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EMISSIONS REDUCTION AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Andrew Stoddard

Senate Sponsor: Kirk A. Cullimore

LONG TITLE

General Description:

This bill addresses issues related to emission reduction.

Highlighted Provisions:

This bill:

- ▶ imposes certain emission related requirements on the board of the Inland Port Authority;
- ▶ requires that Air Quality Board to create a form to facilitate assignment of a tax credit;
- ▶ enacts the Pollution Emission Reduction Act, including:
 - defining terms;
 - establishing state policy for emission reductions;
 - describing the applicable geographic area for emission reductions;
 - providing for the administration of the act;
 - creating a restricted account;
 - granting rulemaking authority;
 - providing for an advisory committee to advise on health related issues;
 - requiring certain state agency actions;
 - requiring the Department of Transportation to conduct certain analysis of air quality impacts;
 - creating a vehicle emissions fee program that includes light and heavy duty



- 28 vehicles;
- 29 • creating a vehicle purchase incentive program including imposing sunset dates;
- 30 • addressing rail related emissions;
- 31 • requiring an inventory and creation of a plan related to certain point source
- 32 pollution;
- 33 • addressing emissions increases near residences;
- 34 • imposing requirements on nonresidential and residential structures;
- 35 • prohibiting wood burning for heating; and
- 36 • addressing small off-road engines;
- 37 ▶ provides for an air quality related special license plate;
- 38 ▶ prohibits operation of certain vehicles on certain air quality days;
- 39 ▶ enacts a nonrefundable corporate and individual income tax credit for the purchase
- 40 or lease of an alternative fuel vehicle;
- 41 ▶ provides a process for a taxpayer to assign a tax credit to the dealer;
- 42 ▶ sets a termination date for the tax credit but requires legislative review before the
- 43 termination date;
- 44 ▶ imposes an increased motor fuel tax on motor fuel that does not meet the
- 45 requirements of Tier 3 gasoline;
- 46 ▶ establishes a road usage program related to restrictions on driving on bad air quality
- 47 days; and
- 48 ▶ makes technical and conforming amendments.

49 Money Appropriated in this Bill:

50 None

51 Other Special Clauses:

52 None

53 Utah Code Sections Affected:

54 AMENDS:

55 **11-58-203**, as last amended by Laws of Utah 2022, Chapter 82

56 **19-1-105**, as last amended by Laws of Utah 2015, Chapter 451

57 **19-2-104**, as last amended by Laws of Utah 2020, Chapter 354

58 **41-1a-203**, as last amended by Laws of Utah 2021, Chapter 59

- 59 [41-1a-418](#), as last amended by Laws of Utah 2022, Chapters 19, 48, 68, and 451
- 60 [41-1a-1201](#), as last amended by Laws of Utah 2022, Chapter 259
- 61 [41-21-5](#), as enacted by Laws of Utah 1971, Chapter 93
- 62 [59-13-201](#), as last amended by Laws of Utah 2022, Chapter 68
- 63 [63I-1-219](#), as last amended by Laws of Utah 2022, Chapter 194
- 64 [63I-1-226](#), as last amended by Laws of Utah 2022, Chapters 194, 206, 224, 253, 255,
- 65 347, and 451
- 66 [63I-2-259](#), as last amended by Laws of Utah 2022, Chapter 264
- 67 [63I-2-272](#), as last amended by Laws of Utah 2022, Chapters 56, 83 and 259
- 68 [72-1-211](#), as last amended by Laws of Utah 2018, Chapter 424
- 69 [72-1-213.2](#), as last amended by Laws of Utah 2022, Chapter 259
- 70 [72-2-107](#), as last amended by Laws of Utah 2020, Chapter 377

71 ENACTS:

- 72 [19-2b-101](#), Utah Code Annotated 1953
- 73 [19-2b-102](#), Utah Code Annotated 1953
- 74 [19-2b-103](#), Utah Code Annotated 1953
- 75 [19-2b-201](#), Utah Code Annotated 1953
- 76 [19-2b-202](#), Utah Code Annotated 1953
- 77 [19-2b-203](#), Utah Code Annotated 1953
- 78 [19-2b-301](#), Utah Code Annotated 1953
- 79 [19-2b-302](#), Utah Code Annotated 1953
- 80 [19-2b-401](#), Utah Code Annotated 1953
- 81 [19-2b-402](#), Utah Code Annotated 1953
- 82 [19-2b-403](#), Utah Code Annotated 1953
- 83 [19-2b-501](#), Utah Code Annotated 1953
- 84 [19-2b-502](#), Utah Code Annotated 1953
- 85 [19-2b-503](#), Utah Code Annotated 1953
- 86 [19-2b-504](#), Utah Code Annotated 1953
- 87 [19-2b-505](#), Utah Code Annotated 1953
- 88 [19-2b-506](#), Utah Code Annotated 1953
- 89 [19-2b-507](#), Utah Code Annotated 1953

- 90 **19-2b-601**, Utah Code Annotated 1953
- 91 **19-2b-701**, Utah Code Annotated 1953
- 92 **19-2b-702**, Utah Code Annotated 1953
- 93 **19-2b-801**, Utah Code Annotated 1953
- 94 **19-2b-802**, Utah Code Annotated 1953
- 95 **19-2b-803**, Utah Code Annotated 1953
- 96 **19-2b-804**, Utah Code Annotated 1953
- 97 **26A-1-131**, Utah Code Annotated 1953
- 98 **41-1a-233**, Utah Code Annotated 1953
- 99 **41-1a-1321**, Utah Code Annotated 1953
- 100 **59-7-627**, Utah Code Annotated 1953
- 101 **59-10-1046**, Utah Code Annotated 1953
- 102 **72-1-213.3**, Utah Code Annotated 1953

103 REPEALS:

104 **19-2-107.5**, as last amended by Laws of Utah 2019, Chapter 470



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

107 Section 1. Section **11-58-203** is amended to read:

108 **11-58-203. Policies and objectives of the authority -- Additional duties of the**
109 **authority -- Emission inventory and plans.**

110 (1) The policies and objectives of the authority are to:

111 (a) maximize long-term economic benefits to the area, the region, and the state;

112 (b) maximize the creation of high-quality jobs;

113 (c) respect and maintain sensitivity to the unique natural environment of areas in
114 proximity to the authority jurisdictional land and land in other authority project areas;

115 (d) improve air quality and minimize resource use;

116 (e) respect existing land use and other agreements and arrangements between property
117 owners within the authority jurisdictional land and within other authority project areas and
118 applicable governmental authorities;

119 (f) promote and encourage development and uses that are compatible with or
120 complement uses in areas in proximity to the authority jurisdictional land or land in other

121 authority project areas;

122 (g) take advantage of the authority jurisdictional land's strategic location and other
123 features, including the proximity to transportation and other infrastructure and facilities, that
124 make the authority jurisdictional land attractive to:

125 (i) businesses that engage in regional, national, or international trade; and
126 (ii) businesses that complement businesses engaged in regional, national, or
127 international trade;

128 (h) facilitate the transportation of goods;

129 (i) coordinate trade-related opportunities to export Utah products nationally and
130 internationally;

131 (j) support and promote land uses on the authority jurisdictional land and land in other
132 authority project areas that generate economic development, including rural economic
133 development;

134 (k) establish a project of regional significance;

135 (l) facilitate an intermodal facility;

136 (m) support uses of the authority jurisdictional land for inland port uses, including
137 warehousing, light manufacturing, and distribution facilities;

138 (n) facilitate an increase in trade in the region and in global commerce;

139 (o) promote the development of facilities that help connect local businesses to potential
140 foreign markets for exporting or that increase foreign direct investment;

141 (p) encourage all class 5 through 8 designated truck traffic entering the authority
142 jurisdictional land to meet the heavy-duty highway compression-ignition diesel engine and
143 urban bus exhaust emission standards for year 2007 and later;

144 (q) encourage the development and use of cost-efficient renewable energy in project
145 areas;

146 (r) aggressively pursue world-class businesses that employ cutting-edge technologies to
147 locate within a project area; and

148 (s) pursue land remediation and development opportunities for publicly owned land to
149 add value to a project area.

150 (2) In fulfilling its duties and responsibilities relating to the development of the
151 authority jurisdictional land and land in other authority project areas and to achieve and

152 implement the development policies and objectives under Subsection (1), the authority shall:

153 (a) work to identify funding sources, including federal, state, and local government
154 funding and private funding, for capital improvement projects in and around the authority
155 jurisdictional land and land in other authority project areas and for an inland port;

156 (b) review and identify land use and zoning policies and practices to recommend to
157 municipal land use policymakers and administrators that are consistent with and will help to
158 achieve:

159 (i) the policies and objectives stated in Subsection (1); and

160 (ii) the mutual goals of the state and local governments that have authority
161 jurisdictional land with their boundaries with respect to the authority jurisdictional land;

162 (c) consult and coordinate with other applicable governmental entities to improve and
163 enhance transportation and other infrastructure and facilities in order to maximize the potential
164 of the authority jurisdictional land to attract, retain, and service users who will help maximize
165 the long-term economic benefit to the state; and

166 (d) pursue policies that the board determines are designed to avoid or minimize
167 negative environmental impacts of development.

168 (3) The board may consider the emissions profile of road, yard, or rail vehicles:

169 (a) in determining access by those vehicles to facilities that the authority owns or
170 finances; or

171 (b) in setting fees applicable to those vehicles for the use of facilities that the authority
172 owns or finances.

173 (4) (a) By December 31, 2025, the board shall complete in accordance with the
174 standards adopted by the Air Quality Board under Subsection (4)(c):

175 (i) an inventory of fine particulate, nitrogen oxides, carbon monoxide, and sulfur
176 dioxide emissions from the one or more entities that are or planned to be located within a
177 project area; and

178 (ii) a plan under which an entity described in Subsection (4)(a)(i) shall, for each unit of
179 fine particulate, nitrogen oxides, carbon monoxide, and sulfur dioxide emissions from the
180 entity, fund a reduction of at least 1.1 units of corresponding emissions elsewhere in the same
181 county.

182 (b) In determining a unit of fine particulate, nitrogen oxides, carbon monoxide, and

183 sulfur dioxide emissions from an entity located within a project area, the board shall include all
184 emissions emitted within the project area including vehicle emissions, non-highway emissions,
185 venting, and activity of a contractor or transporter.

186 (c) Before October 1, 2023, the Air Quality Board shall in rule, made in accordance
187 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, adopt standards that:

188 (i) define what is meant by "located within a project area";

189 (ii) provide how a unit of emissions is determined for purposes of this Subsection (4);

190 and

191 (iii) define "contractor" and "transporter" for purposes of this Subsection (4).

192 Section 2. Section **19-1-105** is amended to read:

193 **19-1-105. Divisions of department -- Control by division directors.**

194 (1) The following divisions are created within the department:

195 (a) the Division of Air Quality, to administer [~~Title 19, Chapter 2, Air Conservation~~
196 ~~Act~~];

197 (i) Chapter 2, Air Conservation Act; and

198 (ii) Chapter 2b, Pollution Emissions Reduction Act;

199 (b) the Division of Drinking Water, to administer [~~Title 19, Chapter 4, Safe Drinking~~
200 ~~Water Act~~]; Chapter 4, Safe Drinking Water Act;

201 (c) the Division of Environmental Response and Remediation, to administer:

202 (i) [~~Title 19, Chapter 6, Part 3, Hazardous Substances Mitigation Act~~] Chapter 6, Part
203 3, Hazardous Substances Mitigation Act; and

204 (ii) [~~Title 19, Chapter 6, Part 4, Underground Storage Tank Act~~] Chapter 6, Part 4,
205 Underground Storage Tank Act;

206 (d) the Division of Waste Management and Radiation Control, to administer:

207 (i) [~~Title 19, Chapter 3, Radiation Control Act~~] Chapter 3, Radiation Control Act;

208 (ii) [~~Title 19, Chapter 6, Part 1, Solid and Hazardous Waste Act~~] Chapter 6, Part 1,
209 Solid and Hazardous Waste Act;

210 (iii) [~~Title 19, Chapter 6, Part 2, Hazardous Waste Facility Siting Act~~] Chapter 6, Part
211 2, Hazardous Waste Facility Siting Act;

212 (iv) [~~Title 19, Chapter 6, Part 5, Solid Waste Management Act~~] Chapter 6, Part 5, Solid
213 Waste Management Act;

214 (v) [~~Title 19, Chapter 6, Part 6, Lead Acid Battery Disposal~~] Chapter 6, Part 6, Lead
215 Acid Battery Disposal;

216 (vi) [~~Title 19, Chapter 6, Part 7, Used Oil Management Act~~] Chapter 6, Part 7, Used
217 Oil Management Act;

218 (vii) [~~Title 19, Chapter 6, Part 8, Waste Tire Recycling Act~~] Chapter 6, Part 8, Waste
219 Tire Recycling Act;

220 (viii) [~~Title 19, Chapter 6, Part 10, Mercury Switch Removal Act~~] Chapter 6, Part 10,
221 Mercury Switch Removal Act;

222 (ix) [~~Title 19, Chapter 6, Part 11, Industrial Byproduct Reuse~~] Chapter 6, Part 11,
223 Industrial Byproduct Reuse; and

224 (x) [~~Title 19, Chapter 6, Part 12, Disposal of Electronic Waste Program~~] Chapter 6,
225 Part 12, Disposal of Electronic Waste Program; and

226 (e) the Division of Water Quality, to administer Title 19, Chapter 5, Water Quality Act.

227 (2) Each division is under the immediate direction and control of a division director
228 appointed by the executive director.

229 (3) (a) A division director shall possess the administrative skills and training necessary
230 to perform the duties of division director.

231 (b) A division director shall hold one of the following degrees from an accredited
232 college or university:

233 (i) a four-year degree in physical or biological science or engineering;

234 (ii) a related degree; or

235 (iii) a degree in law.

236 (4) The executive director may remove a division director at will.

237 (5) A division director shall serve as the executive secretary to the policymaking board,
238 created in Section [19-1-106](#), that has rulemaking authority over the division director's division.

