

Representative Jeffrey D. Stenquist proposes the following substitute bill:

VEHICLE EMISSIONS REDUCTION PROGRAM

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jeffrey D. Stenquist

Senate Sponsor: Curtis S. Bramble

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:



26 None

27 **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 **63I-1-226**, as last amended by Laws of Utah 2018, Third Special Session, Chapter 1

33 ENACTS:

34 **19-2-401**, Utah Code Annotated 1953

35 **19-2-402**, Utah Code Annotated 1953

36 **19-2-403**, Utah Code Annotated 1953

37 **19-2-404**, Utah Code Annotated 1953

38 **19-2-405**, Utah Code Annotated 1953

39 **19-2-406**, Utah Code Annotated 1953

40 **19-2-407**, Utah Code Annotated 1953

41 **19-2-408**, Utah Code Annotated 1953

42 **19-2-409**, Utah Code Annotated 1953

43 **26A-1-129**, Utah Code Annotated 1953



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

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

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

48 **19-2-401. Title.**

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

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

51 **19-2-402. Definitions.**

52 As used in this chapter:

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

54 41-1a-102 that:

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

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

- 57 (b) is of the current or previous five model years;
- 58 (c) has an odometer reading equal to or less than 70,000 miles; and
- 59 (d) costs no more than \$35,000 before tax, title, and licensing.
- 60 (2) "Eligible trade-in vehicle" means a motor vehicle as defined in Section [41-1a-102](#)
- 61 that:
- 62 (a) is of the model year 2003 or older;
- 63 (b) failed the emissions inspection required under Section [41-6a-1642](#) within the
- 64 previous 30 days;
- 65 (c) (i) is registered or regularly operates in a county:
- 66 (A) located in a nonattainment area; or
- 67 (B) required to have a motor vehicle emissions inspection and maintenance program
- 68 under Section [41-6a-1642](#); or
- 69 (ii) was reported to the department as emitting excessive amounts of smoky exhaust
- 70 while being driven through a county:
- 71 (A) located in a nonattainment area; or
- 72 (B) required to have a motor vehicle emissions inspection and maintenance program
- 73 under Section [41-6a-1642](#);
- 74 (d) is registered in the motor vehicle owner's name;
- 75 (e) has been registered in the state for at least the previous 12 months; and
- 76 (f) is drivable under the motor vehicle's own power.
- 77 (3) "Federal poverty level" means the poverty level as defined by the most recently
- 78 revised poverty income guidelines published by the United States Department of Health and
- 79 Human Services in the Federal Register.
- 80 (4) "Local health department" means the same as that term is defined in Section
- 81 [26A-1-102](#).
- 82 (5) "Nonattainment area" means a part of the state where air quality is determined to
- 83 exceed the National Ambient Air Quality Standards, as defined in the Clean Air Act
- 84 Amendments of 1970, Pub. L. No. 91-604, Sec. 109, for fine particulate matter (PM 2.5).
- 85 (6) "Participating dealer" means a dealer as defined in Section [41-3-102](#) that signs a
- 86 written agreement described in Section [19-2-405](#) with a local health department to participate
- 87 in the program.

- 88 (7) "Participating recycler" means a person who:
89 (a) (i) is a crusher as defined in Section 41-3-102; or
90 (ii) is a dismantler as defined in Section 41-3-102; and
91 (b) signs a written agreement described in Section 19-2-406 with a local health
92 department to participate in the program.
93 (8) "Qualified vehicle owner" means an individual who:
94 (a) has a household income equal to or less than 300% of the federal poverty level; and
95 (b) owns an eligible trade-in vehicle.
96 (9) "Vehicle Emissions Reduction Program" or "program" means the program
97 established in Subsection 19-2-404(1).
98 Section 3. Section **19-2-403** is enacted to read:
99 **19-2-403. Creation of restricted account -- Assistance.**
100 (1) There is created within the General Fund a restricted account known as the Vehicle
101 Emissions Reduction Program Restricted Account.
102 (2) The restricted account consists of:
103 (a) any voluntary monetary contributions received;
104 (b) proceeds from the sale of eligible trade-in vehicles to participating recyclers made
105 in connection with the Vehicle Emissions Reduction Program;
106 (c) appropriations the Legislature makes to the restricted account; and
107 (d) interest accrued in accordance with Subsection (3)(b).
108 (3) The state treasurer shall:
109 (a) invest the money in the restricted account by following the procedures and
110 requirements of Title 51, Chapter 7, State Money Management Act; and
111 (b) deposit all interest or other earnings derived from the investments described in
112 Subsection (3)(a) into the restricted account.
113 (4) (a) Subject to legislative appropriations, the division shall provide financial
114 assistance from the Vehicle Emissions Reduction Program Restricted Account:
115 (i) to qualified vehicle owners who purchase eligible replacement vehicles in
116 accordance with this chapter;
117 (ii) in a total amount of up to \$6,500,000; and
118 (iii) as described in Section 19-2-407, in amounts that increase on a sliding scale based

119 on:

120 (A) the household income of the qualified vehicle owner; and

121 (B) the emissions performance of the purchased eligible replacement vehicle.

