{deleted text} shows text that was in HB0220 but was deleted in HB0220S01.

inserted text shows text that was not in HB0220 but was inserted into HB0220S01.

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

Representative Andrew Stoddard proposes the following substitute bill:

EMISSIONS REDUCTION AMENDMENTS

2023 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Andrew {}Stoddard

Senate Sponsor:

LONG TITLE

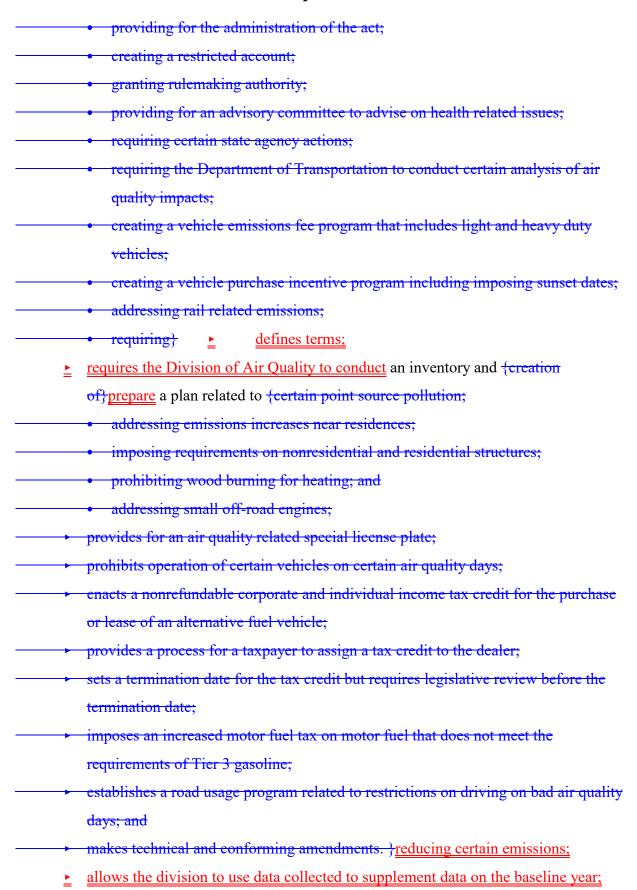
General Description:

This bill addresses {issues related to emission} potential reduction of certain emissions.

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;



- requires the division to publish the inventory and plan on the division's website; and
- requires the division to report.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

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<del>{AMENDS:</del>
      11-58-203, as last amended by Laws of Utah 2022, Chapter 82
       19-1-105, as last amended by Laws of Utah 2015, Chapter 451
      19-2-104, as last amended by Laws of Utah 2020, Chapter 354
      41-1a-203, as last amended by Laws of Utah 2021, Chapter 59
      41-1a-418, as last amended by Laws of Utah 2022, Chapters 19, 48, 68, and 451
      41-1a-1201, as last amended by Laws of Utah 2022, Chapter 259
      41-21-5, as enacted by Laws of Utah 1971, Chapter 93
      59-13-201, as last amended by Laws of Utah 2022, Chapter 68
      63I-1-219, as last amended by Laws of Utah 2022, Chapter 194
      63I-1-226, as last amended by Laws of Utah 2022, Chapters 194, 206, 224, 253, 255,
          347, and 451
       63I-2-259, as last amended by Laws of Utah 2022, Chapter 264
      63I-2-272, as last amended by Laws of Utah 2022, Chapters 56, 83 and 259
      72-1-211, as last amended by Laws of Utah 2018, Chapter 424
      72-1-213.2, as last amended by Laws of Utah 2022, Chapter 259
      72-2-107, as last amended by Laws of Utah 2020, Chapter 377
ENACTS:
       <del>{19-2b-101}</del> <u>19-2a-107</u>, Utah Code Annotated 1953
      19-2b-102, Utah Code Annotated 1953
       19-2b-103, Utah Code Annotated 1953
      19-2b-201, Utah Code Annotated 1953
      19-2b-202, Utah Code Annotated 1953
       19-2b-203, Utah Code Annotated 1953
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19-2b-301, Utah Code Annotated 1953
19-2b-302, Utah Code Annotated 1953
19-2b-401, Utah Code Annotated 1953
19-2b-402, Utah Code Annotated 1953
19-2b-403, Utah Code Annotated 1953
19-2b-501, Utah Code Annotated 1953
19-2b-502, Utah Code Annotated 1953
19-2b-503, Utah Code Annotated 1953
19-2b-504, Utah Code Annotated 1953
19-2b-505, Utah Code Annotated 1953
19-2b-506, Utah Code Annotated 1953
19-2b-507, Utah Code Annotated 1953
19-2b-601, Utah Code Annotated 1953
19-2b-701, Utah Code Annotated 1953
19-2b-702, Utah Code Annotated 1953
19-2b-801, Utah Code Annotated 1953
19-2b-802, Utah Code Annotated 1953
19-2b-803, Utah Code Annotated 1953
19-2b-804, Utah Code Annotated 1953
26A-1-131, Utah Code Annotated 1953
41-1a-233, Utah Code Annotated 1953
41-1a-1321, Utah Code Annotated 1953
59-7-627, Utah Code Annotated 1953
59-10-1046, Utah Code Annotated 1953
72-1-213.3, Utah Code Annotated 1953
REPEALS:
19-2-107.5, as last amended by Laws of Utah 2019, Chapter 470
1

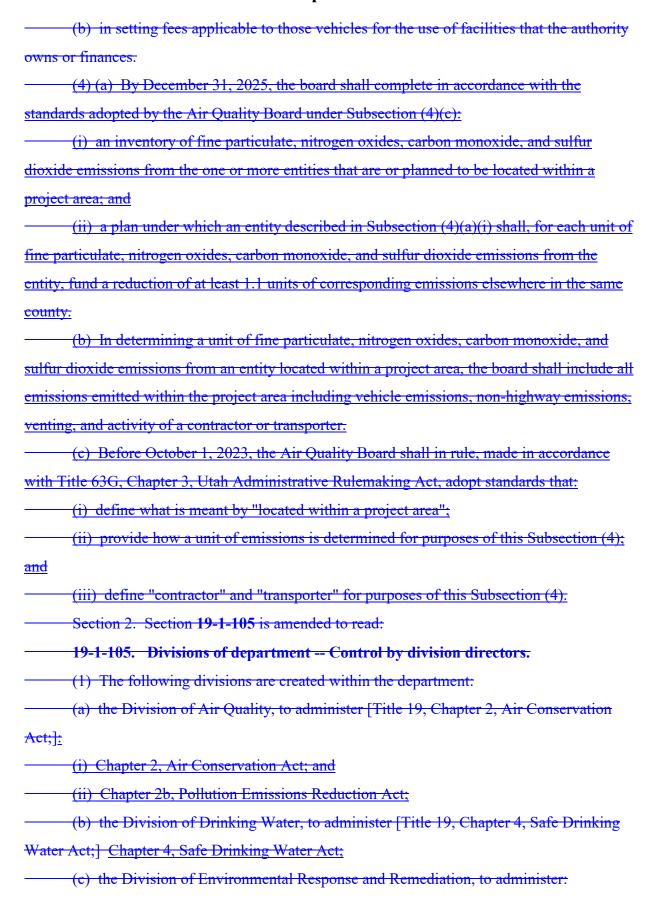
Be it enacted by the Legislature of the state of Utah:

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

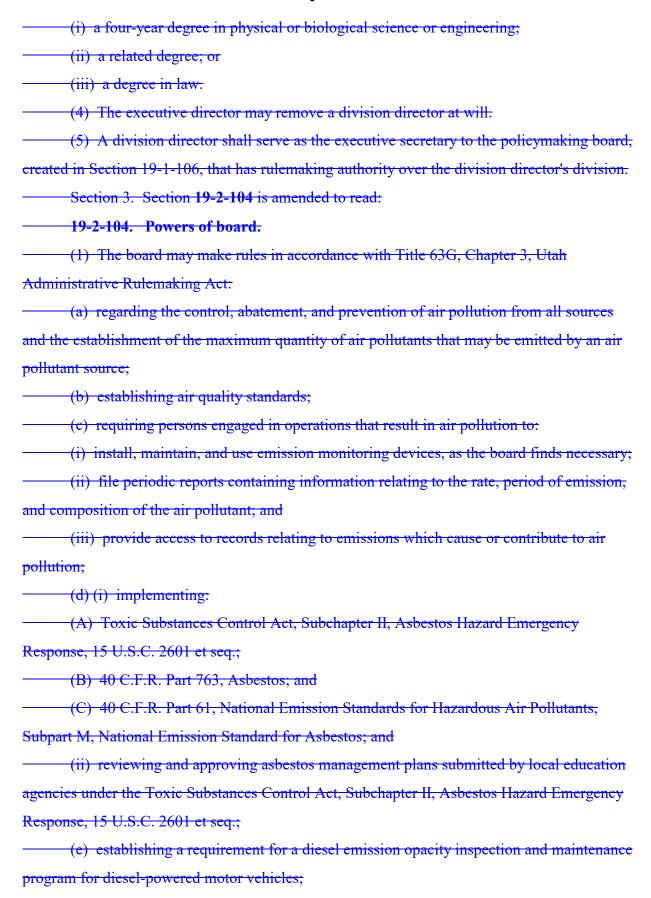
11-58-203. Policies and objectives of the authority -- Additional duties of the

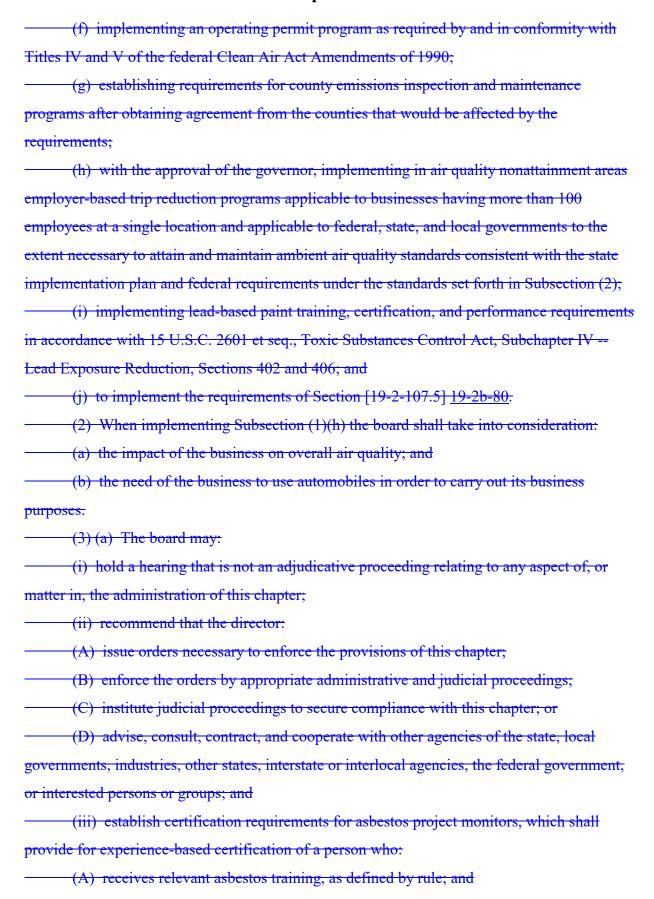
authority -- Emission inventory and plans. (1) The policies and objectives of the authority are to: (a) maximize long-term economic benefits to the area, the region, and the state; (b) maximize the creation of high-quality jobs; (c) respect and maintain sensitivity to the unique natural environment of areas in proximity to the authority jurisdictional land and land in other authority project areas; (d) improve air quality and minimize resource use; (e) respect existing land use and other agreements and arrangements between property owners within the authority jurisdictional land and within other authority project areas and applicable governmental authorities; (f) promote and encourage development and uses that are compatible with or complement uses in areas in proximity to the authority jurisdictional land or land in other authority project areas; (g) take advantage of the authority jurisdictional land's strategic location and other features, including the proximity to transportation and other infrastructure and facilities, that make the authority jurisdictional land attractive to: (i) businesses that engage in regional, national, or international trade; and (ii) businesses that complement businesses engaged in regional, national, or international trade; (h) facilitate the transportation of goods; (i) coordinate trade-related opportunities to export Utah products nationally and internationally; (j) support and promote land uses on the authority jurisdictional land and land in other authority project areas that generate economic development, including rural economic development; (k) establish a project of regional significance; (1) facilitate an intermodal facility; (m) support uses of the authority jurisdictional land for inland port uses, including warehousing, light manufacturing, and distribution facilities; (n) facilitate an increase in trade in the region and in global commerce; (o) promote the development of facilities that help connect local businesses to potential

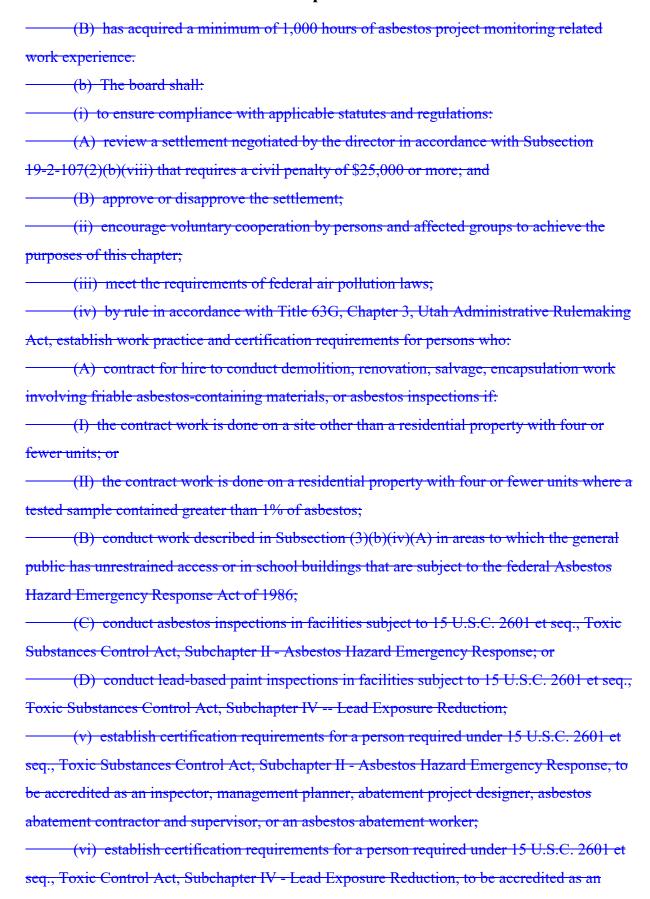
foreign markets for exporting or that increase foreign direct investment; (p) encourage all class 5 though 8 designated truck traffic entering the authority jurisdictional land to meet the heavy-duty highway compression-ignition diesel engine and urban bus exhaust emission standards for year 2007 and later; (q) encourage the development and use of cost-efficient renewable energy in project areas; (r) aggressively pursue world-class businesses that employ cutting-edge technologies to locate within a project area; and (s) pursue land remediation and development opportunities for publicly owned land to add value to a project area. (2) In fulfilling its duties and responsibilities relating to the development of the authority jurisdictional land and land in other authority project areas and to achieve and implement the development policies and objectives under Subsection (1), the authority shall: (a) work to identify funding sources, including federal, state, and local government funding and private funding, for capital improvement projects in and around the authority jurisdictional land and land in other authority project areas and for an inland port; (b) review and identify land use and zoning policies and practices to recommend to municipal land use policymakers and administrators that are consistent with and will help to achieve: (i) the policies and objectives stated in Subsection (1); and (ii) the mutual goals of the state and local governments that have authority jurisdictional land with their boundaries with respect to the authority jurisdictional land; (c) consult and coordinate with other applicable governmental entities to improve and enhance transportation and other infrastructure and facilities in order to maximize the potential of the authority jurisdictional land to attract, retain, and service users who will help maximize the long-term economic benefit to the state; and (d) pursue policies that the board determines are designed to avoid or minimize negative environmental impacts of development. (3) The board may consider the emissions profile of road, yard, or rail vehicles: (a) in determining access by those vehicles to facilities that the authority owns or finances; or



