

VEHICLE EMISSIONS REDUCTION PROGRAM

2022 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 to an eligible individual in the purchase of a motor vehicle under certain conditions;
- ▶ establishes eligibility criteria for participation in the program;
- ▶ requires certain local health departments to assist in administering the program;
- ▶ allows 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
- ▶ provides a sunset date for the program, subject to review.

Money Appropriated in this Bill:

None

Other Special Clauses:

None



28 **Utah Code Sections Affected:**

29 AMENDS:

30 [63I-1-219](#), as last amended by Laws of Utah 2021, Chapter 69

31 [63I-1-226](#), as last amended by Laws of Utah 2021, Chapters 13, 50, 64, 163, 182, 234,

32 and 417

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 [26A-1-131](#), 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. Definitions.**

47 As used in this part:

48 (1) "Certification" means the Vehicle Emissions Reduction Program certification

49 described in Section [26A-1-131](#).

50 (2) "Eligible replacement vehicle" means a motor vehicle as defined in Section

51 [41-1a-102](#) that:

52 (a) emits emissions that are equal to or cleaner than the standards established in Bin

53 160 in Table 2 of 40 C.F.R. 86.1811-17(b)(4)(i);

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

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

56 (d) costs no more than \$40,000 before tax, title, and licensing.

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

58 that:

- 59 (a) is of the model year 2003 or older;
- 60 (b) (i) is registered or regularly operates in a county:
- 61 (A) located in a nonattainment area or maintenance area; or
- 62 (B) required to have a motor vehicle emissions inspection and maintenance program
- 63 under Section [41-6a-1642](#); or
- 64 (ii) was reported to the department as emitting excessive amounts of smoky exhaust
- 65 while being driven through a county:
- 66 (A) located in a nonattainment area or maintenance area; or
- 67 (B) required to have a motor vehicle emissions inspection and maintenance program
- 68 under Section [41-6a-1642](#);
- 69 (c) failed the emissions inspection required under Section [41-6a-1642](#) within the
- 70 previous 30 days;
- 71 (d) is registered in the qualified vehicle owner's name;
- 72 (e) has been registered in the state within the previous 12 months; and
- 73 (f) is drivable under the motor vehicle's own power.
- 74 (4) "Federal poverty level" means the poverty level as defined by the most recent
- 75 poverty income guidelines published by the United States Department of Health and Human
- 76 Services in the Federal Register.
- 77 (5) "Local health department" means the same as that term is defined in Section
- 78 [26A-1-102](#).
- 79 (6) "Maintenance area" means the same as that term is defined in 40 C.F.R. Sec.
- 80 93.101.
- 81 (7) "Nonattainment area" means a part of the state where air quality is determined to
- 82 exceed the National Ambient Air Quality Standards, as defined in the Clean Air Act
- 83 Amendments of 1970, Pub. L. No. 91-604, Sec. 109, for fine particulate matter (PM 2.5).
- 84 (8) "Participating dealer" means a dealer as defined in Section [41-3-102](#) that signs a
- 85 written agreement described in Section [19-2-404](#) with a local health department to participate
- 86 in the program.
- 87 (9) "Participating recycler" means a person who:
- 88 (a) (i) is a crusher as defined in Section [41-3-102](#); or
- 89 (ii) is a dismantler as defined in Section [41-3-102](#); and

90 (b) signs a written agreement described in Section 19-2-405 with a local health
91 department to participate in the program.

92 (10) "Qualified vehicle owner" means an individual who:

93 (a) has a household income less than or equal to 500% of the federal poverty level; and

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

95 (11) "Vehicle Emissions Reduction Program" or "program" means the program
96 established in Section 19-2-403.

97 Section 2. Section 19-2-402 is enacted to read:

98 **19-2-402. Vehicle Emissions Reduction Program Restricted Account -- Creation --**
99 **Assistance.**

100 (1) As used in this section, "restricted account" means the Vehicle Emissions
101 Reduction Program Restricted Account created in this section.

