

VEHICLE EMISSIONS REDUCTION PROGRAM

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jeffrey D. Stenquist

Senate Sponsor: _____

LONG TITLE

General Description:

This bill enacts the Vehicle Emissions Reduction Program as part of the Air Conservation Act.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ creates the Vehicle Emissions Reduction Program Restricted Account;
- ▶ creates the Vehicle Emissions Reduction Program (program) to provide financial assistance in the purchase of a motor vehicle under certain conditions;
- ▶ establishes certain criteria by which a person may participate in the program;
- ▶ requires certain local health departments to assist in administering the program;
- ▶ requires the Air Quality Board to make rules for the administration of the program;
- ▶ requires the Division of Air Quality under certain circumstances to conduct:
 - a public service campaign; and
 - a study, submitting the results of the study to the Transportation Interim

Committee; and

- ▶ creates a repeal date requiring committee review of the program.

Money Appropriated in this Bill:

None

Other Special Clauses:



28 None

29 **Utah Code Sections Affected:**

30 AMENDS:

31 **63I-1-219**, as last amended by Laws of Utah 2018, Chapter 31

32 ENACTS:

33 **19-2-401**, Utah Code Annotated 1953

34 **19-2-402**, Utah Code Annotated 1953

35 **19-2-403**, Utah Code Annotated 1953

36 **19-2-404**, Utah Code Annotated 1953

37 **19-2-405**, Utah Code Annotated 1953

38 **19-2-406**, Utah Code Annotated 1953

39 **19-2-407**, Utah Code Annotated 1953

40 **19-2-408**, Utah Code Annotated 1953

41 **19-2-409**, Utah Code Annotated 1953



43 *Be it enacted by the Legislature of the state of Utah:*

44 Section 1. Section **19-2-401** is enacted to read:

45 **Part 4. Vehicle Emissions Reduction Program**

46 **19-2-401. Title.**

47 This part is known as "Vehicle Emissions Reduction Program."

48 Section 2. Section **19-2-402** is enacted to read:

49 **19-2-402. Definitions.**

50 As used in this chapter:

51 (1) "Eligible replacement vehicle" means a motor vehicle as defined in Section

52 41-1a-102 that:

53 (a) emits emissions that are equal to or cleaner than the standards established in bin 5

54 in Table S04-1, of 40 C.F.R. 86.1811-04(c)(6);

55 (b) is of the current or previous five model years;

56 (c) has an odometer reading equal to or less than 70,000 miles; and

57 (d) costs no more than \$35,000 before tax, title, and licensing.

58 (2) "Eligible trade-in vehicle" means a motor vehicle as defined in Section [41-1a-102](#)

59 that:

60 (a) is of the model year 2003 or older;

61 (b) failed the emissions inspection required under Section [41-6a-1642](#) within the
62 previous 30 days;

63 (c) (i) is registered or regularly operates in a county located in a nonattainment area; or

64 (ii) was reported to the department as emitting excessive amounts of smoky exhaust
65 while being driven through a county located in a nonattainment area;

66 (d) is registered in the motor vehicle owner's name;

67 (e) has been registered in the state for at least the previous 12 months; and

68 (f) is drivable under the motor vehicle's own power.

69 (3) "Federal poverty level" means the poverty level as defined by the most recently
70 revised poverty income guidelines published by the United States Department of Health and
71 Human Services in the Federal Register.

72 (4) "Local health department" means the same as that term is defined in Section
73 [26A-1-102](#).

74 (5) "Nonattainment area" means a part of the state where air quality is determined to
75 exceed the National Ambient Air Quality Standards, as defined in the Clean Air Act
76 Amendments of 1970, Pub. L. No. 91-604, Sec. 109, for fine particulate matter (PM 2.5).

77 (6) "Participating dealer" means a dealer as defined in Section [41-3-102](#) that signs a
78 written agreement described in Section [19-2-405](#) with a local health department to participate
79 in the program.

80 (7) "Participating recycler" means a person who:

81 (a) (i) is a crusher as defined in Section [41-3-102](#); or

82 (ii) is a dismantler as defined in Section [41-3-102](#); and

83 (b) signs a written agreement described in Section [19-2-406](#) with a local health
84 department to participate in the program.

85 (8) "Qualified vehicle owner" means an individual who:

86 (a) has a household income equal to or less than 300% of the federal poverty level; and

87 (b) owns an eligible trade-in vehicle.

88 (9) "Vehicle Emissions Reduction Program" or "program" means the program
89 established in Subsection [19-2-404\(1\)](#).

90 Section 3. Section **19-2-403** is enacted to read:

91 **19-2-403. Creation of restricted account -- Assistance.**

92 (1) There is created within the General Fund a restricted account known as the Vehicle
93 Emissions Reduction Program Restricted Account.

94 (2) The restricted account consists of:

95 (a) any voluntary monetary contributions received;

96 (b) proceeds from the sale of scraps or nonengine parts made in connection with the
97 Vehicle Emissions Reduction Program;

98 (c) appropriations the Legislature makes to the restricted account; and

99 (d) interest accrued in accordance with Subsection (3)(b).