(i) [Title 19, Chapter 6, Part 3, Hazardous Substances Mitigation Act] Chapter 6, Part 3, Hazardous Substances Mitigation Act; and (ii) [Title 19, Chapter 6, Part 4, Underground Storage Tank Act] Chapter 6, Part 4, **Underground Storage Tank Act**; (d) the Division of Waste Management and Radiation Control, to administer: (i) [Title 19, Chapter 3, Radiation Control Act] Chapter 3, Radiation Control Act; (ii) [Title 19, Chapter 6, Part 1, Solid and Hazardous Waste Act] Chapter 6, Part 1, Solid and Hazardous Waste Act; (iii) [Title 19, Chapter 6, Part 2, Hazardous Waste Facility Siting Act] Chapter 6, Part 2, Hazardous Waste Facility Siting Act; (iv) [Title 19, Chapter 6, Part 5, Solid Waste Management Act] Chapter 6, Part 5, Solid Waste Management Act; (v) [Title 19, Chapter 6, Part 6, Lead Acid Battery Disposal] Chapter 6, Part 6, Lead Acid Battery Disposal; (vi) [Title 19, Chapter 6, Part 7, Used Oil Management Act] Chapter 6, Part 7, Used Oil Management Act; (vii) [Title 19, Chapter 6, Part 8, Waste Tire Recycling Act] Chapter 6, Part 8, Waste Tire Recycling Act; (viii) [Title 19, Chapter 6, Part 10, Mercury Switch Removal Act] Chapter 6, Part 10, Mercury Switch Removal Act; (ix) [Title 19, Chapter 6, Part 11, Industrial Byproduct Reuse] Chapter 6, Part 11, **Industrial Byproduct Reuse**; and (x) [Title 19, Chapter 6, Part 12, Disposal of Electronic Waste Program] Chapter 6, Part 12, Disposal of Electronic Waste Program; and (e) the Division of Water Quality, to administer Title 19, Chapter 5, Water Quality Act. (2) Each division is under the immediate direction and control of a division director appointed by the executive director. (3) (a) A division director shall possess the administrative skills and training necessary to perform the duties of division director. (b) A division director shall hold one of the following degrees from an accredited college or university:



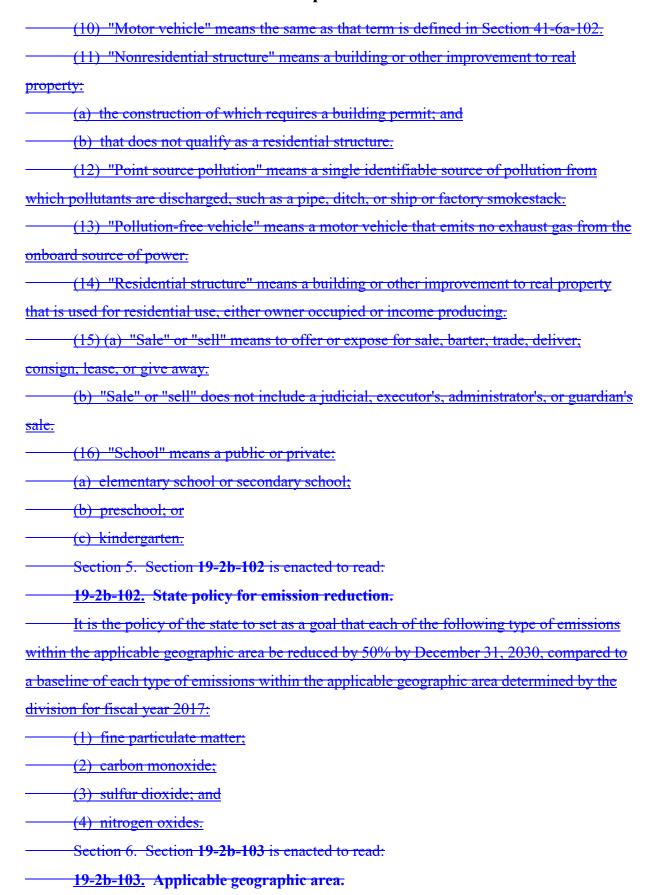


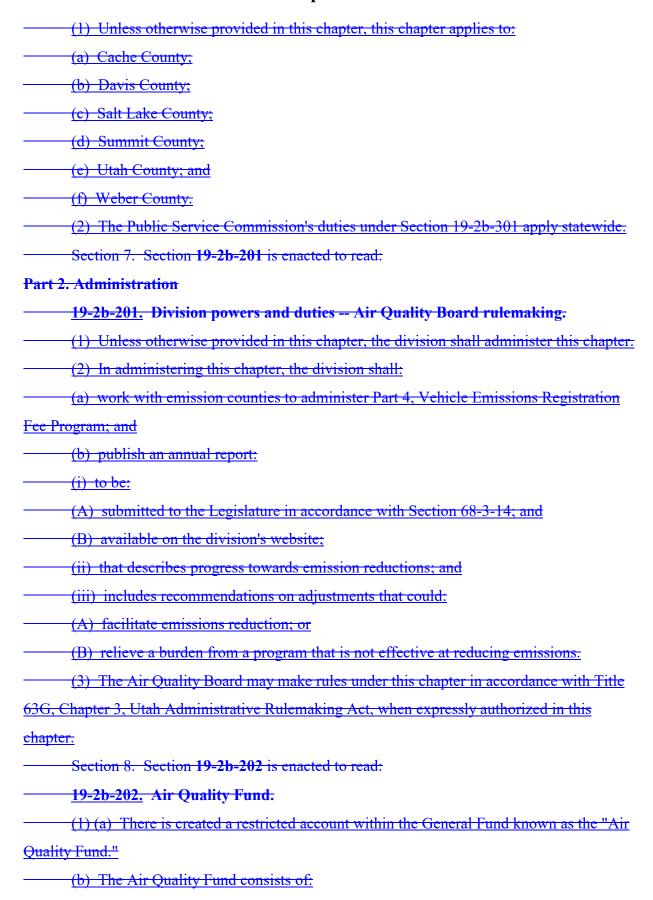


inspector, risk assessor, supervisor, project designer, abatement worker, renovator, or dust sampling technician; [and] (vii) assist the State Board of Education in adopting school bus idling reduction standards and implementing an idling reduction program in accordance with Section 41-6a-1308[.]; and (viii) on or before January 1, 2024, create a standard election statement for use as described in Sections 59-7-627 and 59-10-1046. (4) A rule adopted under this chapter shall be consistent with provisions of federal laws, if any, relating to control of motor vehicles or motor vehicle emissions. (5) Nothing in this chapter authorizes the board to require installation of or payment for any monitoring equipment by the owner or operator of a source if the owner or operator has installed or is operating monitoring equipment that is equivalent to equipment which the board would require under this section. (6) (a) The board may not require testing for asbestos or related materials on a residential property with four or fewer units, unless: (i) the property's construction was completed before January 1, 1981; or (ii) the testing is for: (A) a sprayed-on or painted on ceiling treatment that contained or may contain asbestos fiber: (B) asbestos cement siding or roofing materials; (C) resilient flooring products including vinyl asbestos tile, sheet vinyl products, resilient flooring backing material, whether attached or unattached, and mastic; (D) thermal-system insulation or tape on a duct or furnace; or (E) vermiculite type insulation materials. (b) A residential property with four or fewer units is subject to an abatement rule made under Subsection (1) or (3)(b)(iv) if: (i) a sample from the property is tested for asbestos; and (ii) the sample contains asbestos measuring greater than 1%. (7) The board may not issue, amend, renew, modify, revoke, or terminate any of the following that are subject to the authority granted to the director under Section 19-2-107 or

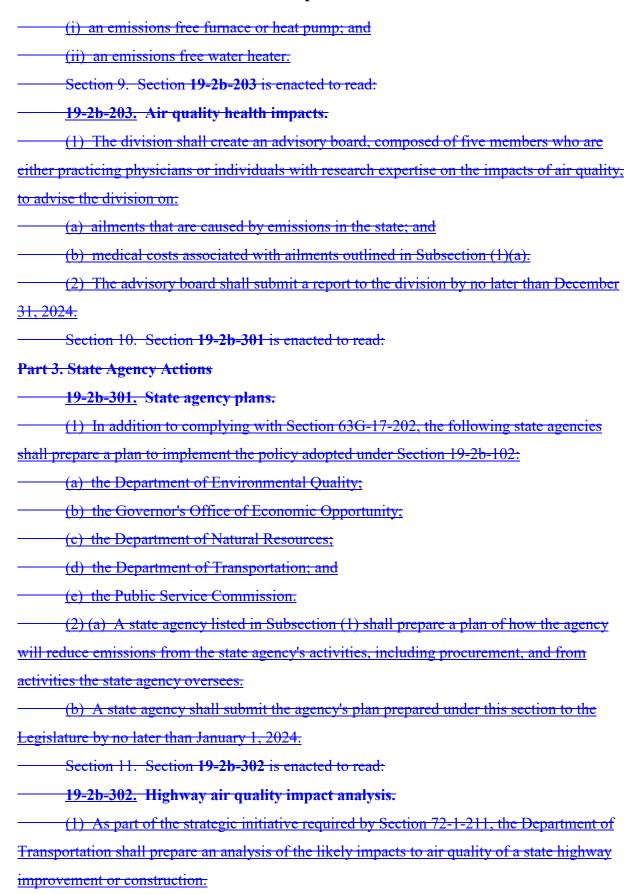
19-2-108:

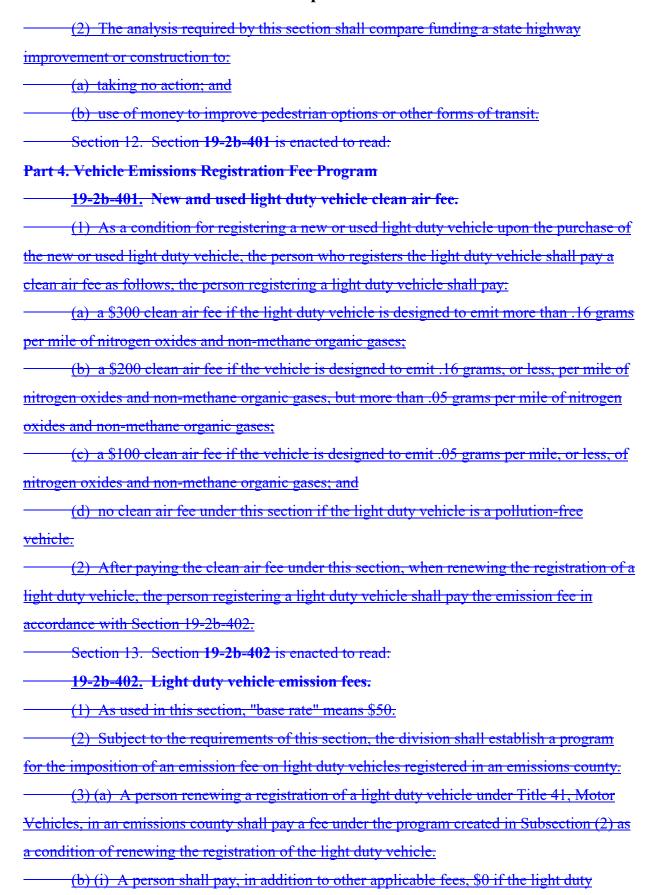
(a) a permit;
(b) a license;
(c) a registration;
(d) a certification; or
(e) another administrative authorization made by the director.
(8) A board member may not speak or act for the board unless the board member is
authorized by a majority of a quorum of the board in a vote taken at a meeting of the board.
(9) Notwithstanding Subsection (7), the board may exercise all authority granted to the
board by a federally enforceable state implementation plan.
Section 4. Section 19-2b-101 is enacted to read:
CHAPTER 2b. POLLUTION EMISSION REDUCTION ACT
Part 1. General Provision
<u>19-2b-101.</u> Definitions.
As used in this chapter:
(1) "Applicable geographic area" means the area described in Section 19-2b-103.
(2) "Area source pollution" means a stationary source of emissions that emits less than:
(a) 10 tons per year of a single air toxic; or
(b) 25 tons per year of a combination of air toxics.
(3) "Bad air day" means a day that has an air quality index of moderate or worse as
determined by the division.
(4) "Division" means the Division of Air Quality.
(5) "Emissions" means sulfur dioxide, nitrogen oxides, carbon monoxide, and fine
particulate matter.
(6) "Emissions county" means a county in which a person registering a motor vehicle is
required to obtain an emissions test of the motor vehicle pursuant to Title 41, Motor Vehicles.
(7) "Heavy duty vehicle" means a motor vehicle:
(a) rated at more than 8,500 pounds gross vehicle weight rating; or
(b) that has a vehicle curb weight of more than 6,000 pounds.
(8) "Highway" means the same as that term is defined in Section 41-6a-102.
(9) "Light duty vehicle" means a motor vehicle intended primarily for operation on
highways and that is not a heavy duty vehicle.