102 (2) There is created within the General Fund a restricted account known as the Vehicle
103 Emissions Reduction Program Restricted Account.

104 (3) The restricted account consists of:

105 (a) any voluntary monetary contributions received;

106 (b) proceeds from the sale of eligible trade-in vehicles to participating recyclers;

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

108 (d) interest accrued in accordance with Subsection (4)(b).

109 (4) The state treasurer shall:

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

112 (b) deposit all interest or other earnings derived from the investments described in
113 Subsection (4)(a) into the restricted account.

114 (5) (a) Subject to legislative appropriations, the division shall expend money from the
115 restricted account to provide financial assistance:

116 (i) to qualified vehicle owners who purchase eligible replacement vehicles in
117 accordance with the program;

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

119 (iii) in amounts that increase on the sliding scale described in Subsection 19-2-406(f)
120 based on:

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

122 (B) the emissions performance of the eligible trade-in vehicle.

123 (b) The division may use money in the restricted account to:

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

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

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

127 **19-2-403. Vehicle Emissions Reduction Program -- Creation -- Requirements.**

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

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

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

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

132 health department a certification that states the level of assistance the qualified vehicle owner is

133 eligible to receive;

134 (b) deliver to a participating dealer:

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

136 and

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

138 (c) purchase an eligible replacement vehicle from the participating dealer.

139 (3) The division shall implement the program beginning January 1, 2023.

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

141 **19-2-404. Participating dealers -- Reimbursement.**

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

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

144 dealer to:

145 (a) surrender to a participating recycler each eligible trade-in vehicle the dealer

146 receives under the program; and

147 (b) follow rules made in accordance with this part to receive reimbursement under the

148 program.

149 (2) When a qualifying vehicle owner purchases an eligible replacement vehicle in

150 accordance with the program, the participating dealer shall:

151 (a) credit the qualifying vehicle owner's purchase with the amount of financial

152 assistance the qualifying vehicle owner's certification specifies;

153 (b) surrender to a participating recycler the eligible trade-in vehicle in accordance with
154 the agreement described in Subsection (1); and

155 (c) on or before June 30, 2027, provide the local health department that issued the
156 certification:

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

158 (ii) a copy of the redeemed certification;

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

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

162 (v) a request for reimbursement.

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

164 **19-2-405. Participating recyclers.**

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

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

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

171 (ii) permanently disable the motor vehicle by:

172 (A) cutting a three-inch by three-inch hole in the engine block; or

173 (B) cutting through the motor vehicle frame on each side at a point located between the
174 front and rear axles;

175 (b) sell:

176 (i) nonengine parts; and

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

178 (c) remit money obtained from the sale of nonengine parts and scrap metal described in
179 Subsection (1)(b) to the local health department;

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

181 (a) a list of each vehicle, including each vehicle's vehicle identification number, the
182 dismantler or crusher received in connection with the program; and

183 (b) money the dismantler or crusher owes for each vehicle surrendered to the
184 dismantler or crusher as described in Subsection 19-2-404(1)(a); and

185 (3) comply with rules made under this part.

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

187 **19-2-406. Rulemaking.**

188 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
189 board may make rules to:

190 (a) carry out the provisions of this part;

191 (b) establish the certification and reimbursement process described in this part;

192 (c) ensure that an individual who receives financial assistance under both this program
193 and any similar program relying on federal funding does not receive an amount more than the
194 highest amount that the individual is qualified to receive under either program alone;

195 (d) ensure that an eligible trade-in vehicle surrendered in accordance with the program
196 is converted to scrap or otherwise disposed of;

197 (e) ensure that no engine part or emissions control system from an eligible trade-in
198 vehicle surrendered in accordance with the program is resold, except as scrap metal; and

199 (f) establish a sliding scale for financial assistance in accordance with this part that:

200 (i) provides up to \$5,500 in financial assistance to a qualified vehicle owner who
201 purchases an eligible replacement vehicle under the program; and

202 (ii) is based on:

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

204 (B) the emissions performance of the eligible trade-in vehicle.