100 (3) The state treasurer shall:

101 (a) invest the money in the restricted account by following the procedures and
102 requirements of Title 51, Chapter 7, State Money Management Act; and

103 (b) deposit all interest or other earnings derived from the investments described in
104 Subsection (3)(a) into the restricted account.

105 (4) (a) Subject to legislative appropriations, the division shall provide financial
106 assistance from the Vehicle Emissions Reduction Program Restricted Account:

107 (i) to qualified vehicle owners who purchase eligible replacement vehicles in
108 accordance with this chapter;

109 (ii) in a total amount of up to \$6,500,000; and

110 (iii) in amounts that increase on a sliding scale based on:

111 (A) the emissions performance of a purchased eligible replacement vehicle; and

112 (B) the applicant's income level.

113 (b) In accordance with Subsection (4)(a)(iii), the division shall establish a sliding scale
114 for grants made under this chapter that:

115 (i) provides up to \$5,500 in financial assistance to a qualified vehicle owner that:

116 (A) purchases an eligible replacement vehicle that emits zero emissions; and

117 (B) has a household income level at 200% of the federal poverty level or below; and

118 (ii) provides as low as \$3,000 in financial assistance to a qualified vehicle owner that:

119 (A) purchases an eligible replacement vehicle that emits more than the emission

120 standards established in bin 2 in Table S04-1, of 40 C.F.R. 86.1811-04(c)(6) and emissions less

121 than or equal to the standards established in bin 5 in Table S04-1, of 40 C.F.R.
122 86.1811-04(c)(6); and

123 (B) has a household income level between 251% and 300% of the federal poverty
124 level.

125 (c) The division may use money in the Vehicle Emissions Reduction Program
126 Restricted Account to:

127 (i) administer the program in accordance with this chapter; or

128 (ii) assist a local health department to carry out the provisions of this chapter.

129 (5) The division shall deposit all money the division receives from the sale of scraps or
130 nonengine parts in connection with this program into the restricted account.

131 Section 4. Section **19-2-404** is enacted to read:

132 **19-2-404. Program creation -- requirements.**

133 (1) There is created the Vehicle Emissions Reduction Program to provide financial
134 assistance to qualified vehicle owners in purchasing eligible replacement vehicles.

135 (2) To receive financial assistance under the program, a qualified vehicle owner shall:

136 (a) obtain from a local health department certification that indicates the level of
137 assistance the qualified vehicle owner is eligible to receive;

138 (b) deliver to a participating dealer:

139 (i) the qualified vehicle owner's eligible trade-in vehicle, including title to the vehicle;
140 and

141 (ii) the certification described in Subsection (2)(a); and

142 (c) purchase an eligible replacement vehicle from the participating dealer described in
143 Subsection (2)(b).

144 (3) (a) In granting the certification described in Subsection (2)(a), a local health
145 department shall:

146 (i) verify that the individual to whom the local health department grants the
147 certification is a qualified vehicle owner;

148 (ii) determine the amount of assistance the qualified vehicle owner is eligible to receive
149 in accordance with the sliding scale established under the program; and

150 (iii) require the qualified vehicle owner to complete a survey designed to:

151 (A) determine the qualified vehicle owner's motivation for participating in the program

152 described in this chapter; and

153 (B) assess how much the financial assistance under this chapter weighed into the
154 qualified vehicle owner's decision to purchase an eligible replacement vehicle.

155 (b) Each local health department shall submit surveys completed under Subsection
156 (3)(a) to the division on a quarterly basis.

157 Section 5. Section **19-2-405** is enacted to read:

158 **19-2-405. Participating dealers -- Reimbursement.**

159 (1) To participate in the Vehicle Emissions Reduction Program, a dealer as defined in
160 Section [41-2-102](#) shall sign an agreement with a local health department that requires the
161 dealer:

162 (a) to surrender to a participating recycler all eligible trade-in vehicles the dealer
163 receives in connection with this program in accordance with rules established under this
164 chapter; and

165 (b) to follow rules established in accordance with this chapter in order to receive
166 reimbursement under this chapter.

167 (2) When a qualifying vehicle owner purchases an eligible replacement vehicle
168 following the requirements described in Subsection [19-2-404](#)(2), the participating dealer shall:

169 (a) credit the qualifying vehicle owner's purchase with the amount of financial
170 assistance the qualifying vehicle owner's certification, as described in Section [19-2-404](#),
171 specifies;

172 (b) recycle the eligible trade-in vehicle in accordance with the agreement described in
173 Subsection (1); and

174 (c) provide the local health department that issued the certification described in Section
175 [19-2-404](#):

176 (i) a copy of the contract of sale;

177 (ii) a copy of the used certification;

178 (iii) a picture of the purchased vehicle's emission information sticker;

179 (iv) a receipt showing that a participating recycler received the eligible trade-in vehicle
180 and the vehicle's title; and

181 (v) a request for reimbursement.