(i) fees collected pursuant to this chapter; (ii) appropriations from the Legislature; (iii) federal money received by the division for purposes of this chapter; and (iv) interest and other earnings described in Subsection (1)(c). (c) The state treasurer shall deposit interest and other earnings derived from investment of money in the Air Quality Fund into the Air Quality Fund. (2) (a) Upon appropriation by the Legislature, the division shall use the money in the Air Quality Fund in each fiscal year as follows: (i) the division shall use 40% to fund efforts to improve air quality in the applicable geographic area, including through direct expenditures, grants, or incentives; (ii) the division shall have transferred 40% into the Vehicle Emissions Reduction **Program Restricted Account**; (iii) the division shall use 10% to pay the administrative costs of the division to implement this chapter; and (iv) the division shall retain 10% in the Air Quality Fund. (b) The division shall report annually to the Revenue and Taxation Interim Committee about whether the percentages described in this Subsection (2) need to be changed to adequately fund the Vehicle Emissions Reduction Program Restricted Account. (3) Subject to Title 63J, Chapter 5, Federal Funds Procedures Act, the division shall seek a federal grant of at least \$100,000,000 to be deposited into the Air Quality Fund and distributed as provided in Subsection (2). (4) (a) Subject to the other provisions of this Subsection (4), in determining the use of money under Subsection (2)(a), the division shall evaluate the most cost-effective ways to improve air quality and may allocate money toward those purposes. (b) As part of the evaluation under Subsection (4)(a), the division shall evaluate: (i) the use of air filters in schools on learning and health; and (ii) programs in addition to those under Part 5, Vehicle Purchase Incentive Program, that assist a low-income resident to upgrade or improve the low-income resident's motor vehicle. (c) The division may use money under Subsection (2)(a) to lower the price or provide incentives for the purchase of the following for residential use:



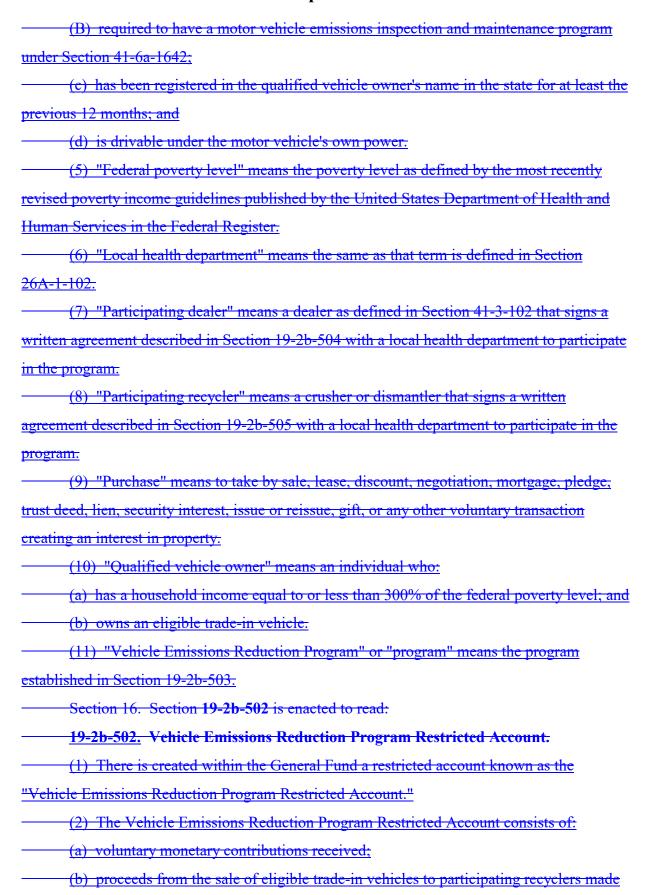


vehicle for which the registration is being renewed is a pollution-free vehicle.

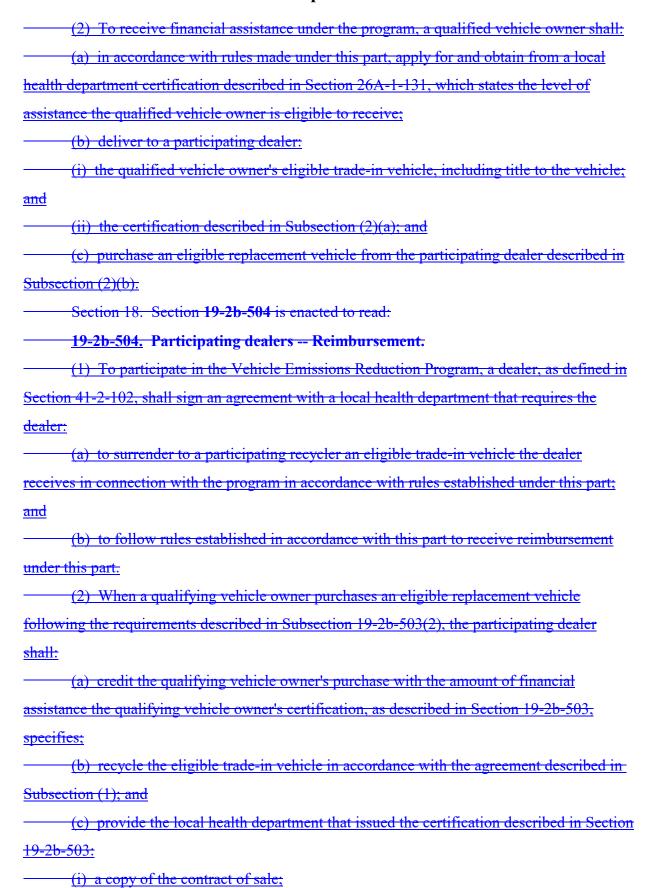
- (ii) A person shall pay, in addition to other applicable fees, the base rate if the light duty vehicle for which the registration is being renewed is designed to emit .04 grams per mile, or less, of nitrogen oxides and non-methane organic gases.
- (iii) A person shall pay, in addition to other applicable fees, twice the base rate if the light duty vehicle for which the registration is being renewed is designed to emit more than .04 grams per mile of nitrogen oxides and non-methane organic gases but less than .17 grams per mile of nitrogen oxides or non-methane organic gases.
- (iv) A person shall pay, in addition to other applicable fees, triple the base rate if the light duty vehicle for which the registration is being renewed is designed to emit .17 grams per mile, or more, of nitrogen oxides and non-methane organic gases.
- (v) A person whose light duty vehicle is within the highest 1% of polluting light duty vehicles registered the previous year, may not renew the registration for that light duty vehicle in the current year unless the person is issued an air quality license plate in accordance with Subsection 41-1a-418(1)(c)(v).
- Section 14. Section 19-2b-403 is enacted to read:
- 19-2b-403. Heavy duty vehicle emission fees.
- (1) As used in this section, "base rate" means \$150.
- (2) Subject to the requirements of this section, the division shall establish a program for the imposition of a fee on heavy duty vehicles registered in an emissions county.
- (3) (a) A person renewing the registration of a heavy duty vehicle under Title 41, Motor Vehicles, in an emission county shall pay a fee under the program created in Subsection (2) as a condition of renewing the registration of the heavy duty vehicle.
- (b) (i) A person shall pay, in addition to other applicable fees, \$0 if the heavy duty vehicle for which the registration is being renewed is a pollution-free vehicle.
- (ii) A person shall pay, in addition to other applicable fees, the base rate if the heavy duty vehicle for which the registration is being renewed is designed to emit .05 grams, or less, of nitrogen oxides per brake horsepower hour.
- (iii) A person shall pay, in addition to other applicable fees, twice the base rate if the heavy duty vehicle for which the registration is being renewed is designed to emit more than .05 grams of nitrogen oxides per brake horsepower hour but less than 2.1 grams of nitrogen

