{deleted text} shows text that was in SB0136S01 but was deleted in SB0136S02.

inserted text shows text that was not in SB0136S01 but was inserted into SB0136S02.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

**Senator Luz EscamillaRepresentative Mike Schultz** proposes the following substitute bill:

## AIR QUALITY POLICY AMENDMENTS

2022 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Luz Escamilla

House Sponsor: { \_\_\_\_\_\_\_ Stephen G. Handy

Cosponsor:

Kirk A. Cullimore

#### LONG TITLE

#### **General Description:**

This bill requires a study by the Department of Environmental Quality.

### **Highlighted Provisions:**

This bill:

- defines terms;
- requires the Department of Environmental Quality to study and make recommendations on a diesel emissions reduction plan framework;
- provides for reporting;
- includes a repeal date; and
- makes technical changes.

Money Appropriated in this Bill:

None

**Other Special Clauses:** 

None

**Utah Code Sections Affected:** 

AMENDS:

63I-2-219, as last amended by Laws of Utah 2021, Chapters 64 and 71

**ENACTS:** 

19-2a-102.5, Utah Code Annotated 1953

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

Section 1. Section 19-2a-102.5 is enacted to read:

<u>19-2a-102.5.</u> Emissions reduction plan study and recommendations.

- (1) As used in this section:
- (a) "Disproportionate air quality affected area" means a non-attainment area, as defined in Clean Air Act, Section 107(d)(1)(A)(i), 42 U.S.C. Sec. 7407(d)(1)(A)(i), or a geographic area that, when compared with other areas in the state, is more likely to be found to not meet air quality standards.
  - (b) "Inland port" means a project area as that term is defined in Section 11-58-102.
- (c) "Inland port area" means an area in and around an inland port that bears the environmental impacts of destruction, construction, development, and operational activities within the inland port.
  - (d) "Legislative interim committees" means:
  - (i) the Economic Development and Workforce Services Interim Committee;
  - (ii) the Natural Resources, Agriculture, and Environment Interim Committee; and
  - (iii) the Transportation Interim Committee.
- (e) (i) "Underserved or underrepresented community" means a group of people, including a municipality, county, or American Indian tribe, that is economically disadvantaged.
- (ii) "Underserved or underrepresented community" may include an economically disadvantaged community where the people of the community have limited access to or have demonstrated a low level of use of emission reduction programs.

- (2) The department shall conduct a study in accordance with Subsection (3) and recommend to the legislative interim committees a Utah diesel emission reduction program in accordance with Subsection (4).
  - (3) The department shall study:
- (a) the Texas Emission Reduction Plan, Tex. Health & Safety Code Ann., C 386, and other examples of diesel emission reduction programs;
- (b) potential diesel emission reduction goals from targeted diesel emission sources that apply to specific:
  - (i) on- and off-road diesel vehicles and equipment; and
  - (ii) geographic airsheds;
  - (c) potential diesel emission reduction financial incentive programs;
- (d) potential revenue sources to fund incentive programs described in Subsection (3)(c); { and}
  - (e) administrative, evaluation, and reporting responsibilities ;; and
- (f) potential environmental mitigation projects that could reduce emissions within and around the inland port area and be implemented by the Utah Inland Port Authority.
- (4) (a) The department shall recommend to the legislative interim committees a framework of the Utah diesel emission reduction program that includes:
  - (i) diesel emission reduction goals;
  - (ii) financial incentive programs to encourage the reduction of diesel emissions;
- (iii) revenue sources to fund the financial incentive programs described in Subsection (4)(a)(ii); and
  - (iv) implementation of the Utah diesel emission reduction program, including:
- (A) which one or more state agencies should administer the Utah diesel emission reduction program;
  - (B) evaluation processes; and
  - (C) reporting requirements.
- (b) The framework described in this Subsection (4) shall specifically include recommendations for:
  - (i) registration surcharges:
  - (A) related to on- or off-road diesel equipment or vehicles sold, rented, or leased; and

- (B) that are deposited into and allowed to accumulate in an expendable special revenue fund for purposes related to the Utah diesel emission reduction program;
  - (ii) {within an} potential environmental mitigation projects for the inland port area {:
- (A) a grant program that facilitates the replacement or repowering of diesel engines with the most current generation federal emissions standard engines, clean alternative fuel engines, or electric motors, including for drayage trucks, switcher engines, cargo handling equipment, or container handling equipment;
- (B) offering inland port access preferences or amenities for interstate long haul trucks with the most current generation federal emissions standard engines, clean alternative fuel engines, or electric motors;
- (C) use of inland port property tax differential to offer grants, low-interest loans, or other incentives for newly purchased equipment with the most current generation federal emissions standard engines, clean alternative fuel engines, or electric motors; and
  - (D) a program for small business fleet upgrades; identified under Subsection (3)(f);
  - (iii) programs to foster new technology implementation, including:
  - (A) a grant program;
  - (B) the expansion of Utah's clean diesel program; or
  - (C) tax credits for cleaner equipment purchases;
- (iv) financial incentives for the early retirement of heavy-duty diesel equipment and the potential expansion of Title 19, Chapter 2, Part 2, Clean Air Retrofit, Replacement, and Off-road Technology Program; and
- (v) state construction contract incentives that are awarded to persons who predominately use equipment that has the most current generation federal emissions standard engines, clean alternative fuel engines, or electric motors.
- (c) The framework described in this Subsection (4) shall provide for programs that directly benefit:
  - (i) rural communities;
  - (ii) inland port areas;
  - (iii) underserved or underrepresented communities; and
  - (iv) disproportionate air quality affected areas.
  - (5) (a) The department shall make an interim report to the legislative interim

committees on the status of the study under this section during or before the November interim meetings in 2022.

(b) The department shall provide a final report to the legislative interim committees of the department's study and recommendations under this section, including any recommended legislation, during or before the November interim meetings in 2023.

Section 2. Section 63I-2-219 is amended to read:

### **63I-2-219.** Repeal dates -- Title 19.

- (1) Subsections 19-2-109.2(2) through (10), related to the Compliance Advisory Panel, are repealed July 1, 2023.
- (2) Section 19-2a-102.5, addressing a study and recommendations for a diesel emission reduction program, is repealed July 1, 2024.