

American Rescue Plan Act Funding Request

E-Bike Subsidy Program

Introduction:

Electric bicycles (“e-bikes”) are like traditional bicycles but use a motor to make riding easier. E-bikes use rechargeable batteries and are able to travel up to 28 miles per hour. Because e-bikes are able to assist with pedaling, this allows cycling to be more accessible to different levels of bike riders and also allows for those commuting on e-bikes to keep up with the flow of traffic. E-bikes reduce carbon emissions because they use an electric motor and can save riders money that would otherwise be used on fuel and maintenance for a car. Pricing starts around \$1,000 for a lower-end e-bike.

Program Proposal:

This proposal is to use \$1,000,000 in American Rescue Plan Act funds to provide subsidies to residents of Nashville and Davidson County for the purchase of an e-bike. The Metropolitan Government will administer this program and may contract with a third party to assist with the administration. The Metropolitan Government will work to implement this program within 90 days of the appropriation of the American Rescue Plan funds for this purpose.

Two types of rebates would be available:

- Standard Rebate: A rebate of up to \$300 for an e-bike or up to \$500 for an e-cargo bike.
- Income-Qualified Rebate: If the income threshold is met, a rebate of up to \$1,200 for an e-bike and up to \$1,400 for an e-cargo bike.

Income-Qualified Rebate: Individuals with a household income below 80% of the Area Median Income of Nashville and Davidson County or below 200% of the relevant federal poverty level.

Applicants would be required to submit an application for a rebate. This application would require proof of residency of Nashville and Davidson County and proof of income if applying for an Income-Qualified Rebate. All applicants must be 18 year of age or older. Rebates would be limited to one per person. The rebate must be used to purchase a new e-bike from a participating bike shop.

The rebates would be available for all classes of e-bikes, as defined by Tennessee Code Annotated § 55-8-301:

- Class 1: an electric bicycle equipped with a motor that provides assistance only when the rider is pedaling, and that ceases to provide assistance when the bicycle reaches the speed of twenty miles per hour (20 mph).
- Class 2: an electric bicycle equipped with a motor that may be used exclusively to propel the bicycle, and that is not capable of providing assistance when the bicycle reaches the speed of twenty miles per hour (20 mph).

Exhibit A

- Class 3: an electric bicycle equipped with a motor that provides assistance only when the rider is pedaling, and that ceases to provide assistance when the bicycle reaches the speed of twenty-eight miles per hour (28 mph).

E-bikes purchased through this program must have two or three wheels and fully operable pedal. The electric motor must be 750 watts or less and cannot be gas-powered. Full-suspension mountain bikes are excluded from the program. There is no minimum or maximum purchase price.

E-cargo bikes must have an extended frame designed to carry additional people or cargo. E-cargo bikes must meet all of the following criteria:

- Designed to carry one or more passengers in addition to the rider OR designed to carry heavier or bulkier loads than a traditional bicycle can carry
- Bike has an extended frame (long tail, long john, Bakfiets or box bike)
- Bike's extended frame has a published cargo load carrying capacity of at least 100 lbs.

The rebate must be redeemed at a participating bike shop. The Metropolitan Government will partner with bike shops in Nashville and Davidson County. The bike shops must have a brick-and-mortar location in Nashville and Davidson County and must sell e-bikes that meet the criteria above and provide on-site sales, service, and repair of e-bikes. The bike shop must confirm the name on each e-bike voucher matches the name of each e-bike buyer in person at the time of sale.