



ELECTRIC VEHICLE REBATE PROGRAM (\$50M)

BEST PRACTICES FOR EV REBATES:

- **Center Equity:** Offer additional incentive of \$2,000 for low-income Michiganders
- **Support leased and used vehicles:** In addition to new vehicle purchases
- **Prioritize fully electric:** Reduce the incentive for plug-in hybrid vehicles to \$1,000
- **Add e-bikes:** To support non-automotive travel

RECOMMENDED REBATE AMOUNTS:

	BATTERY ELECTRIC	PLUG-IN HYBRID	ELECTRIC BICYCLE
GENERAL REBATE	\$2,000	\$1,000	\$500
INCOME-QUALIFIED REBATE	\$4,000	\$2,000	\$1,250 (capped at 90% of price)
USED VEHICLES (INCOME-QUALIFIED ONLY)	\$2,000	\$1,000	\$0

MECHANISM FOR A MICHIGAN REBATE:

- The Treasury Department could administer the incentives
- Needs budget appropriation, the current suggestion is \$50 million



CLEAN SCHOOL AND TRANSIT BUS PILOT (\$45M)

WHY BUSES?

- **High Impact:** 48% of K12 students ride a bus to school, and average fuel economy for school buses is only 6.5 mpg
- **Proven technology:** There are dozens of electric school and transit buses operating in Michigan today
- **Upfront barriers:** Electric buses can be two or three times the price of combustion engine buses, and require retraining mechanics and drivers
- **Savings over time:** Tax payers and fleets will save money from reduced fuel and maintenance costs over time

CREATE A MODEL TO BE USED STATEWIDE

- As recommended in the Council on Future Mobility and Electrification 2021 report, MDOT should offer grant programs for school and transit fleets to purchase electric buses and the corresponding infrastructure, education, and training
- The program's outcomes should include a model for successful deployment and lessons learned that can be shared statewide



TRANSITION PUBLIC FLEET VEHICLES (\$20M)

DEMONSTRATE STATE LEADERSHIP

- Investments in public fleets will save taxpayers money over time by reducing fuel and maintenance costs.
- Public fleets cannot take advantage of federal tax incentives for electric and alternative fuel vehicles except through 3rd party financing arrangements.
- We recommend completing a State Fleet Telematics Data Analysis by installing monitoring devices on state fleet vehicles that will gather data necessary for fleet procurement planning purposes, as well as an analysis of those findings. This funding would help the Department of Technology, Management and Budget determine the specific vehicles in the state's fleet that would be most appropriate and cost-effective to transition to electric or alternative fuel vehicles.

SUPPORT COMMUNITIES ACROSS THE STATE

- This budget appropriation will help convert state and municipal fleet vehicles to cleaner fuels, including building upgrades, vehicles, and necessary charging or refueling infrastructure