239 Section 3. Section **19-2-104** is amended to read:

240 **19-2-104. Powers of board.**

241 (1) The board may make rules in accordance with Title 63G, Chapter 3, Utah

242 Administrative Rulemaking Act:

243 (a) regarding the control, abatement, and prevention of air pollution from all sources
244 and the establishment of the maximum quantity of air pollutants that may be emitted by an air

245 pollutant source;

246 (b) establishing air quality standards;

247 (c) requiring persons engaged in operations that result in air pollution to:

248 (i) install, maintain, and use emission monitoring devices, as the board finds necessary;

249 (ii) file periodic reports containing information relating to the rate, period of emission,

250 and composition of the air pollutant; and

251 (iii) provide access to records relating to emissions which cause or contribute to air

252 pollution;

253 (d) (i) implementing:

254 (A) Toxic Substances Control Act, Subchapter II, Asbestos Hazard Emergency

255 Response, 15 U.S.C. 2601 et seq.;

256 (B) 40 C.F.R. Part 763, Asbestos; and

257 (C) 40 C.F.R. Part 61, National Emission Standards for Hazardous Air Pollutants,

258 Subpart M, National Emission Standard for Asbestos; and

259 (ii) reviewing and approving asbestos management plans submitted by local education

260 agencies under the Toxic Substances Control Act, Subchapter II, Asbestos Hazard Emergency

261 Response, 15 U.S.C. 2601 et seq.;

262 (e) establishing a requirement for a diesel emission opacity inspection and maintenance

263 program for diesel-powered motor vehicles;

264 (f) implementing an operating permit program as required by and in conformity with

265 Titles IV and V of the federal Clean Air Act Amendments of 1990;

266 (g) establishing requirements for county emissions inspection and maintenance

267 programs after obtaining agreement from the counties that would be affected by the

268 requirements;

269 (h) with the approval of the governor, implementing in air quality nonattainment areas

270 employer-based trip reduction programs applicable to businesses having more than 100

271 employees at a single location and applicable to federal, state, and local governments to the

272 extent necessary to attain and maintain ambient air quality standards consistent with the state

273 implementation plan and federal requirements under the standards set forth in Subsection (2);

274 (i) implementing lead-based paint training, certification, and performance requirements

275 in accordance with 15 U.S.C. 2601 et seq., Toxic Substances Control Act, Subchapter IV --

276 Lead Exposure Reduction, Sections 402 and 406; and

277 (j) to implement the requirements of Section [~~19-2-107.5~~] [19-2b-80](#).

278 (2) When implementing Subsection (1)(h) the board shall take into consideration:

279 (a) the impact of the business on overall air quality; and

280 (b) the need of the business to use automobiles in order to carry out its business

281 purposes.

282 (3) (a) The board may:

283 (i) hold a hearing that is not an adjudicative proceeding relating to any aspect of, or

284 matter in, the administration of this chapter;

285 (ii) recommend that the director:

286 (A) issue orders necessary to enforce the provisions of this chapter;

287 (B) enforce the orders by appropriate administrative and judicial proceedings;

288 (C) institute judicial proceedings to secure compliance with this chapter; or

289 (D) advise, consult, contract, and cooperate with other agencies of the state, local

290 governments, industries, other states, interstate or interlocal agencies, the federal government,

291 or interested persons or groups; and

292 (iii) establish certification requirements for asbestos project monitors, which shall
293 provide for experience-based certification of a person who:

294 (A) receives relevant asbestos training, as defined by rule; and

295 (B) has acquired a minimum of 1,000 hours of asbestos project monitoring related

296 work experience.

297 (b) The board shall:

298 (i) to ensure compliance with applicable statutes and regulations:

299 (A) review a settlement negotiated by the director in accordance with Subsection

300 [19-2-107\(2\)\(b\)\(viii\)](#) that requires a civil penalty of \$25,000 or more; and

301 (B) approve or disapprove the settlement;

302 (ii) encourage voluntary cooperation by persons and affected groups to achieve the
303 purposes of this chapter;

304 (iii) meet the requirements of federal air pollution laws;

305 (iv) by rule in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking

306 Act, establish work practice and certification requirements for persons who:

307 (A) contract for hire to conduct demolition, renovation, salvage, encapsulation work
308 involving friable asbestos-containing materials, or asbestos inspections if:

309 (I) the contract work is done on a site other than a residential property with four or
310 fewer units; or

311 (II) the contract work is done on a residential property with four or fewer units where a
312 tested sample contained greater than 1% of asbestos;

313 (B) conduct work described in Subsection (3)(b)(iv)(A) in areas to which the general
314 public has unrestrained access or in school buildings that are subject to the federal Asbestos
315 Hazard Emergency Response Act of 1986;

316 (C) conduct asbestos inspections in facilities subject to 15 U.S.C. 2601 et seq., Toxic
317 Substances Control Act, Subchapter II - Asbestos Hazard Emergency Response; or

318 (D) conduct lead-based paint inspections in facilities subject to 15 U.S.C. 2601 et seq.,
319 Toxic Substances Control Act, Subchapter IV -- Lead Exposure Reduction;

320 (v) establish certification requirements for a person required under 15 U.S.C. 2601 et
321 seq., Toxic Substances Control Act, Subchapter II - Asbestos Hazard Emergency Response, to
322 be accredited as an inspector, management planner, abatement project designer, asbestos
323 abatement contractor and supervisor, or an asbestos abatement worker;

324 (vi) establish certification requirements for a person required under 15 U.S.C. 2601 et
325 seq., Toxic Control Act, Subchapter IV - Lead Exposure Reduction, to be accredited as an
326 inspector, risk assessor, supervisor, project designer, abatement worker, renovator, or dust
327 sampling technician; ~~and~~

328 (vii) assist the State Board of Education in adopting school bus idling reduction
329 standards and implementing an idling reduction program in accordance with Section
330 [41-6a-1308](#)~~[-]; and~~

331 (viii) on or before January 1, 2024, create a standard election statement for use as
332 described in Sections [59-7-627](#) and [59-10-1046](#).

333 (4) A rule adopted under this chapter shall be consistent with provisions of federal
334 laws, if any, relating to control of motor vehicles or motor vehicle emissions.

335 (5) Nothing in this chapter authorizes the board to require installation of or payment for
336 any monitoring equipment by the owner or operator of a source if the owner or operator has
337 installed or is operating monitoring equipment that is equivalent to equipment which the board

338 would require under this section.

339 (6) (a) The board may not require testing for asbestos or related materials on a
340 residential property with four or fewer units, unless:

341 (i) the property's construction was completed before January 1, 1981; or

342 (ii) the testing is for:

343 (A) a sprayed-on or painted on ceiling treatment that contained or may contain asbestos
344 fiber;

345 (B) asbestos cement siding or roofing materials;

346 (C) resilient flooring products including vinyl asbestos tile, sheet vinyl products,
347 resilient flooring backing material, whether attached or unattached, and mastic;

348 (D) thermal-system insulation or tape on a duct or furnace; or

349 (E) vermiculite type insulation materials.

350 (b) A residential property with four or fewer units is subject to an abatement rule made
351 under Subsection (1) or (3)(b)(iv) if:

352 (i) a sample from the property is tested for asbestos; and

353 (ii) the sample contains asbestos measuring greater than 1%.

354 (7) The board may not issue, amend, renew, modify, revoke, or terminate any of the
355 following that are subject to the authority granted to the director under Section 19-2-107 or
356 19-2-108:

357 (a) a permit;

358 (b) a license;

359 (c) a registration;

360 (d) a certification; or

361 (e) another administrative authorization made by the director.

362 (8) A board member may not speak or act for the board unless the board member is
363 authorized by a majority of a quorum of the board in a vote taken at a meeting of the board.

364 (9) Notwithstanding Subsection (7), the board may exercise all authority granted to the
365 board by a federally enforceable state implementation plan.

366 Section 4. Section 19-2b-101 is enacted to read:

367 **CHAPTER 2b. POLLUTION EMISSION REDUCTION ACT**

368 **Part 1. General Provision**

369 **19-2b-101. Definitions.**370 As used in this chapter:371 (1) "Applicable geographic area" means the area described in Section [19-2b-103](#).372 (2) "Area source pollution" means a stationary source of emissions that emits less than:373 (a) 10 tons per year of a single air toxic; or374 (b) 25 tons per year of a combination of air toxics.375 (3) "Bad air day" means a day that has an air quality index of moderate or worse as
376 determined by the division.377 (4) "Division" means the Division of Air Quality.378 (5) "Emissions" means sulfur dioxide, nitrogen oxides, carbon monoxide, and fine
379 particulate matter.380 (6) "Emissions county" means a county in which a person registering a motor vehicle is
381 required to obtain an emissions test of the motor vehicle pursuant to Title 41, Motor Vehicles.382 (7) "Heavy duty vehicle" means a motor vehicle:383 (a) rated at more than 8,500 pounds gross vehicle weight rating; or384 (b) that has a vehicle curb weight of more than 6,000 pounds.385 (8) "Highway" means the same as that term is defined in Section [41-6a-102](#).386 (9) "Light duty vehicle" means a motor vehicle intended primarily for operation on
387 highways and that is not a heavy duty vehicle.388 (10) "Motor vehicle" means the same as that term is defined in Section [41-6a-102](#).389 (11) "Nonresidential structure" means a building or other improvement to real
390 property:391 (a) the construction of which requires a building permit; and392 (b) that does not qualify as a residential structure.393 (12) "Point source pollution" means a single identifiable source of pollution from
394 which pollutants are discharged, such as a pipe, ditch, or ship or factory smokestack.395 (13) "Pollution-free vehicle" means a motor vehicle that emits no exhaust gas from the
396 onboard source of power.397 (14) "Residential structure" means a building or other improvement to real property
398 that is used for residential use, either owner occupied or income producing.399 (15) (a) "Sale" or "sell" means to offer or expose for sale, barter, trade, deliver,

400 consign, lease, or give away.

401 (b) "Sale" or "sell" does not include a judicial, executor's, administrator's, or guardian's
402 sale.

403 (16) "School" means a public or private:

404 (a) elementary school or secondary school;

405 (b) preschool; or

406 (c) kindergarten.

407 Section 5. Section **19-2b-102** is enacted to read:

408 **19-2b-102. State policy for emission reduction.**

409 It is the policy of the state to set as a goal that each of the following type of emissions
410 within the applicable geographic area be reduced by 50% by December 31, 2030, compared to
411 a baseline of each type of emissions within the applicable geographic area determined by the
412 division for fiscal year 2017:

413 (1) fine particulate matter;

414 (2) carbon monoxide;

415 (3) sulfur dioxide; and

416 (4) nitrogen oxides.

417 Section 6. Section **19-2b-103** is enacted to read:

418 **19-2b-103. Applicable geographic area.**

419 (1) Unless otherwise provided in this chapter, this chapter applies to:

420 (a) Cache County;

421 (b) Davis County;

422 (c) Salt Lake County;

423 (d) Summit County;

424 (e) Utah County; and

425 (f) Weber County.

426 (2) The Public Service Commission's duties under Section [19-2b-301](#) apply statewide.

427 Section 7. Section **19-2b-201** is enacted to read:

428 **Part 2. Administration**

429 **19-2b-201. Division powers and duties -- Air Quality Board rulemaking.**

430 (1) Unless otherwise provided in this chapter, the division shall administer this chapter.

431 (2) In administering this chapter, the division shall:
432 (a) work with emission counties to administer Part 4, Vehicle Emissions Registration

433 Fee Program; and

434 (b) publish an annual report:

435 (i) to be:

436 (A) submitted to the Legislature in accordance with Section [68-3-14](#); and

437 (B) available on the division's website;

438 (ii) that describes progress towards emission reductions; and

439 (iii) includes recommendations on adjustments that could:

440 (A) facilitate emissions reduction; or

441 (B) relieve a burden from a program that is not effective at reducing emissions.

442 (3) The Air Quality Board may make rules under this chapter in accordance with Title
443 63G, Chapter 3, Utah Administrative Rulemaking Act, when expressly authorized in this
444 chapter.

445 Section 8. Section **19-2b-202** is enacted to read:

446 **19-2b-202. Air Quality Fund.**

447 (1) (a) There is created a restricted account within the General Fund known as the "Air
448 Quality Fund."

449 (b) The Air Quality Fund consists of:

450 (i) fees collected pursuant to this chapter;

451 (ii) appropriations from the Legislature;

452 (iii) federal money received by the division for purposes of this chapter; and

453 (iv) interest and other earnings described in Subsection (1)(c).

454 (c) The state treasurer shall deposit interest and other earnings derived from investment
455 of money in the Air Quality Fund into the Air Quality Fund.

456 (2) (a) Upon appropriation by the Legislature, the division shall use the money in the
457 Air Quality Fund in each fiscal year as follows:

458 (i) the division shall use 40% to fund efforts to improve air quality in the applicable
459 geographic area, including through direct expenditures, grants, or incentives;

460 (ii) the division shall have transferred 40% into the Vehicle Emissions Reduction
461 Program Restricted Account;

462 (iii) the division shall use 10% to pay the administrative costs of the division to
463 implement this chapter; and

464 (iv) the division shall retain 10% in the Air Quality Fund.

465 (b) The division shall report annually to the Revenue and Taxation Interim Committee
466 about whether the percentages described in this Subsection (2) need to be changed to
467 adequately fund the Vehicle Emissions Reduction Program Restricted Account.

468 (3) Subject to Title 63J, Chapter 5, Federal Funds Procedures Act, the division shall
469 seek a federal grant of at least \$100,000,000 to be deposited into the Air Quality Fund and
470 distributed as provided in Subsection (2).

471 (4) (a) Subject to the other provisions of this Subsection (4), in determining the use of
472 money under Subsection (2)(a), the division shall evaluate the most cost-effective ways to
473 improve air quality and may allocate money toward those purposes.

474 (b) As part of the evaluation under Subsection (4)(a), the division shall evaluate:

475 (i) the use of air filters in schools on learning and health; and

476 (ii) programs in addition to those under Part 5, Vehicle Purchase Incentive Program,
477 that assist a low-income resident to upgrade or improve the low-income resident's motor
478 vehicle.

479 (c) The division may use money under Subsection (2)(a) to lower the price or provide
480 incentives for the purchase of the following for residential use:

481 (i) an emissions free furnace or heat pump; and

482 (ii) an emissions free water heater.

483 Section 9. Section **19-2b-203** is enacted to read:

484 **19-2b-203. Air quality health impacts.**

485 (1) The division shall create an advisory board, composed of five members who are
486 either practicing physicians or individuals with research expertise on the impacts of air quality,
487 to advise the division on:

488 (a) ailments that are caused by emissions in the state; and

489 (b) medical costs associated with ailments outlined in Subsection (1)(a).

490 (2) The advisory board shall submit a report to the division by no later than December
491 31, 2024.

492 Section 10. Section **19-2b-301** is enacted to read:

Part 3. State Agency Actions

19-2b-301. State agency plans.

(1) In addition to complying with Section 63G-17-202, the following state agencies shall prepare a plan to implement the policy adopted under Section 19-2b-102:

(a) the Department of Environmental Quality;

(b) the Governor's Office of Economic Opportunity;

(c) the Department of Natural Resources;

(d) the Department of Transportation; and

(e) the Public Service Commission.

(2) (a) A state agency listed in Subsection (1) shall prepare a plan of how the agency will reduce emissions from the state agency's activities, including procurement, and from activities the state agency oversees.

(b) A state agency shall submit the agency's plan prepared under this section to the Legislature by no later than January 1, 2024.

Section 11. Section **19-2b-302** is enacted to read:

19-2b-302. Highway air quality impact analysis.

(1) As part of the strategic initiative required by Section 72-1-211, the Department of Transportation shall prepare an analysis of the likely impacts to air quality of a state highway improvement or construction.

(2) The analysis required by this section shall compare funding a state highway improvement or construction to:

(a) taking no action; and

(b) use of money to improve pedestrian options or other forms of transit.

Section 12. Section **19-2b-401** is enacted to read:

Part 4. Vehicle Emissions Registration Fee Program

19-2b-401. New and used light duty vehicle clean air fee.