182 (3) A local health department that receives a request for reimbursement in accordance

183 with this section shall reimburse the participating dealer for the amount the participating dealer
184 credited the qualifying vehicle owner.

185 Section 6. Section **19-2-406** is enacted to read:

186 **19-2-406. Participating recyclers.**

187 To participate in the Vehicle Emissions Reduction Program, a dismantler or crusher as
188 those terms are defined in Section [41-3-102](#) shall sign an agreement with a local health
189 department that requires the dismantler or crusher to:

190 (1) for each motor vehicle the dismantler or crusher receives in connection with the
191 program:

192 (a) (i) crush the entire motor vehicle for scraps; or

193 (ii) destroy the engine and emissions system, including catalytic converter; and

194 (b) sell:

195 (i) nonengine parts; and

196 (ii) from the engine and emissions system, scrap metal only;

197 (2) on a monthly basis, send the local health department:

198 (a) a list of all vehicles the dismantler received in connection with the program; and

199 (b) proceeds from sales described in Subsection (1)(b); and

200 (3) comply with rules established under this chapter.

201 Section 7. Section **19-2-407** is enacted to read:

202 **19-2-407. Rulemaking.**

203 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
204 board shall make rules that:

205 (a) carry out the provisions of this chapter;

206 (b) establish a certification and reimbursement process in accordance with this chapter;

207 (c) ensure that an individual who receives financial assistance under both this program

208 and any similar program that relies on federal funding does not receive a total amount more

209 than the individual is qualified to receive under either program alone;

210 (d) ensure that an eligible trade-in vehicle surrendered under this program is converted

211 to scrap or otherwise disposed of; and

212 (e) ensure that no engine part or emissions control system from an eligible trade-in

213 vehicle surrendered under this program is resold, except as scrap metal.

214 (2) In making the rules described in Subsection (1), the board shall:

215 (a) consider recommendations from the division; and

216 (b) coordinate with the Department of Health, where applicable.

217 Section 8. Section **19-2-408** is enacted to read:

218 **19-2-408. Public service campaign.**

219 (1) Subject to legislative appropriations, the division shall conduct a public service
220 campaign to educate the public about:

221 (a) smog ratings of motor vehicles;

222 (b) the benefits to the state of lowering motor vehicle emissions;

223 (c) financial assistance available through the program; and

224 (d) any other program the division administers that is aimed at reducing air pollution or
225 improving air quality in nonattainment areas.

226 (2) The division may issue a request for proposal to assist the division in fulfilling the
227 requirements described in Subsection (1).

228 Section 9. Section **19-2-409** is enacted to read:

229 **19-2-409. High-polluting motor vehicles study.**

230 (1) Subject to legislative appropriations, the division shall conduct a study to
231 determine:

232 (a) the types of people in the state who own higher-polluting motor vehicles in the
233 state;

234 (b) incentives for people in the state owning higher-polluting motor vehicles to
235 transition to lower-polluting motor vehicles;

236 (c) why residents in the state tend to keep motor vehicles for longer periods of time
237 than residents in other states; and

238 (d) for what purposes residents of the state use older vehicles.

239 (2) The division may issue a request for proposal to assist the division in conducting,
240 or to conduct, the study described in Subsection (1).

241 (3) If conducted, the division shall submit the results of the study described in
242 Subsection (1) to the Transportation Interim Committee before May 30, 2022.

243 Section 10. Section **63I-1-219** is amended to read:

244 **63I-1-219. Repeal dates, Title 19.**

- 245 (1) Title 19, Chapter 2, Air Conservation Act, is repealed July 1, 2019.
- 246 (2) Title 19, Chapter 2, Part 4, Vehicle Emissions Reduction Program, is repealed July
- 247 1, 2024.
- 248 [~~2~~] (3) Title 19, Chapter 4, Safe Drinking Water Act, is repealed July 1, 2019.
- 249 [~~3~~] (4) Title 19, Chapter 5, Water Quality Act, is repealed July 1, 2019.
- 250 [~~4~~] (5) Title 19, Chapter 6, Part 1, Solid and Hazardous Waste Act, is repealed July 1,
- 251 2019.
- 252 [~~5~~] (6) Title 19, Chapter 6, Part 3, Hazardous Substances Mitigation Act, is repealed
- 253 July 1, 2020.
- 254 [~~6~~] (7) Title 19, Chapter 6, Part 4, Underground Storage Tank Act, is repealed July 1,
- 255 2028.
- 256 [~~7~~] (8) Title 19, Chapter 6, Part 6, Lead Acid Battery Disposal, is repealed July 1,
- 257 2026.
- 258 [~~8~~] (9) Title 19, Chapter 6, Part 7, Used Oil Management Act, is repealed July 1,
- 259 2019.
- 260 [~~9~~] (10) Title 19, Chapter 6, Part 8, Waste Tire Recycling Act, is repealed July 1,
- 261 2020.
- 262 [~~10~~] (11) Title 19, Chapter 6, Part 10, Mercury Switch Removal Act, is repealed July
- 263 1, 2027.