundreds of millions of dollars off-island every year to purchase oil and gas. And while it's true that much of our power currently comes from oil, power plants are three times more efficient at generating power than gas-powered cars. And GPA is increasingly using renewables to power our grid. Electric vehicles are not only cleaner, but they help keep more money on-island.

Electric vehicles are better for the environment because they reduce our carbon footprint and reliance on fossil fuels, particularly when recharged using renewable energy or power plants that produce energy more efficiently. Electric vehicles are also cheaper to operate, requiring significantly less maintenance, and eliminate the need for oil changes and the need to divert used oil as we move towards zero waste for Guam.

It's time our island moves toward cleaner and cheaper modes of transportation, particularly electric vehicles, and Bill 84-35 is an important step in spurring this transition.

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