(1) As a condition for registering a new or used light duty vehicle upon the purchase of the new or used light duty vehicle, the person who registers the light duty vehicle shall pay a clean air fee as follows, the person registering a light duty vehicle shall pay:

(a) a \$300 clean air fee if the light duty vehicle is designed to emit more than .16 grams per mile of nitrogen oxides and non-methane organic gases;

524 (b) a \$200 clean air fee if the vehicle is designed to emit .16 grams, or less, per mile of
525 nitrogen oxides and non-methane organic gases, but more than .05 grams per mile of nitrogen
526 oxides and non-methane organic gases;

527 (c) a \$100 clean air fee if the vehicle is designed to emit .05 grams per mile, or less, of
528 nitrogen oxides and non-methane organic gases; and

529 (d) no clean air fee under this section if the light duty vehicle is a pollution-free
530 vehicle.

531 (2) After paying the clean air fee under this section, when renewing the registration of a
532 light duty vehicle, the person registering a light duty vehicle shall pay the emission fee in
533 accordance with Section [19-2b-402](#).

534 Section 13. Section **19-2b-402** is enacted to read:

535 **19-2b-402. Light duty vehicle emission fees.**

536 (1) As used in this section, "base rate" means \$50.

537 (2) Subject to the requirements of this section, the division shall establish a program
538 for the imposition of an emission fee on light duty vehicles registered in an emissions county.

539 (3) (a) A person renewing a registration of a light duty vehicle under Title 41, Motor
540 Vehicles, in an emissions county shall pay a fee under the program created in Subsection (2) as
541 a condition of renewing the registration of the light duty vehicle.

542 (b) (i) A person shall pay, in addition to other applicable fees, \$0 if the light duty
543 vehicle for which the registration is being renewed is a pollution-free vehicle.

544 (ii) A person shall pay, in addition to other applicable fees, the base rate if the light
545 duty vehicle for which the registration is being renewed is designed to emit .04 grams per mile,
546 or less, of nitrogen oxides and non-methane organic gases.

547 (iii) A person shall pay, in addition to other applicable fees, twice the base rate if the
548 light duty vehicle for which the registration is being renewed is designed to emit more than .04
549 grams per mile of nitrogen oxides and non-methane organic gases but less than .17 grams per
550 mile of nitrogen oxides or non-methane organic gases.

551 (iv) A person shall pay, in addition to other applicable fees, triple the base rate if the
552 light duty vehicle for which the registration is being renewed is designed to emit .17 grams per
553 mile, or more, of nitrogen oxides and non-methane organic gases.

554 (v) A person whose light duty vehicle is within the highest 1% of polluting light duty

555 vehicles registered the previous year, may not renew the registration for that light duty vehicle
556 in the current year unless the person is issued an air quality license plate in accordance with
557 Subsection 41-1a-418(1)(c)(v).

558 Section 14. Section **19-2b-403** is enacted to read:

559 **19-2b-403. Heavy duty vehicle emission fees.**

560 (1) As used in this section, "base rate" means \$150.

561 (2) Subject to the requirements of this section, the division shall establish a program
562 for the imposition of a fee on heavy duty vehicles registered in an emissions county.

563 (3) (a) A person renewing the registration of a heavy duty vehicle under Title 41,
564 Motor Vehicles, in an emission county shall pay a fee under the program created in Subsection
565 (2) as a condition of renewing the registration of the heavy duty vehicle.

566 (b) (i) A person shall pay, in addition to other applicable fees, \$0 if the heavy duty
567 vehicle for which the registration is being renewed is a pollution-free vehicle.

568 (ii) A person shall pay, in addition to other applicable fees, the base rate if the heavy
569 duty vehicle for which the registration is being renewed is designed to emit .05 grams, or less,
570 of nitrogen oxides per brake horsepower hour.

571 (iii) A person shall pay, in addition to other applicable fees, twice the base rate if the
572 heavy duty vehicle for which the registration is being renewed is designed to emit more than
573 .05 grams of nitrogen oxides per brake horsepower hour but less than 2.1 grams of nitrogen
574 oxides per brake horsepower hour.

575 (iv) A person shall pay, in addition to other applicable fees, triple the base rate if the
576 heavy duty vehicle for which the registration is being renewed is designed to emit 2.1 grams, or
577 more, of nitrogen oxides per brake horsepower hour.

578 (v) A person whose heavy duty vehicle is within the highest 1% of polluting heavy
579 duty vehicles registered the previous year, may not renew the registration of that heavy duty
580 vehicle in the current year unless the person is issued an air quality license plate in accordance
581 with Subsection 41-1a-418(1)(c)(v).

582 Section 15. Section **19-2b-501** is enacted to read:

583 **Part 5. Vehicle Purchase Incentive Program**

584 **19-2b-501. Definitions.**

585 As used in this part:

- 586 (1) "Crusher" means the same as that term is defined in Section 41-3-102.
- 587 (2) "Dismantler" means the same as that term is defined in Section 41-3-102.
- 588 (3) "Eligible replacement vehicle" means a motor vehicle as defined in Section
- 589 41-1a-102 that is:
- 590 (a) (i) designed to emit no more than .04 grams per mile of nitrogen oxides and
- 591 non-methane organic gases; or
- 592 (ii) a pollution-free vehicle;
- 593 (b) has an odometer reading equal to or less than 70,000 miles;
- 594 (c) costs no more than \$35,000 before tax, title, and licensing; and
- 595 (d) passes an emissions inspection.
- 596 (4) "Eligible trade-in vehicle" means a motor vehicle that:
- 597 (a) is of the model year 2007 or older;
- 598 (b) (i) is registered or regularly operates in a county:
- 599 (A) located in the applicable geographic area; or
- 600 (B) required to have a motor vehicle emissions inspection and maintenance program
- 601 under Section 41-6a-1642; or
- 602 (ii) was reported to and verified by the local health department as emitting excessive
- 603 amounts of smoky exhaust while being driven through a county:
- 604 (A) located in the applicable geographic area; or
- 605 (B) required to have a motor vehicle emissions inspection and maintenance program
- 606 under Section 41-6a-1642;
- 607 (c) has been registered in the qualified vehicle owner's name in the state for at least the
- 608 previous 12 months; and
- 609 (d) is drivable under the motor vehicle's own power.
- 610 (5) "Federal poverty level" means the poverty level as defined by the most recently
- 611 revised poverty income guidelines published by the United States Department of Health and
- 612 Human Services in the Federal Register.
- 613 (6) "Local health department" means the same as that term is defined in Section
- 614 26A-1-102.
- 615 (7) "Participating dealer" means a dealer as defined in Section 41-3-102 that signs a
- 616 written agreement described in Section 19-2b-504 with a local health department to participate

617 in the program.

618 (8) "Participating recycler" means a crusher or dismantler that signs a written
619 agreement described in Section 19-2b-505 with a local health department to participate in the
620 program.

621 (9) "Purchase" means to take by sale, lease, discount, negotiation, mortgage, pledge,
622 trust deed, lien, security interest, issue or reissue, gift, or any other voluntary transaction
623 creating an interest in property.

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

625 (a) has a household income equal to or less than 300% of the federal poverty level; and

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

627 (11) "Vehicle Emissions Reduction Program" or "program" means the program
628 established in Section 19-2b-503.

629 Section 16. Section **19-2b-502** is enacted to read:

630 **19-2b-502. Vehicle Emissions Reduction Program Restricted Account.**

631 (1) There is created within the General Fund a restricted account known as the
632 "Vehicle Emissions Reduction Program Restricted Account."

633 (2) The Vehicle Emissions Reduction Program Restricted Account consists of:

634 (a) voluntary monetary contributions received;

635 (b) proceeds from the sale of eligible trade-in vehicles to participating recyclers made
636 in connection with the Vehicle Emissions Reduction Program;

637 (c) appropriations the Legislature makes to the Vehicle Emissions Reduction Program
638 Restricted Account;

639 (d) money transferred to the Vehicle Emissions Reduction Program Restricted Account
640 from the Air Quality Fund under Section 19-2b-202; and

641 (e) interest accrued in accordance with Subsection (3)(b).

642 (3) The state treasurer shall:

643 (a) invest the money in the Vehicle Emissions Reduction Program Restricted Account
644 in accordance with Title 51, Chapter 7, State Money Management Act; and

645 (b) deposit interest or other earnings derived from the investments described in
646 Subsection (3)(a) into the Vehicle Emissions Reduction Program Restricted Account.

647 (4) (a) Subject to legislative appropriations, the division shall provide financial

648 assistance from the Vehicle Emissions Reduction Program Restricted Account:
649 (i) to qualified vehicle owners who purchase eligible replacement vehicles in
650 accordance with this part;
651 (ii) in a total amount of up to \$26,000,000; and
652 (iii) as described in Section 19-2b-506, in amounts that increase on a sliding scale
653 based on:
654 (A) the household income of the qualified vehicle owner; and
655 (B) the emissions performance of the purchased eligible replacement vehicle.
656 (b) The division may use money in the Vehicle Emissions Reduction Program
657 Restricted Account to:
658 (i) administer the program in accordance with this part; or
659 (ii) assist a local health department to carry out this part.
660 (5) The division shall deposit the money the division receives from the sale of eligible
661 trade-in vehicles to participating recyclers in connection with this program into the Vehicle
662 Emissions Reduction Program Restricted Account.

663 Section 17. Section **19-2b-503** is enacted to read:

664 **19-2b-503. Program creation.**

665 (1) There is created the Vehicle Emissions Reduction Program to provide financial
666 assistance to qualified vehicle owners in purchasing eligible replacement vehicles.
667 (2) To receive financial assistance under the program, a qualified vehicle owner shall:
668 (a) in accordance with rules made under this part, apply for and obtain from a local
669 health department certification described in Section 26A-1-131, which states the level of
670 assistance the qualified vehicle owner is eligible to receive;
671 (b) deliver to a participating dealer:
672 (i) the qualified vehicle owner's eligible trade-in vehicle, including title to the vehicle;
673 and
674 (ii) the certification described in Subsection (2)(a); and
675 (c) purchase an eligible replacement vehicle from the participating dealer described in
676 Subsection (2)(b).

677 Section 18. Section **19-2b-504** is enacted to read:

678 **19-2b-504. Participating dealers -- Reimbursement.**

679 (1) To participate in the Vehicle Emissions Reduction Program, a dealer, as defined in
680 Section 41-2-102, shall sign an agreement with a local health department that requires the
681 dealer:

682 (a) to surrender to a participating recycler an eligible trade-in vehicle the dealer
683 receives in connection with the program in accordance with rules established under this part;
684 and

685 (b) to follow rules established in accordance with this part to receive reimbursement
686 under this part.

687 (2) When a qualifying vehicle owner purchases an eligible replacement vehicle
688 following the requirements described in Subsection 19-2b-503(2), the participating dealer
689 shall:

690 (a) credit the qualifying vehicle owner's purchase with the amount of financial
691 assistance the qualifying vehicle owner's certification, as described in Section 19-2b-503,
692 specifies;

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

695 (c) provide the local health department that issued the certification described in Section
696 19-2b-503:

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

698 (ii) a copy of the used certification;

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

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

702 (v) a request for reimbursement.

703 Section 19. Section **19-2b-505** is enacted to read:

704 **19-2b-505. Participating recyclers.**

705 (1) To participate in the Vehicle Emissions Reduction Program, a dismantler or crusher
706 shall:

707 (a) certify to the local health department with a signed agreement that each vehicle the
708 crusher or dismantler has received in connection with the program has been disabled or
709 scrapped in accordance with rules made by the board pursuant to Section 19-2b-506;

710 (b) on a monthly basis, send the local health department:
711 (i) a list of the vehicles the crusher or dismantler received in connection with the
712 program; and
713 (ii) money the crusher or dismantler owes to the local health department for the
714 vehicles surrendered to the crusher or dismantler as described in Subsection 19-2b-504(1)(a);
715 and

716 (c) comply with rules made in accordance with this part.
717 (2) (a) A scrapped engine, equipment, or vehicle components may be salvaged from a
718 vehicle being replaced.

719 (b) If a crusher or dismantler sells a scrapped or salvaged engine, equipment, or part,
720 the crusher or dismantler shall remit the proceeds to the local health department on a monthly
721 basis.

722 Section 20. Section **19-2b-506** is enacted to read:

723 **19-2b-506. Rulemaking.**

724 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
725 Air Quality Board shall make rules that:

726 (a) carry out this part;
727 (b) establish a certification and reimbursement process in accordance with this part;
728 (c) ensure that an individual who receives financial assistance under both this program
729 and any similar program that relies on federal funding does not receive a total amount more
730 than the individual is qualified to receive under either program alone;

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

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

735 (f) establish a sliding scale for financial assistance provided under this part that:

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

738 (ii) is based on:

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

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

741 (2) In making the rules described in Subsection (1), the Air Quality Board shall:

742 (a) consider recommendations from the division; and

743 (b) coordinate with the relevant local health departments, when applicable.

744 Section 21. Section **19-2b-507** is enacted to read:

745 **19-2b-507. Public service campaign.**

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

748 (a) smog ratings of motor vehicles;

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

750 (c) financial assistance available through the program; and

751 (d) any other program the division administers that is aimed at reducing air pollution or
752 improving air quality in the applicable geographic area.

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

755 Section 22. Section **19-2b-601** is enacted to read:

756 **Part 6. Non-highway Mobile Pollution**

757 **19-2b-601. Rail projects.**

758 (1) As used in this section:

759 (a) "Rail project" means a project within the applicable geographic area that relates to
760 the use of railroad vehicles within the state.

761 (b) "State money" includes money appropriated by the Legislature under Title 59,
762 Chapter 21, Mineral Lease Funds.

763 (2) A rail project that is funded in whole or in part with state money may not produce
764 any emissions on or after December 31, 2024.

765 Section 23. Section **19-2b-701** is enacted to read:

766 **Part 7. Point Source Pollution**

767 **19-2b-701. Point source pollution of bromine.**

768 (1) By no later than December 31, 2025, the division shall complete:

769 (a) an inventory of point sources that emit bromine and that are located within the
770 applicable geographic area, Tooele County, or Box Elder County; and

771 (b) a plan for reducing bromine emissions by 50% by December 31, 2030, compared to

772 a baseline of bromine emissions determined by the division within the applicable geographic
773 area, Tooele County, and Box Elder County for fiscal year 2017.

774 (2) The division shall publish the inventory and plan required under Subsection (1) on
775 the division's web page.

776 Section 24. Section **19-2b-702** is enacted to read:

777 **19-2b-702. Restrictions on increased of emissions or new emissions.**

778 An existing facility within the applicable geographic area, Tooele County, or Box Elder
779 County, may not increase the amount of point source pollution or construct new point source
780 pollution that would result in an increase of more than 15% of emissions in one year within a
781 three-mile radius if a residence is located within the three-mile radius.

782 Section 25. Section **19-2b-801** is enacted to read:

783 **Part 8. Area Source Pollution**

784 **19-2b-801. Nonresidential structure.**

785 (1) A nonresidential structure located within an emissions county for which a building
786 permit is obtained on or after July 1, 2023, shall:

787 (a) produce no emission after December 31, 2024; or

788 (b) meet a reduced emission standard described in Subsection (2).

