

1 S.234

2 Introduced by Senator Lyons

3 Referred to Committee on

4 Date:

5 Subject: Conservation and development; air pollution control; motor vehicle  
6 emission standards

7 Statement of purpose: This bill proposes to authorize the automatic adoption  
8 by Vermont of amendments to the California motor vehicle emissions  
9 standards. The bill would also provide tax incentives for the purchase or lease  
10 of a new qualified plug-in electric drive motor vehicle. In addition, the bill  
11 would require the agency of natural resources to establish a committee to  
12 examine incentives to encourage the placement of battery electric vehicles,  
13 hydrogen fuel cell vehicles, and plug-in hybrid electric vehicles in Vermont.

14 An act relating to the regulation of motor vehicle emissions

15 It is hereby enacted by the General Assembly of the State of Vermont:

16 Sec. 1. FINDINGS

17 The general assembly finds and declares that:

18 (1) In the state of Vermont, motor vehicles are the largest source of air  
19 pollution, including precursors that combine to form ground level ozone,

1 greenhouse gases, and certain air toxics such as benzene, butadiene, and  
2 formaldehyde.

3 (2) Air pollution from motor vehicles causes or contributes to premature  
4 death, cancer, asthma, and heart and lung disease and imposes added health  
5 care costs for air pollution-associated death and illness, reducing the quality of  
6 life and economic security of the citizens of Vermont.

7 (3) Greenhouse gas emissions from motor vehicles contribute to climate  
8 change.

9 (4) Under the federal Clean Air Act, Vermont has the option to  
10 implement either federal motor vehicle emission standards or California motor  
11 vehicle emission standards. The federal Clean Air Act prohibits Vermont from  
12 adopting its own standards to control emissions from motor vehicles.

13 (5) The agency of natural resources adopted the California motor  
14 vehicle emission standards by regulation in 1996 and amends its regulations  
15 periodically to maintain consistency with the California motor vehicle  
16 emission standards.

17 (6) The California motor vehicle emission standards provide significant  
18 public health and air quality benefits to residents of Vermont, increase  
19 consumer choices of cleaner vehicles, and provide better warranty and recall  
20 benefits to consumers.

1           (7) The California motor vehicle emission standards require automobile  
2           manufacturers to develop and introduce zero emission and near zero emission  
3           vehicles, including battery electric vehicles, hydrogen fuel cell vehicles, and  
4           plug-in hybrid electric vehicles, which play an important role in reducing  
5           emissions from the transportation sector.

6           (8) There is a need for Vermont to maintain consistency with the  
7           California motor vehicle standards in a more efficient and less costly method  
8           and to encourage the placement of advanced technology vehicles in the state.

9           Sec. 2. 10 V.S.A. § 584 is added read:

10           § 584. ADOPTION OF CALIFORNIA MOTOR VEHICLE EMISSION  
11           STANDARDS

12           (a) Pursuant to 42 U.S.C. § 7507 of the federal Clean Air Act, the state  
13           adopts the standards, including fleet-average requirements, related to the  
14           control of emissions from new motor vehicles or new motor vehicle engines  
15           set forth in Title 13 of the California Code of Regulations, as amended from  
16           time to time, for passenger cars, light-duty trucks, and medium-duty vehicles.  
17           Any such standards that the secretary has not adopted by rule prior to the  
18           effective date of this section shall be adopted by the state on the effective date  
19           of this section or the date of adoption by the California Air Resources Board,  
20           whichever is later. Nothing in this section shall be construed to change the  
21           date of adoption of any standards related to the control of emissions from new

1 motor vehicles or new motor vehicle engines set forth in Title 13 of the  
2 California Code of Regulations that the secretary adopted by rule prior to the  
3 effective date of this section.

4 (b) It shall be unlawful for any person, including manufacturers of new  
5 motor vehicles or new motor vehicle engines, to deliver for sale or lease, offer  
6 for sale or lease, sell or lease, import, acquire, receive, register, purchase, or  
7 rent a new motor vehicle or new motor vehicle engine in the state that does not  
8 comply with the applicable standards adopted by Vermont under subsection (a)  
9 of this section.