122 (b) The division may use money in the Vehicle Emissions Reduction Program

123 Restricted Account to:

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

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

126 (5) The division shall deposit all money the division receives from the sale of eligible

127 trade-in vehicles to participating recyclers in connection with this program into the restricted

128 account.

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

130 **19-2-404. Program creation -- requirements.**

131 (1) There is created the Vehicle Emissions Reduction Program to provide financial

132 assistance to qualified vehicle owners in purchasing eligible replacement vehicles.

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

134 (a) in accordance with rules made under this chapter, apply for and obtain from a local

135 health department certification described in Section [26A-1-129](#), which states the level of

136 assistance the qualified vehicle owner is eligible to receive;

137 (b) deliver to a participating dealer:

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

139 and

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

141 (c) purchase an eligible replacement vehicle from the participating dealer described in

142 Subsection (2)(b).

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

144 **19-2-405. Participating dealers -- Reimbursement.**

145 (1) To participate in the Vehicle Emissions Reduction Program, a dealer as defined in

146 Section [41-2-102](#) shall sign an agreement with a local health department that requires the

147 dealer:

148 (a) to surrender to a participating recycler all eligible trade-in vehicles the dealer

149 receives in connection with this program in accordance with rules established under this

150 chapter; and

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

153 (2) When a qualifying vehicle owner purchases an eligible replacement vehicle
154 following the requirements described in Subsection 19-2-404(2), the participating dealer shall:

155 (a) credit the qualifying vehicle owner's purchase with the amount of financial
156 assistance the qualifying vehicle owner's certification, as described in Section 19-2-404,
157 specifies;

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

160 (c) provide the local health department that issued the certification described in Section
161 19-2-404:

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

163 (ii) a copy of the used certification;

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

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

167 (v) a request for reimbursement.

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

169 **19-2-406. Participating recyclers.**

170 To participate in the Vehicle Emissions Reduction Program, a dismantler or crusher as
171 those terms are defined in Section 41-3-102 shall sign an agreement with a local health
172 department that requires the dismantler or crusher to:

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

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

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

177 (b) sell:

178 (i) nonengine parts; and

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

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

- 181 (a) a list of all vehicles the dismantler received in connection with the program; and
- 182 (b) proceeds from sales described in Subsection (1)(b); and
- 183 (3) comply with rules established under this chapter.

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

185 **19-2-407. Rulemaking.**

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

- 188 (a) carry out the provisions of this chapter;
- 189 (b) establish a certification and reimbursement process in accordance with this chapter;
- 190 (c) ensure that an individual who receives financial assistance under both this program
191 and any similar program that relies on federal funding does not receive a total amount more
192 than the individual is qualified to receive under either program alone;

193 (d) ensure that an eligible trade-in vehicle surrendered under this program is converted
194 to scrap or otherwise disposed of;

195 (e) ensure that no engine part or emissions control system from an eligible trade-in
196 vehicle surrendered under this program is resold, except as scrap metal; and

197 (f) establish a sliding scale for financial assistance provided under this chapter that:

198 (i) provides up to \$5,500 in financial assistance to a qualified vehicle owner that
199 purchases an eligible replacement vehicle in connection with the program; and

200 (ii) is based on:

- 201 (A) the household income of the qualified vehicle owner; and
- 202 (B) the emissions performance of the purchased eligible replacement vehicle.

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

- 204 (a) consider recommendations from the division; and
- 205 (b) coordinate with the relevant local health departments, where applicable.

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

207 **19-2-408. Public service campaign.**

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

- 210 (a) smog ratings of motor vehicles;
- 211 (b) the benefits to the state of lowering motor vehicle emissions;

212 (c) financial assistance available through the program; and
213 (d) any other program the division administers that is aimed at reducing air pollution or
214 improving air quality in nonattainment areas.

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

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

218 **19-2-409. High-polluting motor vehicles study.**

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

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

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

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

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

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

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

232 Section 10. Section **26A-1-129** is enacted to read:

233 **26A-1-129. Vehicle Emissions Reduction Program certification.**

234 (1) As used in this section:

235 (a) "Eligible replacement vehicle" means the same as that term is defined in Section
236 19-2-402.

237 (b) "Nonattainment area" means the same as that term is defined in Section 19-2-402.

238 (c) "Participating dealer" means the same as that term is defined in Section 19-2-402.

239 (d) "Qualified vehicle owner" means the same as that term is defined in Section
240 19-2-402.

241 (e) "Vehicle Emissions Reduction Program" or "program" means the program
242 established in Subsection 19-2-404(1).

243 (2) A local health department shall participate as described in this section in the
244 Vehicle Emissions Reduction Program, if the local health department is located in a county that
245 is required to have a motor vehicle emissions inspection and maintenance program under
246 Section 41-6a-1642.