789 (2) A reduced emission standard option under Subsection (1)(b) means one of the
790 following:

791 (a) on and after December 31, 2024, the nonresidential structure:

792 (i) may not emit more than 66% of the average emissions of nonresidential structures

793 that comply with the State Construction Code adopted under Title 15A, Chapter 2, Adoption of
794 State Construction Code, applicable to the nonresidential structure; or

795 (ii) shall offset overall emissions in the same county as provided in Subsection (3);

796 (b) on and after December 31, 2027, the nonresidential structure:

797 (i) may not emit more than 33% of the average emissions of nonresidential structures

798 that comply with the State Construction Code adopted under Title 15A, Chapter 2, Adoption of
799 State Construction Code, applicable to the nonresidential structure; or

800 (ii) shall offset overall emissions in the same county as provided in Subsection (3); or

801 (c) on and after December 31, 2030, the nonresidential structure:

802 (i) may not emit any emissions; or

803 (ii) shall offset overall emissions in the same county as provided in Subsection (3).

804 (3) (a) To meet the offset requirements of Subsection (2), for each unit of emissions
805 from the nonresidential structure the owner or operator of the nonresidential structure shall
806 fund at least a reduction of 1.1 units of emissions in the same county from existing
807 nonresidential structures, residential structures, or a combination of nonresidential and
808 residential structures.

809 (b) The Air Quality Board shall provide in rule, made in accordance with Title 63G,
810 Chapter 3, Utah Administrative Rulemaking Act, how a unit of emissions is determined for
811 purposes of this section.

812 (4) (a) Unless the nonresidential structure has no emissions, an owner of a
813 nonresidential structure that is sold on or after December 31, 2025, shall make improvements
814 to the nonresidential structure that result in a reduction in average yearly emissions of at least
815 5% over the yearly average from the previous two years.

816 (b) The division shall create a program that provides public information on how to
817 measure average yearly emissions over a two-year time period for purposes of this Subsection
818 (4).

819 Section 26. Section **19-2b-802** is enacted to read:

820 **19-2b-802. Residential structure.**

821 (1) A residential structure located in an emissions county for which a building permit is
822 obtained on or after July 1, 2023, shall:

823 (a) produce no emissions after December 31, 2024, including emissions from furnace,
824 water heater, dryer, or cooking emissions; or

825 (b) meet a reduced emission standard described in Subsection (2).

826 (2) Except as provided in Subsection (3), a reduced emission standard option under
827 Subsection (1)(b) means one of the following:

828 (a) on and after July 1, 2024, the residential structure shall meet a standard adopted
829 under Subsection (6) that is equivalent to a Home Energy Rating System of 60 or below;

830 (b) on and after December 31, 2027, the residential structure shall meet a standard
831 adopted under Subsection (6) that is equivalent to a Home Energy Rating System of 25 or
832 below; or

833 (c) on and after December 31, 2030, the residential structure shall be fully net zero

834 emissions.

835 (3) (a) If a residential structure does not meet the requirements of Subsection (1)(a) or
836 (b), for each unit of emissions from the residential structure an owner of the residential
837 structure shall fund at least a reduction of 1.1 units of emissions in the same county from
838 existing nonresidential structures, residential structures, or a combination of nonresidential and
839 residential structures.

840 (b) The Air Quality Board shall provide in rule, made in accordance with Title 63G,
841 Chapter 3, Utah Administrative Rulemaking Act, how a unit of emissions is determined for
842 purposes of this section.

843 (4) (a) An owner of a residential structure for which a building permit is obtained on or
844 after July 1, 2024, who sells the residential structure, shall disclose to the initial buyer the
845 residential structure's score subject to rules made under Subsection (6).

846 (b) An owner of a residential structure that is occupied on or after July 1, 2024, shall
847 disclose to the buyer the average emissions during the preceding three years.

848 (5) Unless the residential structure has zero emissions, an owner who sells a residential
849 structure that is occupied on or after July 1, 2024, shall make improvements to the residential
850 structure that result in a reduction in average yearly emissions of at least 5% over the yearly
851 average from the previous two years.

852 (6) For purposes of this section, the Air Quality Board shall adopt, by rule made in
853 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, standards to
854 measure the emissions of a residential structure. The standards shall assign a number score to a
855 residential structure.

856 (7) The division shall create a program that provides public information on how to
857 measure average yearly emissions for purposes of this section.

858 Section 27. Section **19-2b-803** is enacted to read:

859 **19-2b-803. Wood burning stoves -- Solid fuel burning.**

860 (1) A person may not burn wood in a wood burning stove for heating on or after
861 December 31, 2024, in an emissions county.

862 (2) The division shall create a public awareness campaign, in consultation with
863 representatives of the solid fuel burning industry, the health care industry, and members of the
864 clean air community, on best wood burning practices and the effects of wood burning on air

865 quality, specifically targeting the applicable geographic area.

866 (3) (a) Subject to Subsection (3)(b), the division shall create a program to assist an
867 individual to convert a dwelling to a pollution-free heating source, as funding allows, if the
868 individual lives in a dwelling where wood burning is the sole or secondary source of heat.

869 (b) In creating the program described in Subsection (3)(a), the division shall give
870 preference to an applicant who:

871 (i) has an adjusted gross household income of 250% or less of the federal poverty
872 level;

873 (ii) lives in a house where wood is the sole or supplemental source of heating; or

874 (iii) lives within six miles of the Great Salt Lake Base and Meridian.

875 (4) Notwithstanding Subsection (1), the division shall allow burning:

876 (a) during local emergencies and utility outages; or

877 (b) if the primary purpose of the burning is to cook food.

878 (5) The division may seek private donations and federal sources of funding to
879 supplement money appropriated by the Legislature to fulfill Subsection (3).

880 Section 28. Section **19-2b-804** is enacted to read:

881 **19-2b-804. Small off-road equipment.**

882 (1) As used in this section:

883 (a) "Small off-road engine" means an engine that:

884 (i) (A) produces a gross horsepower of less than 25 horsepower, at or below 19
885 kilowatts for a 2005 or later model year; or

886 (B) is designed, through fuel feed, valve timing, or other method, to produce less than
887 25 horsepower, at or below 19 kilowatts for a 2005 or later model year;

888 (ii) is not used to propel:

889 (A) a licensed on-road motor vehicle;

890 (B) an off-road motorcycle;

891 (C) an all-terrain vehicle;

892 (D) a marine vessel;

893 (E) a snowmobile;

894 (F) a model airplane;

895 (G) a model car; or

- 896 (H) a model boat; and
- 897 (iii) include as uses:
- 898 (A) a lawn mower;
- 899 (B) a weed trimmer;
- 900 (C) a chain saw;
- 901 (D) a golf cart;
- 902 (E) a specialty vehicle;
- 903 (F) a generator;
- 904 (G) a pump; or
- 905 (H) a similar use.

906 (b) "Small off-road equipment" means an off-road equipment powered by a small
 907 off-road engine or comparable electric motor or other power source.

908 (2) On or after July 1, 2024, a person may not sell within the applicable geographic
 909 area gas-powered small off-road equipment for residential use.

910 (3) This section does not apply to a small off-road engine or small off-road equipment
 911 that falls within the scope of the preemption under 42 U.S.C. Sec. 7543(e)(1)(A).

912 Section 29. Section **26A-1-131** is enacted to read:

913 **26A-1-131. Vehicle Emissions Reduction Program certification.**

914 (1) As used in this section:

915 (a) "Eligible replacement vehicle" means the same as that term is defined in Section
 916 [19-2b-501](#).

917 (b) "Participating dealer" means the same as that term is defined in Section [19-2b-501](#).

918 (c) "Qualified vehicle owner" means the same as that term is defined in Section
 919 [19-2b-501](#).

920 (d) "Vehicle Emissions Reduction Program" or "program" means the program
 921 established in Section [19-2b-501](#).

922 (2) A local health department shall participate as described in this section in the
 923 Vehicle Emissions Reduction Program, if the local health department is located in a county that
 924 is:

925 (a) required to have a motor vehicle emissions inspection and maintenance program
 926 under Section [41-6a-1642](#); or

927 (b) located within the applicable geographic area.

928 (3) In accordance with rules made under Section 19-2b-506, a local health department
929 described in Subsection (2) shall accept an application to receive certification for financial
930 assistance under the program.

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

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

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

935 (i) determine the amount of assistance the qualified vehicle owner is eligible to receive
936 in accordance with the sliding scale established under Section 19-2b-506;

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

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

939 (B) any other information the Air Quality Board requires on the certification.

940 (5) A local health department shall enter into agreements described in Sections
941 19-2b-504 and 19-2b-505 in accordance with rules the Air Quality Board makes as described in
942 Section 19-2b-506.

943 (6) A local health department that receives a participating dealer's request for
944 reimbursement in accordance with Section 19-2b-504 shall reimburse the participating dealer
945 for the amount the participating dealer credited the qualifying vehicle owner.

946 (7) On a monthly basis, a local health department shall submit to the Division of Air
947 Quality:

948 (a) a request for reimbursement that reflects the amount participating crushers or
949 dismantlers submitted to the local health department under Subsection 19-2b-505(2)(b)
950 deducted from the amount the local health department reimbursed participating dealers in
951 accordance with Subsection (6); and

952 (b) the documents and information submitted to the local health department under
953 Subsections 19-2b-504(2)(c) and 19-2b-505(2).

954 Section 30. Section **41-1a-203** is amended to read:

955 **41-1a-203. Prerequisites for registration, transfer of ownership, or registration**
956 **renewal.**

957 (1) (a) (i) Except as provided in Subsection (1)(b), the division shall mail a notification

958 to the owner of a vehicle at least 30 days before the date the vehicle's registration is due to
959 expire.

960 (ii) The division shall ensure that mailing of notifications described in Section (1)(a)(i)
961 begins as soon as practicable.

962 (b) (i) The division shall provide a process for a vehicle owner to choose to receive
963 electronic notification of the pending expiration of a vehicle's registration.

964 (ii) If a vehicle owner chooses electronic notification, the division shall notify by email
965 the owner of a vehicle at least 30 days before the date the vehicle's registration is due to expire.

966 (2) Except as otherwise provided, before registration of a vehicle, an owner shall:

967 (a) obtain an identification number inspection under Section 41-1a-204;

968 (b) obtain a certificate of emissions inspection, if required in the current year, as
969 provided under Section 41-6a-1642;

970 (c) pay property taxes, the in lieu fee, or receive a property tax clearance under Section
971 41-1a-206 or 41-1a-207;

972 (d) pay the automobile driver education tax required by Section 41-1a-208;

973 (e) pay the applicable registration fee under Part 12, Fee and Tax Requirements;

974 (f) pay the uninsured motorist identification fee under Section 41-1a-1218, if
975 applicable;

976 (g) pay the motor carrier fee under Section 41-1a-1219, if applicable;

977 (h) pay any applicable local emissions compliance fee under Section 41-1a-1223; [and]

978 (i) pay the taxes applicable under Title 59, Chapter 12, Sales and Use Tax Act[-];

979 (j) pay the vehicle emissions fee imposed under Section 19-2b-402 or 19-2b-403, if
980 applicable; and

981 (k) pay the clean air fee imposed under Section 19-2b-401, if applicable.

982 (3) In addition to the requirements in Subsection (1), an owner of a vehicle that has not
983 been previously registered or that is currently registered under a previous owner's name shall
984 apply for a valid certificate of title in the owner's name before registration.

985 (4) The division may not issue a new registration, transfer of ownership, or registration
986 renewal under Section 73-18-7 for a vessel or outboard motor that is subject to this chapter
987 unless a certificate of title has been or is in the process of being issued in the same owner's
988 name.

989 (5) The division may not issue a new registration, transfer of ownership, or registration
990 renewal under Section 41-22-3 for an off-highway vehicle that is subject to this chapter unless
991 a certificate of title has been or is in the process of being issued in the same owner's name.

992 (6) The division may not issue a registration renewal for a motor vehicle if the division
993 has received a hold request for the motor vehicle for which a registration renewal has been
994 requested as described in:

995 (a) Section 72-1-213.1; or

996 (b) Section 72-6-118.

997 Section 31. Section 41-1a-233 is enacted to read:

998 **41-1a-233. Air quality license plate.**

999 (1) If a motor vehicle is in the highest 1% of polluting vehicles as provided in Section
1000 19-2b-402 or 19-2b-403, the owner of a motor vehicle who applies for registration under this
1001 part shall:

1002 (a) seek registration with an air quality license plate;

1003 (b) provide a signed statement that the owner will not operate or move, or allow
1004 another person to operate or move, the motor vehicle on a highway during a bad air day, as
1005 defined in Section 19-2b-101, to the extent prohibited under Section 41-1a-1321; and

1006 (c) enroll the motor vehicle in the air quality road usage program under Section
1007 72-1-213.3.

1008 (2) A person may not register a motor vehicle described in Subsection (1) if the person
1009 does not comply with Subsection (1).

1010 Section 32. Section 41-1a-418 is amended to read:

1011 **41-1a-418. Authorized special group license plates.**

1012 (1) The division shall only issue special group license plates in accordance with this
1013 section through Section 41-1a-422 to a person who is specified under this section within the
1014 categories listed as follows:

1015 (a) disability special group license plates issued in accordance with Section 41-1a-420;

1016 (b) honor special group license plates, as in a war hero, which plates are issued for a:

1017 (i) survivor of the Japanese attack on Pearl Harbor;

1018 (ii) former prisoner of war;

1019 (iii) recipient of a Purple Heart;

- 1020 (iv) disabled veteran;
- 1021 (v) recipient of a gold star award issued by the United States Secretary of Defense; or
- 1022 (vi) recipient of a campaign or combat theater award determined by the Department of
- 1023 Veterans and Military Affairs;
- 1024 (c) unique vehicle type special group license plates, as for historical, collectors value,
- 1025 or other unique vehicle type, which plates are issued for:
- 1026 (i) a special interest vehicle;
- 1027 (ii) a vintage vehicle;
- 1028 (iii) a farm truck; [or]
- 1029 (iv) (A) until Subsection (1)(c)(iv)(B) or (4) applies, a vehicle powered by clean fuel as
- 1030 defined in Section [59-13-102](#); or
- 1031 (B) beginning on the effective date of rules made by the Department of Transportation
- 1032 authorized under Subsection [41-6a-702\(5\)\(b\)](#) and until Subsection (4) applies, a vehicle
- 1033 powered by clean fuel that meets the standards established by the Department of Transportation
- 1034 in rules authorized under Subsection [41-6a-702\(5\)\(b\)](#); or
- 1035 (v) a vehicle required to be registered under Section [41-1a-233](#);
- 1036 (d) recognition special group license plates, which plates are issued for:
- 1037 (i) a current member of the Legislature;
- 1038 (ii) a current member of the United States Congress;
- 1039 (iii) a current member of the National Guard;
- 1040 (iv) a licensed amateur radio operator;
- 1041 (v) a currently employed, volunteer, or retired firefighter until June 30, 2009;
- 1042 (vi) an emergency medical technician;
- 1043 (vii) a current member of a search and rescue team;
- 1044 (viii) a current honorary consulate designated by the United States Department of
- 1045 State;
- 1046 (ix) an individual supporting commemoration and recognition of women's suffrage;
- 1047 (x) an individual supporting a fraternal, initiatic order for those sharing moral and
- 1048 metaphysical ideals, and designed to teach ethical and philosophical matters of brotherly love,
- 1049 relief, and truth;
- 1050 (xi) an individual supporting the Utah Wing of the Civil Air Patrol; or