205 (2) In making the rules under this section, the board shall:

206 (a) consider recommendations from the division; and

207 (b) where applicable, coordinate with the interested local health departments.

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

209 **19-2-407. Public service campaign.**

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

212 (a) smog ratings of motor vehicles;

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

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

217 (2) The division may issue a request for proposals to assist the division in fulfilling the
218 requirements of this section.

219 Section 8. Section **26A-1-131** is enacted to read:

220 **26A-1-131. Vehicle Emissions Reduction Program certification.**

221 (1) As used in this section:

222 (a) "Eligible replacement vehicle" means the same as that term is defined in Section
223 19-2-401.

224 (b) "Participating dealer" means the same as that term is defined in Section 19-2-401.

225 (c) "Qualified vehicle owner" means the same as that term is defined in Section
226 19-2-401.

227 (d) "Vehicle Emissions Reduction Program" or "program" means the program
228 described in Section 19-2-403.

229 (2) If a local health department is located in a county required to have a motor vehicle
230 emissions inspection and maintenance program under Section 41-6a-1642, the local health
231 department shall participate in the Vehicle Emissions Reduction Program.

232 (3) In accordance with rules made under Section 19-2-406, a local health department
233 described in Subsection (2) shall accept an application to receive a certification for financial
234 assistance under the program.

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

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

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

239 (i) determine the amount of assistance the qualified vehicle owner is eligible to receive
240 in accordance with the sliding scale described in Subsection 19-2-406(1)(f);

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

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

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

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

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

247 (B) assess the extent to which the financial assistance that the qualified vehicle owner
248 received under the program influenced the qualified vehicle owner's decision to purchase an
249 eligible replacement vehicle.

250 (5) On a quarterly basis, each local health department shall submit completed surveys
251 described in Subsection (4)(b)(iii) to the Division of Air Quality.

252 (6) In accordance with rules made under Section 19-2-406, a local health department
253 shall enter into agreements described in Sections 19-2-404 and 19-2-405.

254 (7) A local health department that receives a participating dealer's request for
255 reimbursement in accordance with Section 19-2-404 shall reimburse the participating dealer for
256 the amount the dealer credited the qualifying vehicle owner as indicated on the certification
257 described in Subsection (4)(a).

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

260 (a) a request for reimbursement in the amount determined by taking the amount the
261 local health department reimbursed participating dealers in accordance with Subsection (7) and
262 deducting the amount participating recyclers submitted to the local health department under
263 Subsection 19-2-405(2)(b); and

264 (b) all documents and information submitted to the local health department under
265 Subsection 19-2-404(2)(c) or 19-2-405(2).

266 Section 9. Section **63I-1-219** is amended to read:

267 **63I-1-219. Repeal dates, Title 19.**

268 (1) Title 19, Chapter 2, Air Conservation Act, is repealed July 1, 2029.

269 (2) Title 19, Chapter 2, Part 4, Vehicle Emissions Reduction Program, is repealed July
270 1, 2027.

271 [~~2~~] (3) Section 19-2a-102 is repealed July 1, 2026.

272 [~~3~~] (4) Section 19-2a-104 is repealed July 1, 2022.

273 [~~4~~] (5) Title 19, Chapter 4, Safe Drinking Water Act, is repealed July 1, 2024.

274 [~~5~~] (6) Title 19, Chapter 5, Water Quality Act, is repealed July 1, 2029.

275 [~~6~~] (7) Title 19, Chapter 6, Part 1, Solid and Hazardous Waste Act, is repealed July 1,