10 (c) The secretary in consultation with the motor vehicle department may  
11 provide rules to implement the provisions in subsections (a) and (b) of this  
12 section, including exceptions thereto.

13 (d) By January 15, 2011, and annually thereafter, the secretary shall  
14 provide to the house and senate committees on transportation and the house  
15 and senate committees on natural resources and energy a report listing all of  
16 the standards related to the control of emissions from new motor vehicles or  
17 new motor vehicle engines set forth in Title 13 of the California Code of  
18 Regulations adopted by Vermont under subsection (a) of this section.

19 (e) Nothing in this section shall be construed to limit the ability of the  
20 secretary to adopt by rule or regulation other standards related to the control of  
21 emissions from new motor vehicles or new motor vehicle engines set forth in

1 Title 13 of the California Code of Regulations that have not been adopted by  
2 Vermont under subsection (a) of this section.

3 Sec. 3. 32 V.S.A. § 5826a is added to read:

4 § 5826a. PLUG-IN ELECTRIC DRIVE MOTOR VEHICLE TAX CREDIT

5 (a) A taxpayer of this state who buys or leases a new qualified plug-in  
6 electric drive motor vehicle that is placed in service between January 1, 2010,  
7 and December 31, 2015, shall receive a credit against the tax imposed for that  
8 taxable year under section 5822 or 5832 of this title. The credit shall be equal  
9 to the sum of \$2,500.00, plus \$417.00 in the case of a vehicle which draws  
10 propulsion energy from a battery with not less than five kilowatt hours of  
11 capacity, plus \$417.00 for each kilowatt hour of battery capacity in excess of  
12 five kilowatt hours, with the total amount for any vehicle not to exceed  
13 \$5,000.00. Credit in excess of the taxpayer's tax liability for the taxable year  
14 may be carried forward for credit in the next succeeding three taxable years.

15 (b) As used in this section, the terms "new qualified plug-in electric drive  
16 motor vehicle," "motor vehicle," and "battery capacity" shall have the  
17 meanings set forth in 26 U.S.C. § 30D.

18 Sec. 4. STUDY OF ADVANCED TECHNOLOGY VEHICLE PLACEMENT

19 (a) The agency of natural resources shall establish a committee to examine  
20 incentives to encourage the placement of battery electric vehicles, hydrogen  
21 fuel cell vehicles, and plug-in hybrid electric vehicles in Vermont. The

1 committee shall issue a final report of its findings to the house and senate  
2 committees on natural resources and energy, and the house and senate  
3 committees on transportation by January 15, 2013. The final report shall  
4 include proposed legislation and other recommendations to encourage the  
5 placement of such vehicles in Vermont.

6 (b) The committee shall consist of the following members:

7 (1) the commissioner of the department of environmental conservation  
8 or his or her designee;

9 (2) the commissioner of the department of motor vehicles or his or her  
10 designee;

11 (3) the chair of the public service board or his or her designee;

12 (4) one member each from the house committees on transportation and  
13 on natural resources and energy and the senate committees on transportation  
14 and on natural resources and energy as appointed respectively by the speaker  
15 of the house and the committee on committees;

16 (5) at least one representative appointed by the governor of each of the  
17 following: manufacturers of automobiles sold within the state; automotive  
18 dealers; an electric utility; a municipal public works department; the University  
19 of Vermont Transportation Research Center; and a nonprofit organization with  
20 a focus on energy efficiency.

1        (c) The committee may elect a chair and a vice chair and may hold public  
2        hearings. The agency of natural resources shall provide administrative, legal,  
3        and technical support for the committee.

4        (d) All members of the committee shall serve on the committee for the  
5        duration of the study unless circumstances dictate a permanent replacement.  
6        Vacancies shall be appointed in the same manner as original appointments.

7        (e) Legislative members are entitled to per diem payment and  
8        reimbursement for expenses pursuant to 2 V.S.A. § 406.

9        Sec. 5. EFFECTIVE DATE

10       This act shall take effect upon passage.