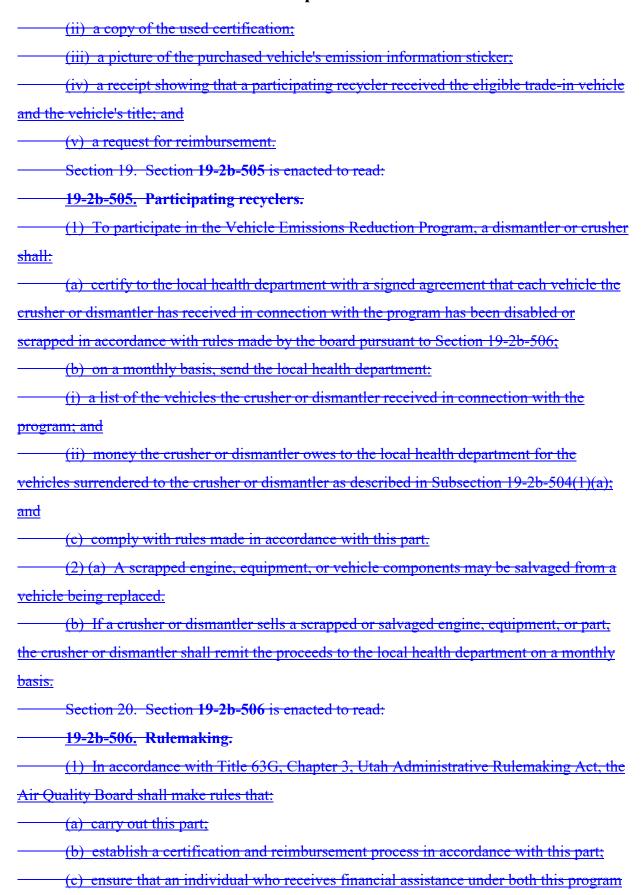
oxides per brake horsepower hour. (iv) A person shall pay, in addition to other applicable fees, triple the base rate if the heavy duty vehicle for which the registration is being renewed is designed to emit 2.1 grams, or more, of nitrogen oxides per brake horsepower hour. (v) A person whose heavy duty vehicle is within the highest 1% of polluting heavy duty vehicles registered the previous year, may not renew the registration of that heavy duty vehicle in the current year unless the person is issued an air quality license plate in accordance with Subsection 41-1a-418(1)(c)(v). Section 15. Section 19-2b-501 is enacted to read: Part 5. Vehicle Purchase Incentive Program 19-2b-501. Definitions. As used in this part: (1) "Crusher" means the same as that term is defined in Section 41-3-102. (2) "Dismantler" means the same as that term is defined in Section 41-3-102. (3) "Eligible replacement vehicle" means a motor vehicle as defined in Section 41-1a-102 that is: (a) (i) designed to emit no more than .04 grams per mile of nitrogen oxides and non-methane organic gases; or (ii) a pollution-free vehicle; (b) has an odometer reading equal to or less than 70,000 miles; (c) costs no more than \$35,000 before tax, title, and licensing; and (d) passes an emissions inspection. (4) "Eligible trade-in vehicle" means a motor vehicle that: (a) is of the model year 2007 or older; (b) (i) is registered or regularly operates in a county: (A) located in the applicable geographic area; or (B) required to have a motor vehicle emissions inspection and maintenance program under Section 41-6a-1642; or (ii) was reported to and verified by the local health department as emitting excessive amounts of smoky exhaust while being driven through a county:

(A) located in the applicable geographic area; or



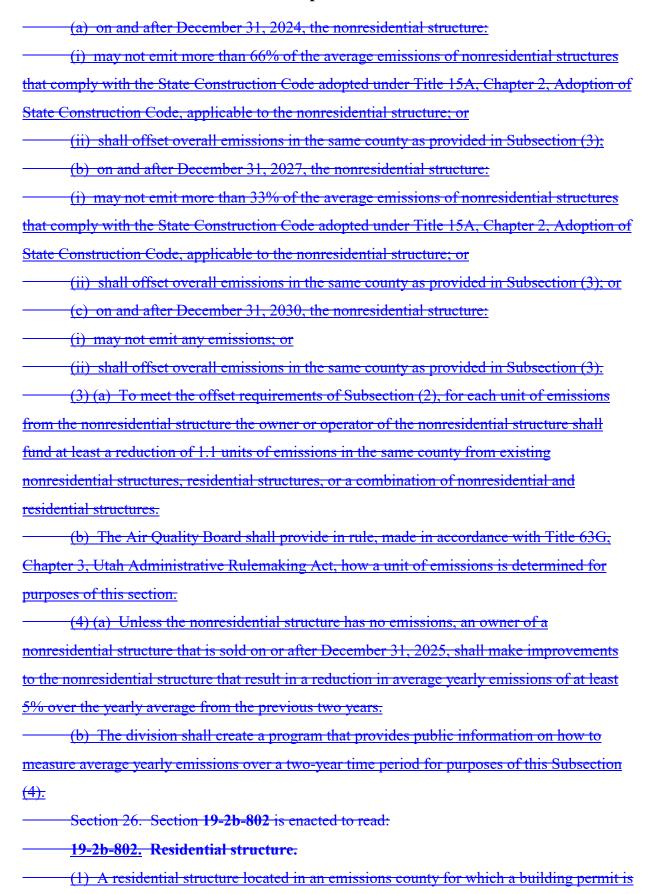
in connection with the Vehicle Emissions Reduction Program; (c) appropriations the Legislature makes to the Vehicle Emissions Reduction Program Restricted Account; (d) money transferred to the Vehicle Emissions Reduction Program Restricted Account from the Air Quality Fund under Section 19-2b-202; and (e) interest accrued in accordance with Subsection (3)(b). (3) The state treasurer shall: (a) invest the money in the Vehicle Emissions Reduction Program Restricted Account in accordance with Title 51, Chapter 7, State Money Management Act; and (b) deposit interest or other earnings derived from the investments described in Subsection (3)(a) into the Vehicle Emissions Reduction Program Restricted Account. (4) (a) Subject to legislative appropriations, the division shall provide financial assistance from the Vehicle Emissions Reduction Program Restricted Account: (i) to qualified vehicle owners who purchase eligible replacement vehicles in accordance with this part; (ii) in a total amount of up to \$26,000,000; and (iii) as described in Section 19-2b-506, in amounts that increase on a sliding scale based on: (A) the household income of the qualified vehicle owner; and (B) the emissions performance of the purchased eligible replacement vehicle. (b) The division may use money in the Vehicle Emissions Reduction Program **Restricted Account to:** (i) administer the program in accordance with this part; or (ii) assist a local health department to carry out this part. (5) The division shall deposit the money the division receives from the sale of eligible trade-in vehicles to participating recyclers in connection with this program into the Vehicle **Emissions Reduction Program Restricted Account.** Section 17. Section 19-2b-503 is enacted to read: 19-2b-503. Program creation. (1) There is created the Vehicle Emissions Reduction Program to provide financial assistance to qualified vehicle owners in purchasing eligible replacement vehicles.