- 1051 (xii) an individual supporting the recognition and continuation of the work and life of
1052 Dr. Martin Luther King, Jr.; or
- 1053 (e) support special group license plates, as for a contributor to an institution or cause,
1054 which plates are issued for a contributor to:
- 1055 (i) an institution's scholastic scholarship fund;
 - 1056 (ii) the Division of Wildlife Resources;
 - 1057 (iii) the Department of Veterans and Military Affairs;
 - 1058 (iv) the Division of Outdoor Recreation;
 - 1059 (v) the Department of Agriculture and Food;
 - 1060 (vi) the Guardian Ad Litem Services Account and the Children's Museum of Utah;
 - 1061 (vii) the Boy Scouts of America;
 - 1062 (viii) spay and neuter programs through No More Homeless Pets in Utah;
 - 1063 (ix) the Boys and Girls Clubs of America;
 - 1064 (x) Utah public education;
 - 1065 (xi) programs that provide support to organizations that create affordable housing for
1066 those in severe need through the Division of Real Estate;
 - 1067 (xii) the Department of Public Safety;
 - 1068 (xiii) programs that support Zion National Park;
 - 1069 (xiv) beginning on July 1, 2009, programs that provide support to firefighter
1070 organizations;
 - 1071 (xv) programs that promote bicycle operation and safety awareness;
 - 1072 (xvi) programs that conduct or support cancer research;
 - 1073 (xvii) programs that create or support autism awareness;
 - 1074 (xviii) programs that create or support humanitarian service and educational and
1075 cultural exchanges;
 - 1076 (xix) until September 30, 2017, programs that conduct or support prostate cancer
1077 awareness, screening, detection, or prevention;
 - 1078 (xx) programs that support and promote adoptions;
 - 1079 (xxi) programs that support issues affecting women and children through an
1080 organization affiliated with a national professional men's basketball organization;
 - 1081 (xxii) programs that strengthen youth soccer, build communities, and promote

1082 environmental sustainability through an organization affiliated with a professional men's soccer
1083 organization;

1084 (xxiii) programs that support children with heart disease;

1085 (xxiv) programs that support the operation and maintenance of the Utah Law

1086 Enforcement Memorial;

1087 (xxv) programs that provide assistance to children with cancer;

1088 (xxvi) programs that promote leadership and career development through agricultural
1089 education;

1090 (xxvii) the Utah State Historical Society;

1091 (xxviii) programs that promote motorcycle safety awareness;

1092 (xxix) organizations that promote clean air through partnership, education, and
1093 awareness;

1094 (xxx) programs dedicated to strengthening the state's Latino community through
1095 education, mentoring, and leadership opportunities;

1096 (xxxii) organizations dedicated to facilitating, connecting, registering, and advocating
1097 for organ donors and donor families;

1098 (xxxiii) public education on behalf of the Kiwanis International clubs;

1099 (xxxiiii) the Live On suicide prevention campaign; or

1100 (xxxv) the Division of State Parks to advance the Utah State Parks dark sky initiative.

1101 (2) (a) The division may not issue a new type of special group license plate or decal
1102 unless the division receives:

1103 (i) (A) a private donation for the start-up fee established under Section [63J-1-504](#) for
1104 the production and administrative costs of providing the new special group license plates or
1105 decals; or

1106 (B) a legislative appropriation for the start-up fee provided under Subsection
1107 (2)(a)(i)(A); and

1108 (ii) beginning on January 1, 2012, and for the issuance of a support special group
1109 license plate authorized in Section [41-1a-422](#), at least 500 completed applications for the new
1110 type of support special group license plate or decal to be issued with all fees required under this
1111 part for the support special group license plate or decal issuance paid by each applicant.

1112 (b) (i) Beginning on January 1, 2012, each participating organization shall collect and

1113 hold applications for support special group license plates or decals authorized in Section
1114 41-1a-422 on or after January 1, 2012, until it has received at least 500 applications.

1115 (ii) Once a participating organization has received at least 500 applications, it shall
1116 submit the applications, along with the necessary fees, to the division for the division to begin
1117 working on the design and issuance of the new type of support special group license plate or
1118 decal to be issued.

1119 (iii) Beginning on January 1, 2012, the division may not work on the issuance or design
1120 of a new support special group license plate or decal authorized in Section 41-1a-422 until the
1121 applications and fees required under this Subsection (2) have been received by the division.

1122 (iv) The division shall begin issuance of a new support special group license plate or
1123 decal authorized in Section 41-1a-422 on or after January 1, 2012, no later than six months
1124 after receiving the applications and fees required under this Subsection (2).

1125 (c) (i) Beginning on July 1, 2009, the division may not renew a motor vehicle
1126 registration of a motor vehicle that has been issued a firefighter recognition special group
1127 license plate unless the applicant is a contributor as defined in Subsection
1128 41-1a-422(1)(a)(ii)(D) to the Firefighter Support Restricted Account.

1129 (ii) A registered owner of a vehicle that has been issued a firefighter recognition
1130 special group license plate prior to July 1, 2009, upon renewal of the owner's motor vehicle
1131 registration shall:

1132 (A) be a contributor to the Firefighter Support Restricted Account as required under
1133 Subsection (2)(c)(i); or

1134 (B) replace the firefighter recognition special group license plate with a new license
1135 plate.

1136 (3) Beginning on July 1, 2011, if a support special group license plate or decal type
1137 authorized in Section 41-1a-422 and issued on or after January 1, 2012, has fewer than 500
1138 license plates issued each year for a three consecutive year time period that begins on July 1,
1139 the division may not issue that type of support special group license plate or decal to a new
1140 applicant beginning on January 1 of the following calendar year after the three consecutive year
1141 time period for which that type of support special group license plate or decal has fewer than
1142 500 license plates issued each year.

1143 (4) Beginning on July 1, 2011, the division may not issue to an applicant a unique

1144 vehicle type license plate for a vehicle powered by clean fuel under Subsection (1)(c)(iv).

1145 (5) (a) Beginning on October 1, 2017, the division may not issue a new prostate cancer
1146 support special group license plate.

1147 (b) A registered owner of a vehicle that has been issued a prostate cancer support
1148 special group license plate before October 1, 2017, may renew the owner's motor vehicle
1149 registration, with the contribution allocated as described in Section [41-1a-422](#).

1150 Section 33. Section **41-1a-1201** is amended to read:

1151 **41-1a-1201. Disposition of fees.**

1152 (1) [~~All fees~~] Fees received and collected under this part shall be transmitted daily to
1153 the state treasurer.

1154 (2) Except as provided in Subsections (3), (6), (7), (8), and (9) and Sections [19-2b-401](#),
1155 [19-2b-402](#), [19-2b-403](#), [41-1a-422](#), [41-1a-1220](#), [41-1a-1221](#), and [41-1a-1223](#) [~~all~~], fees
1156 collected under this part shall be deposited into the Transportation Fund.

1157 (3) Funds generated under Subsections [41-1a-1211](#)(1)(b)(ii), (6)(b)(ii), and (7) and
1158 Section [41-1a-1212](#) may be used by the commission to cover the costs incurred in issuing
1159 license plates under Part 4, License Plates and Registration Indicia.

1160 (4) In accordance with Section [63J-1-602.2](#), [~~all~~] funds available to the commission for
1161 the purchase and distribution of license plates and decals are nonlapsing.

1162 (5) (a) Except as provided in Subsections (3) and (5)(b) and Section [41-1a-1205](#), the
1163 expenses of the commission in enforcing and administering this part shall be provided for by
1164 legislative appropriation from the revenues of the Transportation Fund.

1165 (b) Three dollars of the registration fees imposed under Subsections [41-1a-1206](#)(2)(a)
1166 and (b) for each vehicle registered for a six-month registration period under Section
1167 [41-1a-215.5](#) may be used by the commission to cover the costs incurred in enforcing and
1168 administering this part.

1169 (c) Fifty cents of the registration fee imposed under Subsection [41-1a-1206](#)(1)(i) for
1170 each vintage vehicle that has a model year of 1981 or newer may be used by the commission to
1171 cover the costs incurred in enforcing and administering this part.

1172 (6) (a) The following portions of the registration fees imposed under Section
1173 [41-1a-1206](#) for each vehicle shall be deposited into the Transportation Investment Fund of
1174 2005 created under Section [72-2-124](#):

- 1175 (i) \$30 of the registration fees imposed under Subsections 41-1a-1206(1)(a), (1)(b),
1176 (1)(f), (4), and (7);
- 1177 (ii) \$21 of the registration fees imposed under Subsections 41-1a-1206(1)(c)(i) and
1178 (1)(c)(ii);
- 1179 (iii) \$2.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(ii);
- 1180 (iv) \$23 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(i);
- 1181 (v) \$24.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(i); and
- 1182 (vi) \$1 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(ii).
- 1183 (b) The following portions of the registration fees collected for each vehicle registered
1184 for a six-month registration period under Section 41-1a-215.5 shall be deposited into the
1185 Transportation Investment Fund of 2005 created by Section 72-2-124:
- 1186 (i) \$23.25 of each registration fee collected under Subsection 41-1a-1206(2)(a)(i); and
- 1187 (ii) \$23 of each registration fee collected under Subsection 41-1a-1206(2)(a)(ii).
- 1188 (7) (a) Ninety-four cents of each registration fee imposed under Subsections
1189 41-1a-1206(1)(a) and (b) for each vehicle shall be deposited into the Public Safety Restricted
1190 Account created in Section 53-3-106.
- 1191 (b) Seventy-one cents of each registration fee imposed under Subsections
1192 41-1a-1206(2)(a) and (b) for each vehicle registered for a six-month registration period under
1193 Section 41-1a-215.5 shall be deposited into the Public Safety Restricted Account created in
1194 Section 53-3-106.
- 1195 (8) (a) One dollar of each registration fee imposed under Subsections 41-1a-1206(1)(a)
1196 and (b) for each vehicle shall be deposited into the Motor Vehicle Safety Impact Restricted
1197 Account created in Section 53-8-214.
- 1198 (b) One dollar of each registration fee imposed under Subsections 41-1a-1206(2)(a)
1199 and (b) for each vehicle registered for a six-month registration period under Section
1200 41-1a-215.5 shall be deposited into the Motor Vehicle Safety Impact Restricted Account
1201 created in Section 53-8-214.
- 1202 (9) Fifty cents of each registration fee imposed under Subsection 41-1a-1206(1)(a) for
1203 each motorcycle shall be deposited into the Spinal Cord and Brain Injury Rehabilitation Fund
1204 created in Section 26-54-102.
- 1205 Section 34. Section 41-1a-1321 is enacted to read:

1206 **41-1a-1321. Air quality vehicles prohibited operation on bad air days.**

1207 (1) A person may not operate or move, or allow another person to operate or move, a
1208 vintage vehicle or vehicle registered with an air quality license plate on a highway during a bad
1209 air day, as defined in Section 19-2b-101, unless the person participates in the clean air road
1210 usage charge program under Section 72-1-213.3.

1211 (2) A person who violates this section is guilty of an infraction and is subject to a
1212 maximum fine of \$30.

1213 Section 35. Section **41-21-5** is amended to read:

1214 **41-21-5. Operation on public highways.**

1215 [~~Any~~]

1216 (1) Except as provided in Subsection (2) or (3), a motor vehicle properly registered
1217 under this chapter may be operated or moved on the streets and highways:

1218 (a) for going to or from any of the following when the motor vehicle and the motor
1219 vehicle's ownership are of primary interest:

1220 (i) an assembly~~[-];~~

1221 (ii) a convention~~[-];~~

1222 (iii) a parade~~[-, or other];~~ or

1223 (iv) meeting ~~[where the vehicles and their ownership are of primary interest,];~~ or

1224 (b) while [~~they are~~] being driven to or from, or [~~while~~] on a local, state, or national
1225 [tours] tour held primarily for the exhibition and enjoyment of the motor vehicles by their
1226 owners~~[-, and so long as].~~

1227 (2) A person may not operate or move a vintage vehicle on a street or highway as
1228 provided in Subsection (1), if the vehicle or group of vintage vehicles are [not] operated in a
1229 manner [which] that would constitute a public nuisance or create a hazard to other
1230 [automobiles] motor vehicles or persons.

1231 (3) A person may not operate or move a vintage vehicle on a street or highway on a bad
1232 air day, as defined in Section 19-2b-101, as prohibited under Section 41-2a-1321, unless the
1233 person participates in the clean air road usage charge program under Section 72-1-213.3.

1234 Section 36. Section **59-7-627** is enacted to read:

1235 **59-7-627. Nonrefundable tax credit for alternative fuel vehicles.**

1236 (1) As used in this section:

- 1237 (a) "Board" means the Air Quality Board appointed in accordance with Section
1238 19-2-103.
- 1239 (b) "Committee" means the Revenue and Taxation Interim Committee.
- 1240 (c) "Electric motor vehicle" means the same as that term is defined in Section
1241 41-1a-102.
- 1242 (d) "Election statement" means a form created by the board that:
1243 (i) (A) is executed by a purchaser or lessee of a qualifying alternative fuel vehicle; and
1244 (B) the dealer;
1245 (ii) identifies the vehicle identification number and the sales price of the qualifying
1246 alternative fuel vehicle; and
1247 (iii) affirms that the requirements of Subsection (3) have been met.
- 1248 (e) "Hydrogen vehicle" means a motor vehicle that is powered by hydrogen fuel or a
1249 hydrogen fuel cell.
- 1250 (f) "Lease" means using a qualifying alternative fuel vehicle:
1251 (i) for a period of two years or longer; and
1252 (ii) according to a contractual arrangement under which a person pays money for the
1253 use.
- 1254 (g) "Light duty vehicle" means the same as that term is defined in Section 19-2b-101.
- 1255 (h) "Motor vehicle" means the same as that term is defined in Section 41-1a-102.
- 1256 (i) "Plug-in hybrid electric vehicle" means the same as that term is defined in Section
1257 41-1a-102.
- 1258 (j) "Qualifying alternative fuel vehicle" means a new or used electric motor vehicle,
1259 hydrogen vehicle, or plug-in hybrid electric vehicle:
1260 (i) that is a light duty vehicle;
1261 (ii) that is purchased or leased on or after January 1, 2024;
1262 (iii) that has a sales price of \$65,000 or less;
1263 (iv) (A) that is subject to sales and use tax under Chapter 12, Sales and Use Tax Act;
1264 and
1265 (B) for which the purchaser or lessee did not claim a sales and use tax exemption under
1266 Section 59-12-104; and
1267 (v) for which an income tax credit under this section or Section 59-10-1046 has not

1268 previously been claimed.

1269 (k) "Qualifying taxpayer" means a taxpayer that has not assigned a tax credit under this
1270 section in accordance with Subsection (3).

1271 (l) "Sales price" means:

1272 (i) for the purchase of a qualifying alternative fuel vehicle, the price before subtracting:

1273 (A) the value of any trade-in vehicle;

1274 (B) the amount of a tax credit under this section; and

1275 (C) the amount of sales and use tax due under Chapter 12, Sales and Use Tax Act; or

1276 (ii) for a lease of a qualifying alternative fuel vehicle, the manufacturer's suggested
1277 retail price.