276 2029.
277 ~~[(7)]~~ (8) Title 19, Chapter 6, Part 3, Hazardous Substances Mitigation Act, is repealed
278 July 1, 2030.
279 ~~[(8)]~~ (9) Title 19, Chapter 6, Part 4, Underground Storage Tank Act, is repealed July 1,
280 2028.
281 ~~[(9)]~~ (10) Title 19, Chapter 6, Part 6, Lead Acid Battery Disposal, is repealed July 1,
282 2026.
283 ~~[(10)]~~ (11) Title 19, Chapter 6, Part 7, Used Oil Management Act, is repealed July 1,
284 2029.
285 ~~[(11)]~~ (12) Title 19, Chapter 6, Part 8, Waste Tire Recycling Act, is repealed July 1,
286 2030.
287 ~~[(12)]~~ (13) Title 19, Chapter 6, Part 10, Mercury Switch Removal Act, is repealed July
288 1, 2027.
289 Section 10. Section **63I-1-226** is amended to read:
290 **63I-1-226. Repeal dates, Title 26 and Title 26A.**
291 (1) Subsection **26-1-7(1)(f)**, related to the Residential Child Care Licensing Advisory
292 Committee, is repealed July 1, 2024.
293 (2) Subsection **26-1-7(1)(h)**, related to the Primary Care Grant Committee, is repealed
294 July 1, 2025.
295 (3) Section **26-1-7.5**, which creates the Utah Health Advisory Council, is repealed July
296 1, 2025.
297 (4) Section **26-1-40** is repealed July 1, 2022.
298 (5) Section **26-1-41** is repealed July 1, 2026.
299 (6) Section **26-7-10** is repealed July 1, 2025.
300 (7) Subsection **26-7-11(5)**, regarding reports to the Legislature, is repealed July 1,
301 2028.
302 (8) Section **26-7-14** is repealed December 31, 2027.
303 (9) Title 26, Chapter 9f, Utah Digital Health Service Commission Act, is repealed July
304 1, 2025.
305 (10) Subsection **26-10-6(5)**, which creates the Newborn Hearing Screening Committee,
306 is repealed July 1, 2026.

307 (11) Section 26-10b-106, which creates the Primary Care Grant Committee, is repealed
308 July 1, 2025.

309 (12) Subsection 26-15c-104(3), relating to a limitation on the number of
310 microenterprise home kitchen permits that may be issued, is repealed on July 1, 2022.

311 (13) Subsection 26-18-2.6(9), which addresses reimbursement for dental hygienists, is
312 repealed July 1, 2028.

313 (14) Section 26-18-27 is repealed July 1, 2025.

314 (15) Title 26, Chapter 18, Part 2, Drug Utilization Review Board, is repealed July 1,
315 2027.

316 (16) Subsection 26-18-418(2), the language that states "and the Behavioral Health
317 Crisis Response Commission created in Section 63C-18-202" is repealed July 1, 2023.

318 (17) Section 26-33a-117 is repealed on December 31, 2023.

319 (18) Title 26, Chapter 33a, Utah Health Data Authority Act, is repealed July 1, 2024.

320 (19) Title 26, Chapter 36b, Inpatient Hospital Assessment Act, is repealed July 1,
321 2024.

322 (20) Title 26, Chapter 36c, Medicaid Expansion Hospital Assessment Act, is repealed
323 July 1, 2024.

324 (21) Title 26, Chapter 36d, Hospital Provider Assessment Act, is repealed July 1, 2024.

325 (22) Section 26-39-201, which creates the Residential Child Care Licensing Advisory
326 Committee, is repealed July 1, 2024.

327 (23) Section 26-40-104, which creates the Utah Children's Health Insurance Program
328 Advisory Council, is repealed July 1, 2025.

329 (24) Section 26-50-202, which creates the Traumatic Brain Injury Advisory
330 Committee, is repealed July 1, 2025.

331 (25) Title 26, Chapter 54, Spinal Cord and Brain Injury Rehabilitation Fund and
332 Pediatric Neuro-Rehabilitation Fund, is repealed January 1, 2025.

333 (26) Title 26, Chapter 63, Nurse Home Visiting Pay-for-Success Program, is repealed
334 July 1, 2026.

335 (27) Title 26, Chapter 66, Early Childhood Utah Advisory Council, is repealed July 1,
336 2026.

337 (28) Title 26, Chapter 68, COVID-19 Vaccine Restrictions Act, is repealed July 1,

338 2024.

339 (29) Section [26A-1-131](#) is repealed July 1, 2027.