

CONCURRENT RESOLUTION ENCOURAGING UTAH  
REFINERS TO MANUFACTURE TIER 3 GASOLINE TO  
IMPROVE AIR QUALITY

2019 GENERAL SESSION

STATE OF UTAH

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29 **General Description:**

30 This concurrent resolution of the Legislature and the Governor urges refineries  
31 operating within Utah to utilize the state sales and use tax exemption provided by the  
32 state to make the investments necessary to manufacture lower-sulfur Tier 3 gasoline in  
33 Utah.

34 **Highlighted Provisions:**

35 This resolution:  
36 ▶ recognizes how vehicle emissions impact Utah's air quality;  
37 ▶ recognizes that the lower-sulfur gasoline in the Environmental Protection Agency's  
38 Tier 3 Gasoline Standards are crucial to improving Utah's air quality; and  
39 ▶ recognizes that three out of the five Utah refineries have committed to  
40 manufacturing Tier 3 compliant lower-sulfur gasoline for sale in Utah.

41 **Special Clauses:**

42 None



44 *Be it resolved by the Legislature of the state of Utah, the Governor concurring therein:*

45 WHEREAS, the Legislature of the state of Utah is charged with protecting and  
46 enhancing the safety, health, and welfare of its citizens;

47 WHEREAS, the safety, health, and welfare of many of the citizens of the state of Utah  
48 are profoundly affected by its air quality;

49 WHEREAS, communities along the Wasatch Front and other areas in the state of Utah  
50 experience episodic and sustained periods of time where air pollutants are elevated to levels  
51 that are known to cause serious short and long-term health problems in humans;

52 WHEREAS, there are indications that air quality may impact the ability to recruit and  
53 retain businesses and a high quality labor force, as well as the cost of negative health impacts  
54 and the loss of tourism and recreational revenue, air quality significantly impacts the economy  
55 of the state of Utah;

56 WHEREAS, vehicle emissions are the largest contributing source of total emissions

57 and contribute significantly to the buildup of air pollutants during wintertime inversions;

58 WHEREAS, there have been measurable improvements in air quality because of  
59 sustained efforts made by individuals and industry throughout the state;

60 WHEREAS, the United States Environmental Protection Agency has adopted national  
61 standards for improved vehicle emissions and gasoline, called Tier 3 standards, bringing down  
62 the sulfur content of gasoline from 30 parts per million to 10 parts per million;

63 WHEREAS, burning lower-sulfur Tier 3 gasoline in vehicles greatly improves the  
64 effectiveness of a vehicle's catalytic converter;

65 WHEREAS, burning lower-sulfur Tier 3 gasoline will significantly reduce vehicle  
66 emissions of nitrogen oxides (NOx) and volatile organic compounds (VOC) -- pollutants that  
67 are significant contributors to poor air quality in the state of Utah;

68 WHEREAS, combining Tier 3 lower-sulfur gasoline standards with Tier 3 emissions  
69 standards for new vehicles will reduce VOC and NOx emissions per vehicle-mile traveled by  
70 as much as 80% compared to previous Tier 2 standards, and result in significant reductions in  
71 ozone and secondary PM 2.5 -- pollutants of great concern in the state of Utah;

72 WHEREAS, use of lower-sulfur Tier 3 gasoline in Utah's current pre-Tier 3 vehicle  
73 fleet will result in immediate tailpipe emissions reductions of approximately 9.5% in NOx and  
74 3.7% in VOC;

75 WHEREAS, current federal provisions allow certain refineries to meet the standard by  
76 utilizing national averaging, trading, and banking, which applies to the five refineries located in  
77 Utah;

78 WHEREAS, in 2017, the Legislature of the state of Utah passed a state sales and use  
79 tax exemption to encourage and entice local refineries to manufacture and sell lower-sulfur  
80 gasoline in the state, rather than utilizing averaging, trading, and banking to meet the standard;

81 WHEREAS, a refiner that seeks to be eligible for a sales and use tax exemption under  
82 Utah Code, Subsection [59-12-104\(86\)](#), beginning on July 1, 2021, shall annually report to the  
83 Office of Energy Development whether the refiner's facility that is located within the state will  
84 have an average gasoline sulfur level of 10 parts per million or less, using formulas prescribed

85 in 40 C.F.R. Sec. 80.1603, excluding the offset for credit use and transfer as prescribed in 40  
86 C.F.R. Sec. 80.1616; and

87 WHEREAS, three of Utah's local refineries, including Marathon Petroleum, Chevron,  
88 and Silver Eagle, have committed to manufacturing gasoline for sale with an average sulfur  
89 level of 10 parts per million or less by the end of 2019:

90 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah, the  
91 Governor concurring therein, urges refiners operating a refinery within Utah to use the tax  
92 incentives provided by the state to make the investments necessary to manufacture lower-sulfur  
93 Tier 3 gasoline at its Utah refinery.

94 BE IT FURTHER RESOLVED that the Legislature and the Governor urge local  
95 refiners to manufacture and sell gasoline with an average sulfur content of 10 parts per million  
96 or less, rather than using national averaging, trading, and banking provisions to meet the  
97 standard.