247 (3) In accordance with rules made under Section 19-2-407, a local health department
248 described in Subsection (2) shall accept an application to receive certification for financial
249 assistance under the program.

250 (4) After receiving an application for certification as described in Subsection (3), a
251 local health department shall:

252 (a) determine whether the applicant is a qualified vehicle owner; and

253 (b) if the applicant is a qualified vehicle owner:

254 (i) determine the amount of assistance the qualified vehicle owner is eligible to receive
255 in accordance with the sliding scale established under Section 19-2-407;

256 (ii) issue the qualified vehicle owner a certification stating:

257 (A) the amount described in Subsection (4)(b)(i); and

258 (B) any other information the Air Quality Board requires on the certification; and

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

260 (A) determine the qualified vehicle owner's motivation for participating in the
261 program; and

262 (B) assess how much the financial assistance under the program weighed into the
263 qualified vehicle owner's decision to purchase an eligible replacement vehicle.

264 (5) Each local health department shall submit surveys completed under Subsection
265 (4)(b)(iii) to the Division of Air Quality on a quarterly basis.

266 (6) A local health department shall enter into agreements described in Sections
267 19-2-405 and 19-2-406 in accordance with rules the Air Quality Board makes as described in
268 Section 19-3-407.

269 (7) A local health department that receives a participating dealer's request for
270 reimbursement in accordance with Section 19-2-405 shall reimburse the participating dealer for
271 the amount the participating dealer credited the qualifying vehicle owner.

272 (8) On a quarterly basis, each local health department shall submit to the Division of
273 Air Quality:

274 (a) a request for reimbursement that reflects the amount participating recyclers
275 submitted to the local health department under Subsection 19-2-406(2)(b) deducted from the
276 amount the local health department reimbursed participating dealers in accordance with
277 Subsection (7); and

278 (b) all documents and information submitted to the local health department under
279 Subsections 19-2-405(2)(c) and 19-2-406(2).

280 Section 11. Section **63I-1-219** is amended to read:

281 **63I-1-219. Repeal dates, Title 19.**

282 (1) Title 19, Chapter 2, Air Conservation Act, is repealed July 1, 2019.

283 (2) Title 19, Chapter 2, Part 4, Vehicle Emissions Reduction Program, is repealed July
284 1, 2024.

285 [~~2~~] (3) Title 19, Chapter 4, Safe Drinking Water Act, is repealed July 1, 2019.

286 [~~3~~] (4) Title 19, Chapter 5, Water Quality Act, is repealed July 1, 2019.

287 [~~4~~] (5) Title 19, Chapter 6, Part 1, Solid and Hazardous Waste Act, is repealed July 1,
288 2019.

289 [~~5~~] (6) Title 19, Chapter 6, Part 3, Hazardous Substances Mitigation Act, is repealed
290 July 1, 2020.

291 [~~6~~] (7) Title 19, Chapter 6, Part 4, Underground Storage Tank Act, is repealed July 1,
292 2028.

293 [~~7~~] (8) Title 19, Chapter 6, Part 6, Lead Acid Battery Disposal, is repealed July 1,
294 2026.

295 [~~8~~] (9) Title 19, Chapter 6, Part 7, Used Oil Management Act, is repealed July 1,
296 2019.

297 [~~9~~] (10) Title 19, Chapter 6, Part 8, Waste Tire Recycling Act, is repealed July 1,
298 2020.

299 [~~10~~] (11) Title 19, Chapter 6, Part 10, Mercury Switch Removal Act, is repealed July
300 1, 2027.

301 Section 12. Section **63I-1-226** is amended to read:

302 **63I-1-226. Repeal dates, Titles 26 and 26A.**

303 (1) Section 26-1-40 is repealed July 1, 2019.

304 (2) Title 26, Chapter 9f, Utah Digital Health Service Commission Act, is repealed July

- 305 1, 2025.
- 306 (3) Section [26-10-11](#) is repealed July 1, 2020.
- 307 (4) Subsection [26-18-417\(3\)](#) is repealed July 1, 2020.
- 308 (5) Title 26, Chapter 33a, Utah Health Data Authority Act, is repealed July 1, 2024.
- 309 (6) Title 26, Chapter 36b, Inpatient Hospital Assessment Act, is repealed July 1, 2024.
- 310 (7) Title 26, Chapter 36c, Medicaid Expansion Hospital Assessment Act, is repealed
- 311 July 1, 2024.
- 312 (8) Title 26, Chapter 36d, Hospital Provider Assessment Act, is repealed July 1, 2019.
- 313 (9) Title 26, Chapter 56, Hemp Extract Registration Act, is repealed January 1, 2019.
- 314 (10) Title 26, Chapter 63, Nurse Home Visiting Pay-for-Success Program, is repealed
- 315 July 1, 2026.
- 316 (11) Section [26A-1-129](#) is repealed July 1, 2024.