1278 (2) For a taxable year beginning on or after January 1, 2024, but beginning on or before
1279 December 31, 2027, a qualifying taxpayer or a dealer may claim a nonrefundable tax credit for
1280 the purchase or lease of a qualifying alternative fuel vehicle equal to:

1281 (a) \$3,000, for the purchase of a new qualifying alternative fuel vehicle that is a light
1282 duty vehicle but not a motorcycle;

1283 (b) \$2,000, for the purchase of a used qualifying alternative fuel vehicle that is a light
1284 duty vehicle but not a motorcycle;

1285 (c) \$1,500, for the purchase of a new qualifying alternative fuel vehicle that is a
1286 motorcycle;

1287 (d) \$1,000, for the purchase of a used qualifying alternative fuel vehicle that is a
1288 motorcycle;

1289 (e) \$1,500, for the lease of a qualifying alternative fuel vehicle that is a light duty
1290 vehicle but not a motorcycle; or

1291 (f) \$1,000, for the lease of a qualifying alternative fuel vehicle that is a motorcycle.

1292 (3) (a) Except as provided in Subsection (3)(b), a taxpayer may not assign a tax credit
1293 under this section to another person.

1294 (b) A taxpayer shall assign a tax credit under this section to a dealer as follows:

1295 (i) in exchange for the consideration described in Subsection (3)(b)(iv), the taxpayer
1296 shall assign the tax credit to the dealer and forfeit the right to claim the tax credit on the
1297 taxpayer's income tax return;

1298 (ii) the taxpayer shall assign the tax credit to the dealer by executing an election

1299 statement at the time of the purchase or lease of a qualifying alternative fuel vehicle;
1300 (iii) the taxpayer shall register and title the vehicle in the state as required by Title 41,
1301 Chapter 1a, Part 2, Registration, and Title 41, Chapter 1a, Part 5, Titling Requirement; and
1302 (iv) the dealer shall subtract the amount of the applicable tax credit described in
1303 Subsection (2) for the type of qualifying alternative fuel vehicle purchased or leased, minus an
1304 administrative fee equal to or less than \$150, from the purchase or lease price of the vehicle.
1305 (c) A dealer shall retain the election statement for the same time period that a person is
1306 required to keep books and records under Section [59-1-1406](#).
1307 (4) (a) A qualifying taxpayer that claims a tax credit under this section shall claim the
1308 tax credit for the taxable year in which the qualifying taxpayer purchases or leases the
1309 qualifying alternative fuel vehicle.
1310 (b) A qualifying taxpayer may carry forward, for the next three taxable years, the
1311 amount of the tax credit that exceeds the qualifying taxpayer's income tax liability for the
1312 taxable year.
1313 (c) A qualifying taxpayer may not carry back the amount of the tax credit that exceeds
1314 the qualifying taxpayer's income tax liability.
1315 (5) (a) A dealer may claim a tax credit assigned to the dealer under Subsection (3):
1316 (i) against a tax owed under this chapter or Chapter 10, Individual Income Tax Act;
1317 and
1318 (ii) for the taxable year in which the taxpayer purchases or leases a qualifying
1319 alternative fuel vehicle.
1320 (b) A dealer may carry forward, for the next three taxable years, the amount of the tax
1321 credit that exceeds the dealer's income tax liability for the taxable year.
1322 (6) (a) On or after May 1, 2027, but on or before November 30, 2027, the committee
1323 shall review the tax credit described in this section to determine whether the tax credit should
1324 be continued.
1325 (b) In conducting the review required under Subsection (6)(a), the committee shall:
1326 (i) schedule time on at least one committee agenda to conduct the review;
1327 (ii) invite state agencies, individuals, and organizations concerned with the tax credit to
1328 provide testimony; and
1329 (iii) ensure that the committee's review includes an evaluation of:

- 1330 (A) the cost of the tax credit to the state;
1331 (B) the purpose and effectiveness of the tax credit; and
1332 (C) the extent to which the state benefits from the tax credit.
1333 Section 37. Section **59-10-1046** is enacted to read:
1334 **59-10-1046. Nonrefundable tax credit for alternative fuel vehicles.**
1335 (1) As used in this section:
1336 (a) "Board" means the Air Quality Board appointed in accordance with Section
1337 19-2-103.
1338 (b) "Committee" means the Revenue and Taxation Interim Committee.
1339 (c) "Electric motor vehicle" means the same as that term is defined in Section
1340 41-1a-102.
1341 (d) "Election statement" means a form created by the board that:
1342 (i) (A) is executed by a purchaser or lessee of a qualifying alternative fuel vehicle; and
1343 (B) the dealer;
1344 (ii) identifies the vehicle identification number and the sales price of the qualifying
1345 alternative fuel vehicle; and
1346 (iii) affirms that the requirements of Subsection (3) have been met.
1347 (e) "Hydrogen vehicle" means a motor vehicle that is powered by hydrogen fuel or a
1348 hydrogen fuel cell.
1349 (f) "Lease" means using a qualifying alternative fuel vehicle:
1350 (i) for a period of two years or longer; and
1351 (ii) according to a contractual arrangement under which a person pays money for the
1352 use.
1353 (g) "Light duty vehicle" means the same as that term is defined in Section 19-2b-101.
1354 (h) "Motor vehicle" means the same as that term is defined in Section 41-1a-102.
1355 (i) "Plug-in hybrid electric vehicle" means the same as that term is defined in Section
1356 41-1a-102.
1357 (j) "Qualifying alternative fuel vehicle" means a new or used electric motor vehicle,
1358 hydrogen vehicle, or plug-in hybrid electric vehicle:
1359 (i) that is a light duty vehicle;
1360 (ii) that is purchased or leased on or after January 1, 2024;

- 1361 (iii) that has a sales price of \$65,000 or less;
- 1362 (iv) (A) that is subject to sales and use tax under Chapter 12, Sales and Use Tax Act;
- 1363 and
- 1364 (B) for which the purchaser or lessee did not claim a sales and use tax exemption under
- 1365 Subsection [59-12-104](#); and
- 1366 (v) for which an income tax credit under this section or Section [59-7-627](#) has not
- 1367 previously been claimed.
- 1368 (k) "Qualifying claimant" means a claimant, estate, or trust that has not assigned a tax
- 1369 credit under this section in accordance with Subsection (3).
- 1370 (l) "Sales price" means:
- 1371 (i) for the purchase of a qualifying alternative fuel vehicle, the price before subtracting:
- 1372 (A) the value of any trade-in vehicle;
- 1373 (B) the amount of a tax credit under this section; and
- 1374 (C) the amount of sales and use tax due under Chapter 12, Sales and Use Tax Act; or
- 1375 (ii) for a lease of a qualifying alternative fuel vehicle, the manufacturer's suggested
- 1376 retail price.
- 1377 (2) For a taxable year beginning on or after January 1, 2024, but beginning on or before
- 1378 December 31, 2027, a qualifying claimant, estate, or trust or a dealer may claim a
- 1379 nonrefundable tax credit for the purchase or lease of a qualifying alternative fuel vehicle equal
- 1380 to:
- 1381 (a) \$3,000, for the purchase of a new qualifying alternative fuel vehicle that is a light
- 1382 duty vehicle but not a motorcycle;
- 1383 (b) \$2,000, for the purchase of a used qualifying alternative fuel vehicle that is a light
- 1384 duty vehicle but not a motorcycle;
- 1385 (c) \$1,500, for the purchase of a new qualifying alternative fuel vehicle that is a
- 1386 motorcycle;
- 1387 (d) \$1,000, for the purchase of a used qualifying alternative fuel vehicle that is a
- 1388 motorcycle;
- 1389 (e) \$1,500, for the lease of a qualifying alternative fuel vehicle that is a light duty
- 1390 vehicle but not a motorcycle; or
- 1391 (f) \$1,000, for the lease of a qualifying alternative fuel vehicle that is a motorcycle.

1392 (3) (a) Except as provided in Subsection (3)(b), a claimant, estate, or trust may not
1393 assign a tax credit under this section to another person.

1394 (b) A claimant, estate, or trust shall assign a tax credit under this section to a dealer as
1395 follows:

1396 (i) in exchange for the consideration described in Subsection (3)(b)(iv), the claimant,
1397 estate, or trust shall assign the tax credit to the dealer and forfeit the right to claim the tax credit
1398 on the claimant's, estate's, or trust's income tax return;

1399 (ii) the claimant, estate, or trust shall assign the tax credit to the dealer by executing an
1400 election statement at the time of the purchase or lease of a qualifying alternative fuel vehicle;

1401 (iii) the claimant, estate, or trust shall register and title the vehicle in the state as
1402 required by Title 41, Chapter 1a, Part 2, Registration, and Title 41, Chapter 1a, Part 5, Titling
1403 Requirement; and

1404 (iv) the dealer shall subtract the amount of the applicable tax credit described in
1405 Subsection (2) for the type of qualifying alternative fuel vehicle purchased or leased, minus an
1406 administrative fee equal to or less than \$150, from the purchase or lease price of the vehicle.

1407 (4) (a) A qualifying claimant that claims a tax credit under this section shall claim the
1408 tax credit for the taxable year in which the qualifying claimant purchases or leases the
1409 qualifying alternative fuel vehicle.

1410 (b) A qualifying claimant may carry forward, for the next three taxable years, the
1411 amount of the tax credit that exceeds the qualifying claimant's income tax liability for the
1412 taxable year.

1413 (c) A qualifying claimant may not carry back the amount of the tax credit that exceeds
1414 the qualifying claimant's income tax liability.

1415 (5) (a) A dealer may claim a tax credit assigned to the dealer under Subsection (3):

1416 (i) against a tax owed under this chapter or Chapter 7, Corporate Franchise and Income
1417 Taxes; and

1418 (ii) for the taxable year in which the claimant, estate, or trust purchases or leases a
1419 qualifying alternative fuel vehicle.

1420 (b) A dealer may carry forward, for the next three taxable years, the amount of the tax
1421 credit that exceeds the dealer's income tax liability for the taxable year.

1422 (6) (a) On or after May 1, 2027, but on or before November 30, 2027, the committee

1423 shall review the tax credit described in this section to determine whether the tax credit should
1424 be continued.

1425 (b) In conducting the review required under Subsection (6)(a), the committee shall:

1426 (i) schedule time on at least one committee agenda to conduct the review;

1427 (ii) invite state agencies, individuals, and organizations concerned with the tax credit to
1428 provide testimony; and

1429 (iii) ensure that the committee's review includes an evaluation of:

1430 (A) the cost of the tax credit to the state;

1431 (B) the purpose and effectiveness of the tax credit; and

1432 (C) the extent to which the state benefits from the tax credit.

1433 Section 38. Section **59-13-201** is amended to read:

1434 **59-13-201. Rate -- Tax basis -- Exemptions -- Revenue deposited into the**
1435 **Transportation Fund -- Restricted account for boating uses -- Refunds -- Reduction of tax**
1436 **in limited circumstances.**

1437 (1) (a) Subject to the provisions of this section and except as provided in [~~Subsection~~]
1438 Subsections (1)(e) and (f), a tax is imposed at the rate of 16.5% of the statewide average rack
1439 price of a gallon of motor fuel per gallon upon all motor fuel that is sold, used, or received for
1440 sale or used in this state.

1441 (b) (i) Until December 31, 2018, and subject to the requirements under Subsection
1442 (1)(c), the statewide average rack price of a gallon of motor fuel under Subsection (1)(a) shall
1443 be determined by calculating the previous fiscal year statewide average rack price of a gallon of
1444 regular unleaded motor fuel, excluding federal and state excise taxes, for the 12 months ending
1445 on the previous June 30 as published by an oil pricing service.

1446 (ii) Beginning on January 1, 2019, and subject to the requirements under Subsection
1447 (1)(c), the statewide average rack price of a gallon of motor fuel under Subsection (1)(a) shall
1448 be determined by calculating the previous three fiscal years statewide average rack price of a
1449 gallon of regular unleaded motor fuel, excluding federal and state excise taxes, for the 36
1450 months ending on the previous June 30 as published by an oil pricing service.

1451 (c) (i) Subject to the requirement in Subsection (1)(c)(ii), the statewide average rack
1452 price of a gallon of motor fuel determined under Subsection (1)(b) may not be less than \$1.78
1453 per gallon.

1454 (ii) Beginning on January 1, 2019, the commission shall, on January 1, annually adjust
1455 the minimum statewide average rack price of a gallon of motor fuel described in Subsection
1456 (1)(c)(i) by taking the minimum statewide average rack price of a gallon of motor fuel for the
1457 previous calendar year and adding an amount equal to the greater of:

1458 (A) an amount calculated by multiplying the minimum statewide average rack price of
1459 a gallon of motor fuel for the previous calendar year by the actual percent change during the
1460 previous fiscal year in the Consumer Price Index; and

1461 (B) 0.

1462 (iii) The statewide average rack price of a gallon of motor fuel determined by the
1463 commission under Subsection (1)(b) may not exceed \$2.43 per gallon.

1464 (iv) The minimum statewide average rack price of a gallon of motor fuel described and
1465 adjusted under Subsections (1)(c)(i) and (ii) may not exceed the maximum statewide average
1466 rack price of a gallon of motor fuel under Subsection (1)(c)(iii).

1467 (d) (i) The commission shall annually:

1468 (A) determine the statewide average rack price of a gallon of motor fuel in accordance
1469 with Subsections (1)(b) and (c);

1470 (B) adjust the fuel tax rate imposed under Subsection (1)(a), rounded to the nearest
1471 one-tenth of a cent, based on the determination under Subsection (1)(b);

1472 (C) publish the adjusted fuel tax as a cents per gallon rate; and

1473 (D) post or otherwise make public the adjusted fuel tax rate as determined in
1474 Subsection (1)(d)(i)(B) no later than 60 days before the annual effective date under Subsection
1475 (1)(d)(ii).

1476 (ii) The tax rate imposed under this Subsection (1) and adjusted as required under
1477 Subsection (1)(d)(i) shall take effect on January 1 of each year.

1478 (e) In lieu of the tax imposed under Subsection (1)(a) and subject to the provisions of
1479 this section, a tax is imposed at the rate of 3/19 of the rate imposed under Subsection (1)(a),
1480 rounded up to the nearest penny, upon all motor fuels that meet the definition of clean fuel in
1481 Section 59-13-102 and are sold, used, or received for sale or use in this state.

1482 (f) (i) In lieu of the tax imposed under Subsection (1)(a) and subject to the provisions
1483 of this section, a tax is imposed at the rate of three times the rate imposed under Subsection
1484 (1)(a) upon motor fuel that:

1485 (A) is sold for retail sale within an emissions county, as defined in Section [19-2b-101](#);

1486 and

1487 (B) does not meet the United States Environmental Protection Agency's Tier 3 gasoline
1488 sulfur standard described in 40 C.F.R. Sec. 79.54.

1489 (ii) The commission may not exempt from this Subsection (1)(f) a small business as
1490 described in 40 C.F.R. Sec. 79.58.

1491 (2) Any increase or decrease in tax rate applies to motor fuel that is imported to the
1492 state or sold at refineries in the state on or after the effective date of the rate change.

1493 (3) (a) No motor fuel tax is imposed upon:

1494 (i) motor fuel that is brought into and sold in this state in original packages as purely
1495 interstate commerce sales;

1496 (ii) motor fuel that is exported from this state if proof of actual exportation on forms
1497 prescribed by the commission is made within 180 days after exportation;

1498 (iii) motor fuel or components of motor fuel that is sold and used in this state and
1499 distilled from coal, oil shale, rock asphalt, bituminous sand, or solid hydrocarbons located in
1500 this state; or

1501 (iv) motor fuel that is sold to the United States government, this state, or the political
1502 subdivisions of this state.