and any similar program that relies on federal funding does not receive a total amount more than the individual is qualified to receive under either program alone; (d) ensure that an eligible trade-in vehicle surrendered under this program is converted to scrap or otherwise disposed of; (e) ensure that no engine part or emissions control system from an eligible trade-in vehicle surrendered under this program is resold, except as scrap metal; and (f) establish a sliding scale for financial assistance provided under this part that: (i) provides up to \$5,500 in financial assistance to a qualified vehicle owner that purchases an eligible replacement vehicle in connection with the program; and (ii) is based on: (A) the household income of the qualified vehicle owner; and (B) the emissions performance of the purchased eligible replacement vehicle. (2) In making the rules described in Subsection (1), the Air Quality Board shall: (a) consider recommendations from the division; and (b) coordinate with the relevant local health departments, when applicable. Section 21. Section 19-2b-507\19-2a-107 is enacted to read: {19-2b-507. Public service campaign. (1) Subject to legislative appropriations, the division shall conduct a public service campaign to educate the public about: (a) smog ratings of motor vehicles; (b) the benefits to the state of lowering motor vehicle emissions; (c) financial assistance available through the program; and (d) any other program the division administers that is aimed at reducing air pollution or improving air quality in the applicable geographic area. (2) The division may issue a request for proposal to assist the division in fulfilling the requirements described in Subsection (1). Section 22. Section 19-2b-601 is enacted to read: Part 6. Non-highway Mobile Pollution 19-2b-601. Rail projects. (1) As used in this section: (a) "Rail project" means a project within the applicable geographic area that

relates to the use of railroad vehicles within the state. (b) "State money" includes money appropriated by the Legislature under Title 59, Chapter 21, Mineral Lease Funds. (2) A rail project that is funded in whole or in part with state money may not produce any emissions on or after December 31, 2024. Section 23. Section 19-2b-701 is enacted to read: **Part 7. Point Source Pollution** 19-2b-701\19-2a-107. Point source pollution reduction of bromine. (1) By no later than December 31, 2025, the division shall complete: (a) an inventory of point sources that emit bromine and that are located within the applicable geographic area, Tooele County, or Box Elder County; and (b) a plan for reducing bromine emissions by 50% by December 31, 2030, compared to a baseline of bromine emissions determined by the division within the applicable geographic area, Tooele County, and Box Elder County for fiscal year 2017. (2) The division shall publish the inventory and plan required under Subsection (1) on the division's web page. Section 24. Section 19-2b-702 is enacted to read: <u>19-2b-702.</u> Restrictions on increased of emissions or new emissions. An existing facility within the applicable geographic area, Tooele County, or Box Elder County, may not increase the amount of point source pollution or construct new point source pollution that would result in an increase of more than 15% of emissions in one year within a three-mile radius if a residence is located within the three-mile radius. Section 25. Section 19-2b-801 is enacted to read: **Part 8. Area Source Pollution** 19-2b-801. Nonresidential structure. (1) A nonresidential structure located within an emissions county for which a building permit is obtained on or after July 1, 2023, shall: (a) produce no emission after December 31, 2024; or (b) meet a reduced emission standard described in Subsection (2). (2) A reduced emission standard option under Subsection (1)(b) means one of the following:



obtained on or after July 1, 2023, shall: (a) produce no emissions after December 31, 2024, including emissions from furnace, water heater, dryer, or cooking emissions; or (b) meet a reduced emission standard described in Subsection (2). (2) Except as provided in Subsection (3), a reduced emission standard option under Subsection (1)(b) means one of the following: (a) on and after July 1, 2024, the residential structure shall meet a standard adopted under Subsection (6) that is equivalent to a Home Energy Rating System of 60 or below; (b) on and after December 31, 2027, the residential structure shall meet a standard adopted under Subsection (6) that is equivalent to a Home Energy Rating System of 25 or below; or (c) on and after December 31, 2030, the residential structure shall be fully net zero emissions. (3) (a) If a residential structure does not meet the requirements of Subsection (1)(a) or (b), for each unit of emissions from the residential structure an owner of the residential structure shall fund at least a reduction of 1.1 units of emissions in the same county from existing nonresidential structures, residential structures, or a combination of nonresidential and residential structures. (b) The Air Quality Board shall provide in rule, made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, how a unit of emissions is determined for purposes of this section. (4) (a) An owner of a residential structure for which a building permit is obtained on or after July 1, 2024, who sells the residential structure, shall disclose to the initial buyer the residential structure's score subject to rules made under Subsection (6). (b) An owner of a residential structure that is occupied on or after July 1, 2024, shall disclose to the buyer the average emissions during the preceding three years.

- (5) Unless the residential structure has zero emissions, an owner who sells a residential structure that is occupied on or after July 1, 2024, shall make improvements to the residential structure that result in a reduction in average yearly emissions of at least 5% over the yearly average from the previous two years.
 - (6) For purposes of this section, the Air Quality Board shall adopt, by rule made in

accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, standards to

measure the emissions of a residential structure. The standards shall assign a number score to a residential structure. (7) The division shall create a program that provides public information on how to measure average yearly emissions for purposes of this section. Section 27. Section 19-2b-803 is enacted to read: 19-2b-803. Wood burning stoves -- Solid fuel burning. (1) A person may not burn wood in a wood burning stove for heating on or after December 31, 2024, in an emissions county. (2) The division shall create a public awareness campaign, in consultation with representatives of the solid fuel burning industry, the health care industry, and members of the clean air community, on best wood burning practices and the effects of wood burning on air quality, specifically targeting the applicable geographic area. (3) (a) Subject to Subsection (3)(b), the division shall create a program to assist an individual to convert a dwelling to a pollution-free heating source, as funding allows, if the individual lives in a dwelling where wood burning is the sole or secondary source of heat. (b) In creating the program described in Subsection (3)(a), the division shall give preference to an applicant who: (i) has an adjusted gross household income of 250% or less of the federal poverty level; (ii) lives in a house where wood is the sole or supplemental source of heating; or (iii) lives within six miles of the Great Salt Lake Base and Meridian. (4) Notwithstanding Subsection (1), the division shall allow burning: (a) during local emergencies and utility outages; or (b) if the primary purpose of the burning is to cook food. (5) The division may seek private donations and federal sources of funding to supplement money appropriated by the Legislature to fulfill Subsection (3). Section 28. Section 19-2b-804 is enacted to read: 19-2b-804. Small off-road equipment. (1) As used in this section: } (a) "{Small off-road engine" means an engine that:

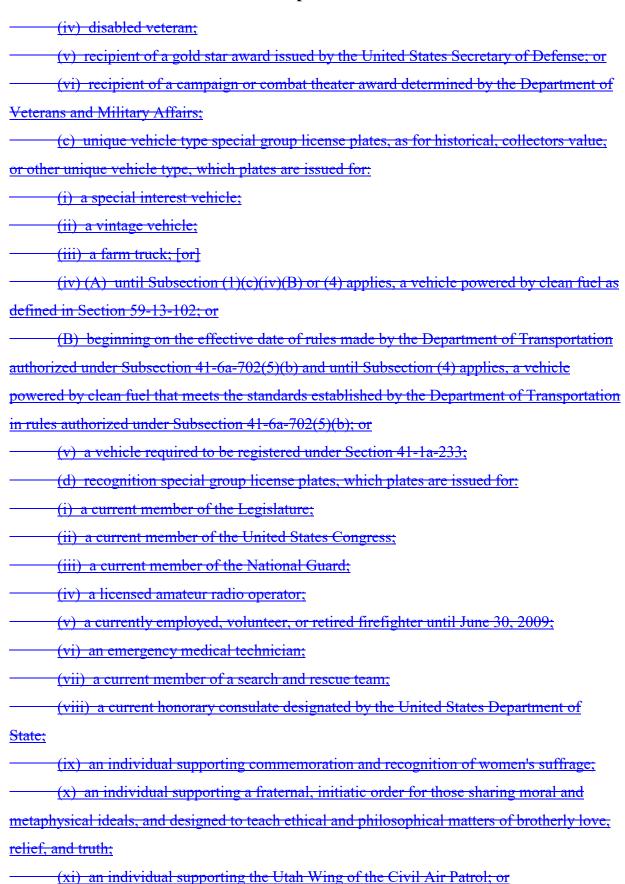
(i) (A) produces a gross horsepower of less than 25 horsepower, at or below 19
kilowatts for a 2005 or later model year; or
(B) is designed, through fuel feed, valve timing, or other method, to produce less than
25 horsepower, at or below 19 kilowatts for a 2005 or later model year;
(ii) is not used to propel:
(A) a licensed on-road motor vehicle;
(B) an off-road motorcycle;
(C) an all-terrain vehicle;
(D) a marine vessel;
(E) a snowmobile;
(F) a model airplane;
(G) a model car; or
(H) a model boat; and
(iii) include as uses:
(A) a lawn mower;
(B) a weed trimmer;
(C) a chain saw;
(D) a golf cart;
(E) a specialty vehicle;
(F) a generator;
(G) a pump; or
(II) a similar use.
(b) "Small off-road equipment" means an off-road equipment powered by a small
off-road engine or comparable electric motor or other power source.
(2) On or after July 1, 2024, a person may not sell within} Applicable geographic area"
means the counties in which the division knows bromine is emitted, including:
(i) Box Elder County;
(ii) Davis County;
(iii) Salt Lake County;
(iv) Tooele County;
(v) Utah County; and