1503 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1504 commission shall make rules governing the procedures for administering the tax exemption
1505 provided under Subsection (3)(a)(iv).

1506 (4) The commission may either collect no tax on motor fuel exported from the state or,
1507 upon application, refund the tax paid.

1508 (5) (a) [~~All revenue~~] Revenue received by the commission under this part shall be
1509 deposited daily with the state treasurer and credited to the Transportation Fund.

1510 (b) An appropriation from the Transportation Fund shall be made to the commission to
1511 cover expenses incurred in the administration and enforcement of this part and the collection of
1512 the motor fuel tax.

1513 (6) (a) The commission shall determine what amount of motor fuel tax revenue is
1514 received from the sale or use of motor fuel used in motorboats registered under Title 73,
1515 Chapter 18, State Boating Act, and this amount shall be deposited into a restricted revenue

1516 account in the General Fund of the state.

1517 (b) The funds from this account shall be used for the construction, improvement,
1518 operation, and maintenance of state-owned boating facilities and for the payment of the costs
1519 and expenses of the Division of Outdoor Recreation in administering and enforcing Title 73,
1520 Chapter 18, State Boating Act.

1521 (7) (a) The United States government or any of its instrumentalities, this state, or a
1522 political subdivision of this state that has purchased motor fuel from a licensed distributor or
1523 from a retail dealer of motor fuel and has paid the tax on the motor fuel as provided in this
1524 section is entitled to a refund of the tax and may file with the commission for a quarterly
1525 refund.

1526 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1527 commission shall make rules governing the application and refund provided for in Subsection
1528 (7)(a).

1529 (8) (a) The commission shall refund annually into the Off-highway Vehicle Account in
1530 the General Fund an amount equal to .5% of the motor fuel tax revenues collected under this
1531 section.

1532 (b) This amount shall be used as provided in Section [41-22-19](#).

1533 (9) (a) Beginning on April 1, 2001, a tax imposed under this section on motor fuel that
1534 is sold, used, or received for sale or use in this state is reduced to the extent provided in
1535 Subsection (9)(b) if:

1536 (i) a tax imposed on the basis of the sale, use, or receipt for sale or use of the motor
1537 fuel is paid to the Navajo Nation;

1538 (ii) the tax described in Subsection (9)(a)(i) is imposed without regard to whether or
1539 not the person required to pay the tax is an enrolled member of the Navajo Nation; and

1540 (iii) the commission and the Navajo Nation execute and maintain an agreement as
1541 provided in this Subsection (9) for the administration of the reduction of tax.

1542 (b) (i) If but for Subsection (9)(a) the motor fuel is subject to a tax imposed by this
1543 section:

1544 (A) the state shall be paid the difference described in Subsection (9)(b)(ii) if that
1545 difference is greater than \$0; and

1546 (B) a person may not require the state to provide a refund, a credit, or similar tax relief

- 1547 if the difference described in Subsection (9)(b)(ii) is less than or equal to \$0.
- 1548 (ii) The difference described in Subsection (9)(b)(i) is equal to the difference between:
- 1549 (A) the amount of tax imposed on the motor fuel by this section; less
- 1550 (B) the tax imposed and collected by the Navajo Nation on the motor fuel.
- 1551 (c) For purposes of Subsections (9)(a) and (b), the tax paid to the Navajo Nation under
- 1552 a tax imposed by the Navajo Nation on the basis of the sale, use, or receipt for sale or use of
- 1553 motor fuel does not include any interest or penalties a taxpayer may be required to pay to the
- 1554 Navajo Nation.
- 1555 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 1556 commission shall make rules governing the procedures for administering the reduction of tax
- 1557 provided under this Subsection (9).
- 1558 (e) The agreement required under Subsection (9)(a):
- 1559 (i) may not:
- 1560 (A) authorize the state to impose a tax in addition to a tax imposed under this chapter;
- 1561 (B) provide a reduction of taxes greater than or different from the reduction described
- 1562 in this Subsection (9); or
- 1563 (C) affect the power of the state to establish rates of taxation;
- 1564 (ii) shall:
- 1565 (A) be in writing;
- 1566 (B) be signed by:
- 1567 (I) the chair of the commission or the chair's designee; and
- 1568 (II) a person designated by the Navajo Nation that may bind the Navajo Nation;
- 1569 (C) be conditioned on obtaining any approval required by federal law;
- 1570 (D) state the effective date of the agreement; and
- 1571 (E) state any accommodation the Navajo Nation makes related to the construction and
- 1572 maintenance of state highways and other infrastructure within the Utah portion of the Navajo
- 1573 Nation; and
- 1574 (iii) may:
- 1575 (A) notwithstanding Section 59-1-403, authorize the commission to disclose to the
- 1576 Navajo Nation information that is:
- 1577 (I) contained in a document filed with the commission; and

- 1578 (II) related to the tax imposed under this section;
- 1579 (B) provide for maintaining records by the commission or the Navajo Nation; or
- 1580 (C) provide for inspections or audits of distributors, carriers, or retailers located or
- 1581 doing business within the Utah portion of the Navajo Nation.
- 1582 (f) (i) If, on or after April 1, 2001, the Navajo Nation changes the tax rate of a tax
- 1583 imposed on motor fuel, any change in the reduction of taxes under this Subsection (9) as a
- 1584 result of the change in the tax rate is not effective until the first day of the calendar quarter after
- 1585 a 60-day period beginning on the date the commission receives notice:
- 1586 (A) from the Navajo Nation; and
- 1587 (B) meeting the requirements of Subsection (9)(f)(ii).
- 1588 (ii) The notice described in Subsection (9)(f)(i) shall state:
- 1589 (A) that the Navajo Nation has changed or will change the tax rate of a tax imposed on
- 1590 motor fuel;
- 1591 (B) the effective date of the rate change of the tax described in Subsection (9)(f)(ii)(A);
- 1592 and
- 1593 (C) the new rate of the tax described in Subsection (9)(f)(ii)(A).
- 1594 (g) If the agreement required by Subsection (9)(a) terminates, a reduction of tax is not
- 1595 permitted under this Subsection (9) beginning on the first day of the calendar quarter after a
- 1596 30-day period beginning on the day the agreement terminates.
- 1597 (h) If there is a conflict between this Subsection (9) and the agreement required by
- 1598 Subsection (9)(a), this Subsection (9) governs.
- 1599 Section 39. Section **63I-1-219** is amended to read:
- 1600 **63I-1-219. Repeal dates: Title 19.**
- 1601 (1) Title 19, Chapter 2, Air Conservation Act, is repealed July 1, 2029.
- 1602 (2) Section [19-2a-102](#) is repealed July 1, 2026.
- 1603 (3) Section [19-2a-104](#) is repealed July 1, 2022.
- 1604 (4) Title 19, Chapter 2b, Part 5, Vehicle Purchase Incentive Program, is repealed July
- 1605 1, 2030.
- 1606 [~~4~~] (5) (a) Title 19, Chapter 4, Safe Drinking Water Act, is repealed July 1, 2024.
- 1607 (b) Notwithstanding Subsection [~~4~~](a) (5)(a), Section [19-4-115](#), Drinking water
- 1608 quality in schools and child care centers, is repealed July 1, 2027.

- 1609 [~~(5)~~] (6) Title 19, Chapter 5, Water Quality Act, is repealed July 1, 2029.
- 1610 [~~(6)~~] (7) Title 19, Chapter 6, Part 1, Solid and Hazardous Waste Act, is repealed July 1,
- 1611 2029.
- 1612 [~~(7)~~] (8) Title 19, Chapter 6, Part 3, Hazardous Substances Mitigation Act, is repealed
- 1613 July 1, 2030.
- 1614 [~~(8)~~] (9) Title 19, Chapter 6, Part 4, Underground Storage Tank Act, is repealed July 1,
- 1615 2028.
- 1616 [~~(9)~~] (10) Title 19, Chapter 6, Part 6, Lead Acid Battery Disposal, is repealed July 1,
- 1617 2026.
- 1618 [~~(10)~~] (11) Title 19, Chapter 6, Part 7, Used Oil Management Act, is repealed July 1,
- 1619 2029.
- 1620 [~~(11)~~] (12) Title 19, Chapter 6, Part 8, Waste Tire Recycling Act, is repealed July 1,
- 1621 2030.
- 1622 [~~(12)~~] (13) Title 19, Chapter 6, Part 10, Mercury Switch Removal Act, is repealed July
- 1623 1, 2027.
- 1624 Section 40. Section **63I-1-226** is amended to read:
- 1625 **63I-1-226. Repeal dates: Titles 26 through 26B.**
- 1626 (1) Section **26-1-7.5**, which creates the Utah Health Advisory Council, is repealed July
- 1627 1, 2025.
- 1628 (2) Section **26-1-40** is repealed July 1, 2022.
- 1629 (3) Section **26-1-41** is repealed July 1, 2026.
- 1630 (4) Section **26-1-43** is repealed December 31, 2025.
- 1631 (5) Section **26-7-10** is repealed July 1, 2025.
- 1632 (6) Subsection **26-7-11(5)**, regarding reports to the Legislature, is repealed July 1,
- 1633 2028.
- 1634 (7) Section **26-7-14** is repealed December 31, 2027.
- 1635 (8) Section **26-8a-603** is repealed July 1, 2027.
- 1636 (9) Title 26, Chapter 9f, Utah Digital Health Service Commission Act, is repealed July
- 1637 1, 2025.
- 1638 (10) Subsection **26-10-6(5)**, which creates the Newborn Hearing Screening Committee,
- 1639 is repealed July 1, 2026.

- 1640 (11) Section 26-10b-106, which creates the Primary Care Grant Committee, is repealed
1641 July 1, 2025.
- 1642 (12) Subsection 26-15c-104(3), relating to a limitation on the number of
1643 microenterprise home kitchen permits that may be issued, is repealed July 1, 2022.
- 1644 (13) Subsection 26-18-2.6(9), which addresses reimbursement for dental hygienists, is
1645 repealed July 1, 2028.
- 1646 (14) Section 26-18-27 is repealed July 1, 2025.
- 1647 (15) Section 26-18-28 is repealed June 30, 2027.
- 1648 (16) Title 26, Chapter 18, Part 2, Drug Utilization Review Board, is repealed July 1,
1649 2027.
- 1650 (17) Subsection 26-18-418(2), the language that states "and the Behavioral Health
1651 Crisis Response Commission created in Section 63C-18-202" is repealed July 1, 2023.
- 1652 (18) Section 26-33a-117 is repealed December 31, 2023.
- 1653 (19) Title 26, Chapter 33a, Utah Health Data Authority Act, is repealed July 1, 2024.
- 1654 (20) Title 26, Chapter 36b, Inpatient Hospital Assessment Act, is repealed July 1,
1655 2024.
- 1656 (21) Title 26, Chapter 36c, Medicaid Expansion Hospital Assessment Act, is repealed
1657 July 1, 2024.
- 1658 (22) Title 26, Chapter 36d, Hospital Provider Assessment Act, is repealed July 1, 2024.
- 1659 (23) Section 26-39-201, which creates the Residential Child Care Licensing Advisory
1660 Committee, is repealed July 1, 2024.
- 1661 (24) Section 26-39-405, Drinking water quality in child care centers, is repealed July 1,
1662 2027.
- 1663 (25) Section 26-40-104, which creates the Utah Children's Health Insurance Program
1664 Advisory Council, is repealed July 1, 2025.
- 1665 (26) Section 26-50-202, which creates the Traumatic Brain Injury Advisory
1666 Committee, is repealed July 1, 2025.
- 1667 (27) Title 26, Chapter 54, Spinal Cord and Brain Injury Rehabilitation Fund and
1668 Pediatric Neuro-Rehabilitation Fund, is repealed January 1, 2025.
- 1669 (28) Title 26, Chapter 66, Early Childhood Utah Advisory Council, is repealed July 1,
1670 2026.

1671 (29) Title 26, Chapter 68, COVID-19 Vaccine Restrictions Act, is repealed July 1,
1672 2024.

1673 (30) Section [26-69-406](#) is repealed July 1, 2025.

1674 (31) Section [26A-1-131](#), Vehicle Emissions Reduction Program certification, is
1675 repealed July 1, 2030.

1676 [~~31~~] (32) Subsection [26B-1-204](#)(2)(i), related to the Residential Child Care Licensing
1677 Advisory Committee, is repealed July 1, 2024.

1678 [~~32~~] (33) Subsection [26B-1-204](#)(2)(k), related to the Primary Care Grant Committee,
1679 is repealed July 1, 2025.

1680 Section 41. Section **63I-2-259** is amended to read:

1681 **63I-2-259. Repeal dates: Title 59.**

1682 (1) In Section [59-2-926](#), the language that states "applicable" and "or [53F-2-301.5](#)" is
1683 repealed July 1, 2023.

1684 (2) Subsection [59-7-610](#)(8), relating to claiming a tax credit in the same taxable year as
1685 the targeted business income tax credit, is repealed December 31, 2024.

1686 (3) Subsection [59-7-614.10](#)(5), relating to claiming a tax credit in the same taxable
1687 year as the targeted business income tax credit, is repealed December 31, 2024.

1688 (4) Section [59-7-624](#) is repealed December 31, 2024.

1689 (5) Section [59-7-627](#), creating a nonrefundable tax credit for alternative fuel vehicles,
1690 is repealed December 31, 2029.

1691 [~~5~~] (6) Subsection [59-10-210](#)(2)(b)(vi) is repealed December 31, 2024.

1692 [~~6~~] (7) Subsection [59-10-1007](#)(8), relating to claiming a tax credit in the same taxable
1693 year as the targeted business income tax credit, is repealed December 31, 2024.

1694 [~~7~~] (8) Subsection [59-10-1037](#)(5), relating to claiming a tax credit in the same taxable
1695 year as the targeted business income tax credit, is repealed December 31, 2024.

1696 (9) Section [59-10-1046](#), creating a nonrefundable tax credit for alternative fuel
1697 vehicles, is repealed December 31, 2029.

1698 [~~8~~] (10) Section [59-10-1112](#) is repealed December 31, 2024.

1699 Section 42. Section **63I-2-272** is amended to read:

1700 **63I-2-272. Repeal dates: Title 72.**

1701 (1) Subsections [72-1-213.1](#)(13)(a) and (b), related to the road usage charge rate and

1702 road usage charge cap, are repealed January 1, 2033.

1703 (2) Subsections 72-1-213.3(13)(a) and (b), related to the air quality road usage charge
1704 rate and road charge cap, are repealed January 1, 2034.

1705 [~~2~~] (3) Section 72-1-216.1 is repealed January 1, 2023.

1706 [~~3~~] (4) Section 72-4-105.1 is repealed on January 1, 2024.

1707 Section 43. Section **72-1-211** is amended to read:

1708 **72-1-211. Department to develop strategic initiatives -- Report -- Rulemaking.**

1709 (1) (a) The executive director shall develop statewide strategic initiatives across all
1710 modes of transportation.

1711 (b) To develop the strategic initiatives described in Subsection (1)(a), the executive
1712 director shall consult with the commission and relevant stakeholders, including:

1713 (i) metropolitan planning organizations;

1714 (ii) county and municipal governments;

1715 (iii) transit districts; and

1716 (iv) other transportation stakeholders.

1717 (c) To develop the strategic initiatives described in Subsection (1)(a), the executive
1718 director shall consider:

1719 (i) regional transportation plans developed by metropolitan planning organizations;

1720 (ii) local transportation plans developed by county and municipal governments;

1721 (iii) public transit plans developed by public transit districts; and

1722 (iv) other relevant transportation plans developed by other stakeholders.

1723 (d) To develop the strategic initiatives described in Subsection (1)(a), the executive
1724 director shall consider projected major centers of economic activity, population growth, and
1725 job centers.

1726 (2) (a) The strategic initiatives developed under Subsection (1) shall include
1727 consideration of the following factors:

1728 (i) corridor preservation;

1729 (ii) congestion reduction;

1730 (iii) economic development and job creation;

1731 (iv) asset management;

1732 (v) sustainability;

- 1733 (vi) optimization of return on investment;
- 1734 (vii) development of new transportation capacity projects;
- 1735 (viii) long-term maintenance and operations of the transportation system;
- 1736 (ix) safety;
- 1737 (x) incident management;
- 1738 (xi) homeland security;
- 1739 (xii) mobility and access; and
- 1740 (xiii) transportation-related air quality as analyzed under Section 19-2b-302.
- 1741 (b) The strategic initiatives shall include an assessment of capacity needs and establish
- 1742 goals for corridors that meet all of the following:
- 1743 (i) high volume of travel and throughput;
- 1744 (ii) connection of projected major centers of economic activity, population growth, and
- 1745 future job centers;
- 1746 (iii) major freight corridors; and
- 1747 (iv) corridors accommodating multiple modes of travel.
- 1748 (3) (a) The executive director or the executive director's designee shall report the
- 1749 strategic initiatives of the department developed under Subsection (1) to the Transportation
- 1750 Commission and, before December 1 of each year, the Transportation Interim Committee.
- 1751 (b) The report required under Subsection (3)(a) shall include the measure that will be
- 1752 used to determine whether the strategic initiatives have been achieved.
- 1753 (4) After compliance with Subsection (3) and in accordance with Title 63G, Chapter 3,
- 1754 Utah Administrative Rulemaking Act, the department shall make rules establishing the
- 1755 strategic initiatives developed under this part.
- 1756 (5) The executive director shall ensure that the strategic initiatives developed under
- 1757 Subsection (1):
- 1758 (a) are reviewed and updated as needed, but no less frequent than every four years; and
- 1759 (b) cover at least a 20-year horizon.
- 1760 Section 44. Section **72-1-213.2** is amended to read:
- 1761 **72-1-213.2. Road Usage Charge Program Special Revenue Fund -- Revenue.**
- 1762 (1) There is created a special revenue fund within the Transportation Fund known as
- 1763 the "Road Usage Charge Program Special Revenue Fund."

- 1764 (2) (a) The fund shall be funded from the following sources:
- 1765 (i) revenue collected by the department under Section [72-1-213.1](#) or [72-1-213.3](#);
- 1766 (ii) appropriations made to the fund by the Legislature;
- 1767 (iii) contributions from other public and private sources for deposit into the fund;
- 1768 (iv) interest earnings on cash balances; and
- 1769 (v) money collected for repayments and interest on fund money.
- 1770 (b) If the revenue derived from the sources described in Subsection (2)(a) is
- 1771 insufficient to cover the costs of administering the road usage charge program under Section
- 1772 [72-1-213.1](#) or [72-1-213.3](#), subject to Subsection [72-2-107\(1\)](#), the department may transfer into
- 1773 the fund revenue deposited into the Transportation Fund from the fee described in Subsections
- 1774 [41-1a-1206\(1\)\(h\)](#) and (2)(b) in an amount sufficient to enable the department to administer the
- 1775 road usage charge program.
- 1776 (3) (a) Revenue generated by the road usage charge program and relevant penalties
- 1777 shall be deposited into the Road Usage Charge Program Special Revenue Fund.
- 1778 (b) Revenue in the Road Usage Charge Program Special Revenue Fund is nonlapsing.
- 1779 (4) Upon appropriation by the Legislature, the department may use revenue deposited
- 1780 into the Road Usage Charge Program Special Revenue Fund:
- 1781 (a) to cover the costs of administering the program; and
- 1782 (b) for state transportation purposes.
- 1783 Section 45. Section [72-1-213.3](#) is enacted to read:
- 1784 **[72-1-213.3](#). Clean air road usage charge program.**
- 1785 (1) As used in this section:
- 1786 (a) "Account manager" means an entity under contract with the department to
- 1787 administer and manage the clean air road usage charge program.
- 1788 (b) "Bad air day" means the same as that term is defined in Section [19-2b-101](#).
- 1789 (c) "Payment period" means the interval during which an owner is required to report
- 1790 mileage and pay the appropriate road usage charge according to the terms of the program.
- 1791 (d) "Program" means the road usage charge program established and described in this
- 1792 section.
- 1793 (e) "Relevant motor vehicle" means a motor vehicle that:
- 1794 (i) is registered:

- 1795 (A) under Section 41-1a-233; or
1796 (B) as a vintage vehicle under Section 41-1a-226; and
1797 (ii) is not an alternative fuel vehicle, as defined in Section 72-1-213.1.
1798 (f) "Road usage charge cap" means the maximum fee charged to a participant in the
1799 program for a registration period.
1800 (g) "Road usage charge rate" means the per-mile usage fee charged to a participant in
1801 the program.
1802 (2) There is established a clean air road usage charge program as described in this
1803 section.
1804 (3) (a) The department shall implement and oversee the administration of the program,
1805 which shall begin on January 1, 2024.
1806 (b) To implement and administer the program, the department may contract with an
1807 account manager.
1808 (4) (a) The owner or lessee of a relevant motor vehicle shall enroll the relevant motor
1809 vehicle in the program.
1810 (b) If an application for enrollment into the program is approved by the department, the
1811 owner or lessee of the relevant motor vehicle may participate in the program.
1812 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and
1813 consistent with this section, the department:
1814 (a) shall make rules to establish:
1815 (i) processes and terms for enrollment into and withdrawal or removal from the
1816 program;
1817 (ii) payment periods and other payment methods and procedures for the program;
1818 (iii) standards for mileage reporting mechanisms for an owner or lessee of a relevant
1819 motor vehicle to report mileage as part of participation in the program;
1820 (iv) standards for program functions for mileage recording, payment processing,
1821 account management, and other similar aspects of the program;
1822 (v) contractual terms between an owner or lessee of a relevant motor vehicle owner and
1823 an account manager for participation in the program;
1824 (vi) contractual terms between the department and an account manager, including
1825 authority for an account manager to enforce the terms of the program;

1826 (vii) procedures to provide security and protection of personal information and data
1827 connected to the program, and penalties for account managers for violating privacy protection
1828 rules;

1829 (viii) penalty procedures for a program participant's failure to pay a road usage charge
1830 or tampering with a device necessary for the program; and

1831 (ix) department oversight of an account manager, including privacy protection of
1832 personal information and access and auditing capability of financial and other records related to
1833 administration of the program; and

1834 (b) may make rules to establish:

1835 (i) a process for collection of an unpaid road usage charge or penalty; or
1836 (ii) integration of the program with other similar programs, such as tolling.

1837 (6) Revenue generated by the program and relevant penalties shall be deposited into the
1838 Road Usage Charge Program Special Revenue Fund.

1839 (7) (a) The department may:

1840 (i) (A) impose a penalty for failure to timely pay a road usage charge according to the
1841 terms of the program or tampering with a device necessary for the program; and

1842 (B) request that the Division of Motor Vehicles place a hold on the registration of the
1843 owner's or lessee's relevant motor vehicle for failure to pay a road usage charge according to
1844 the terms of the program;

1845 (ii) send correspondence to the owner of a relevant motor vehicle to inform the owner
1846 or lessee of:

1847 (A) the road usage charge program, implementation, and procedures;
1848 (B) an unpaid road usage charge and the amount of the road usage charge to be paid to
1849 the department;

1850 (C) the penalty for failure to pay a road usage charge within the time period described
1851 in Subsection (7)(a)(iii); and

1852 (D) a hold being placed on the owner's or lessee's registration for the relevant motor
1853 vehicle, if the road usage charge and penalty are not paid within the time period described in
1854 Subsection (7)(a)(iii), which would prevent the renewal of the relevant motor vehicle's
1855 registration; and

1856 (iii) require that the owner or lessee of the relevant motor vehicle pay the road usage

1857 charge to the department within 30 days of the date when the department sends written notice
1858 of the road usage charge to the owner or lessee.

1859 (b) The department shall send the correspondence and notice described in Subsection
1860 (7)(a) to the owner of the relevant motor vehicle according to the terms of the program.

1861 (8) (a) The Division of Motor Vehicles and the department shall share and provide
1862 access to information pertaining to a relevant motor vehicle and participation in the program
1863 including:

1864 (i) registration and ownership information pertaining to a relevant motor vehicle;

1865 (ii) information regarding the failure of an owner or lessee of a relevant motor vehicle
1866 to pay a road usage charge or penalty imposed under this section within the time period
1867 described in Subsection (7)(a)(iii); and

1868 (iii) the status of a request for a hold on the registration of a relevant motor vehicle.

1869 (b) If the department requests a hold on a registration in accordance with this section,
1870 the Division of Motor Vehicles may not renew the registration of a motor vehicle under Title
1871 41, Chapter 1a, Part 2, Registration, until the department withdraws the hold request.

1872 (9) The owner of a relevant motor vehicle shall apply for enrollment in the program or
1873 withdraw from the program according to the terms established by the department pursuant to
1874 rules made under Subsection (5).

1875 (10) If enrolled in the program, the owner or lessee of a relevant motor vehicle shall:

1876 (a) report mileage driven as required by the department pursuant to Subsection (5);

1877 (b) pay the road usage fee for each payment period in accordance with Subsection (5);

1878 and

1879 (c) comply with all other provisions of this section and other requirements of the
1880 program.

1881 (11) The department shall submit annually, on or before October 1, to the
1882 Transportation Interim Committee, an electronic report that:

1883 (a) states for the preceding fiscal year:

1884 (i) the amount of revenue collected from the program;

1885 (ii) the participation rate in the program; and

1886 (iii) the department's costs to administer the program; and

1887 (b) provides for the current fiscal year, an estimate of:

- 1888 (i) the revenue that will be collected from the program;
1889 (ii) the participation rate in the program; and
1890 (iii) the department's costs to administer the program.
1891 (12) (a) Beginning on January 1, 2024, and ending December 31, 2026:
1892 (i) the road usage charge rate is 9.26 cents per mile driven on a bad air day; and
1893 (ii) the road usage charge cap is:
1894 (A) \$250 for an annual registration period; and
1895 (B) \$125 for a six-month registration period.
1896 (b) Beginning on January 1, 2027, and ending on December 31, 2032:
1897 (i) the road usage charge rate is 10.52 cents per mile driven on a bad air day; and
1898 (ii) the road usage charge cap is:
1899 (A) \$283.89 for an annual registration period; and
1900 (B) \$141.95 for a six-month registration period.
1901 (c) Beginning on January 1, 2033:
1902 (i) the road usage charge rate is 11.71 cents per mile driven on a bad air day, unless the
1903 commission establishes a different road usage charge rate in accordance with Subsection (13);
1904 and
1905 (ii) the road usage charge cap is:
1906 (A) \$316.12 for an annual registration period; and
1907 (B) \$158.06 for a six-month registration period.
1908 (d) Beginning in 2025, the department shall, on January 1, annually adjust the road
1909 usage charge rates described in this Subsection (12) by taking the road usage charge rate for the
1910 previous year and adding an amount equal to the greater of:
1911 (i) an amount calculated by multiplying the road usage charge rate of the previous year
1912 by the actual percentage change during the previous fiscal year in the Consumer Price Index as
1913 determined by the State Tax Commission; and
1914 (ii) 0.
1915 (e) Beginning in 2025, the State Tax Commission shall, on January 1, annually adjust
1916 the road usage charge caps described in this Subsection (12) by taking the road usage charge
1917 cap for the previous year and adding an amount equal to the greater of:
1918 (i) an amount calculated by multiplying the road usage charge cap of the previous year

1919 by the actual percentage change during the previous fiscal year in the Consumer Price Index;
 1920 and

1921 (ii) 0.

1922 (f) The amounts calculated as described in Subsection (12)(d) shall be rounded up to
 1923 the nearest .01 cent.

1924 (g) The amounts calculated as described in Subsection (12)(e) shall be rounded up to
 1925 the nearest 25 cents.

1926 (h) On or before January 1 of each year, the department shall publish:

1927 (i) the adjusted road usage charge rate described in Subsection (12)(d); and

1928 (ii) adjusted road usage charge cap described in Subsection (12)(e).

1929 (13) (a) Beginning January 1, 2033, the commission may establish by rule made in
 1930 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the road usage
 1931 charge rate for each type of relevant motor vehicle.

1932 (b) (i) Before making rules in accordance with Subsection (13)(a), the commission
 1933 shall consult with the department regarding the road usage charge rate for each type of relevant
 1934 motor vehicle.

1935 (ii) The department shall cooperate with and make recommendations to the
 1936 commission regarding the road usage charge rate for each type of relevant motor vehicle.

1937 Section 46. Section **72-2-107** is amended to read:

1938 **72-2-107. Appropriation from Transportation Fund -- Apportionment for class B**
 1939 **and class C roads.**

1940 (1) There is appropriated to the department from the Transportation Fund annually an
 1941 amount equal to 30% of an amount which the director of finance shall compute in the
 1942 following manner: The total revenue deposited into the Transportation Fund during the fiscal
 1943 year from state highway-user taxes and fees, minus those amounts appropriated or transferred
 1944 from the Transportation Fund during the same fiscal year to:

1945 (a) the Department of Public Safety;

1946 (b) the State Tax Commission;

1947 (c) the Division of Finance;

1948 (d) the Utah Travel Council;

1949 (e) the road usage charge program created in Section [72-1-213.1](#) or [72-1-213.3](#); and

1950 (f) any other amounts appropriated or transferred for any other state agencies not a part
1951 of the department.

1952 (2) (a) Except as provided in Subsections (2)(b) and (c), all of the money appropriated
1953 in Subsection (1) shall be apportioned among counties and municipalities for class B and class
1954 C roads as provided in this title.

1955 (b) The department shall annually transfer \$500,000 of the amount calculated under
1956 Subsection (1) to the State Park Access Highways Improvement Program created in Section
1957 [72-3-207](#).

1958 (c) Administrative costs of the department to administer class B and class C roads shall
1959 be paid from funds calculated under Subsection (1).

1960 (3) Each quarter of every year the department shall make the necessary accounting
1961 entries to transfer the money appropriated under this section for class B and class C roads.

1962 (4) The funds appropriated for class B and class C roads shall be expended under the
1963 direction of the department as the Legislature shall provide.

1964 Section 47. **Repealer.**

1965 This bill repeals:

1966 Section [19-2-107.5](#), **Solid fuel burning.**