(vi) Weber County. (b) "Division" means the Division of Air Quality created in Section 19-1-105. (2) By no later than December 31, 2024, the division shall complete: (a) an air emissions inventory of point sources in the applicable geographic area {gas-powered small off-road equipment for residential use. (3) This section does not apply to a small off-road engine or small off-road equipment that falls within the scope of the preemption under 42 U.S.C. Sec. 7543(e)(1)(A). Section 29. Section 26A-1-131 is enacted to read: 26A-1-131. Vehicle Emissions Reduction Program certification. (1) As used in this section: (a) "Eligible replacement vehicle" means the same as that term is defined in Section 19-2b-501. (b) "Participating dealer" means the same as that term is defined in Section 19-2b-501. (c) "Qualified vehicle owner" means the same as that term is defined in Section 19-2b-501. (d) "Vehicle Emissions Reduction Program" or "program" means the program established in Section 19-2b-501. (2) A local health department shall participate as described in this section in the Vehicle Emissions Reduction Program, if the local health department is located in a county that <u>is:</u> (a) required to have a motor vehicle emissions inspection and maintenance program under Section 41-6a-1642; or (b) located within that emit bromine; and (b) an emissions reduction plan to reduce bromine in the applicable geographic area . (3) In accordance with rules made under Section 19-2b-506, a local health department described in Subsection (2) shall accept an application to receive certification for financial assistance under the program. (4) After receiving an application for certification as described in Subsection (3), a local health department shall: (a) determine whether the applicant is a qualified vehicle owner; and (b) if the applicant is a qualified vehicle owner:

(i) determine the amount of assistance the qualified vehicle owner is eligible to receive in accordance with the sliding scale established under Section 19-2b-506; (ii) issue the qualified vehicle owner a certification stating: (A) the amount described in Subsection (4)(b)(i); and (B) any other information the Air Quality Board requires on the certification. (5) A local health department shall enter into agreements described in Sections 19-2b-504 and 19-2b-505 in accordance with rules the Air Quality Board makes as described in Section 19-2b-506. (6) A local health department that receives a participating dealer's request for reimbursement in accordance with Section 19-2b-504 shall reimburse the participating dealer for the amount the participating dealer credited the qualifying vehicle owner. (7) On a monthly basis, a local health department shall submit to the Division of Air **Ouality:** (a) a request for reimbursement that reflects the amount participating crushers or dismantlers submitted to the local health department} as of December 31, 2026: (i) by 90% compared to a baseline of calendar year 2017 for bromine; or (ii) if the division determines that the goal set under Subsection (19-2b-505(2)(b) deducted from the amount the local health department reimbursed participating dealers in accordance with Subsection (6); and (b) the documents and information submitted to the local health department \((2)(b)(i) is not feasible, by a percent reduction target compared to a baseline of calendar year 2017 that is practicable with available control technologies. (3) In determining for purposes of this section the baseline of calendar year 2017, the division shall supplement the division's data with data collected through calendar year 2023 to address data gaps, shutdowns, and shortcomings related to the 2017 baseline inventory. (4) Upon completion, the division shall publish the air emissions inventory and emissions reduction plan required under {Subsections 19-2b-504(2)(c) and 19-2b-505(2). Section 30. Section 41-1a-203 is amended to read: 41-1a-203. Prerequisites for registration, transfer of ownership, or registration renewal. (1) (a) (i) Except as provided in Subsection (1)(b), the division shall mail a notification

to the owner of a vehicle at least 30 days before the date the vehicle's registration is due to expire. (ii) The division shall ensure that mailing of notifications described in Section (1)(a)(i) begins as soon as practicable. (b) (i) The division shall provide a process for a vehicle owner to choose to receive electronic notification of the pending expiration of a vehicle's registration. (ii) If a vehicle owner chooses electronic notification, the division shall notify by email the owner of a vehicle at least 30 days before the date the vehicle's registration is due to expire. (2) Except as otherwise provided, before registration of a vehicle, an owner shall: (a) obtain an identification number inspection under Section 41-1a-204; (b) obtain a certificate of emissions inspection, if required in the current year, as provided under Section 41-6a-1642; (c) pay property taxes, the in lieu fee, or receive a property tax clearance under Section 41-1a-206 or 41-1a-207; (d) pay the automobile driver education tax required by Section 41-1a-208; (e) pay the applicable registration fee under Part 12, Fee and Tax Requirements; (f) pay the uninsured motorist identification fee under Section 41-1a-1218, if applicable; (g) pay the motor carrier fee under Section 41-1a-1219, if applicable; (h) pay any applicable local emissions compliance fee under Section 41-1a-1223; [and] (i) pay the taxes applicable under Title 59, Chapter 12, Sales and Use Tax Act[.]; (j) pay the vehicle emissions fee imposed under Section 19-2b-402 or 19-2b-403, if applicable; and (k) pay the clean air fee imposed under Section 19-2b-401, if applicable. (3) In addition to the requirements in Subsection (1), an owner of a vehicle that has not been previously registered or that is currently registered under a previous owner's name shall apply for a valid certificate of title in the owner's name before registration. (4) The division may not issue a new registration, transfer of ownership, or registration renewal under Section 73-18-7 for a vessel or outboard motor that is subject to this chapter unless a certificate of title has been or is in the process of being issued in the same owner's name.

(5) The division may not issue a new registration, transfer of ownership, or registration renewal under Section 41-22-3 for an off-highway vehicle that is subject to this chapter unless a certificate of title has been or is in the process of being issued in the same owner's name. (6) The division may not issue a registration renewal for a motor vehicle if the division has received a hold request for the motor vehicle for which a registration renewal has been requested as described in: (a) Section 72-1-213.1; or (b) Section 72-6-118. Section 31. Section 41-1a-233 is enacted to read: 41-1a-233. Air quality license plate. (1) If a motor vehicle is in the highest 1% of polluting vehicles as provided in Section 19-2b-402 or 19-2b-403, the owner of a motor vehicle who applies for registration under this part shall: (a) seek registration with an air quality license plate; (b) provide a signed statement that the owner will not operate or move, or allow another person to operate or move, the motor vehicle on a highway during a bad air day, as defined in Section 19-2b-101, to the extent prohibited under Section 41-1a-1321; and (c) enroll the motor vehicle in the air quality road usage program under Section 72-1-213.3. (2) A person may not register a motor vehicle described in Subsection (1) if the person does not comply with Subsection (1). Section 32. Section 41-1a-418 is amended to read: 41-1a-418. Authorized special group license plates. (1) The division shall only issue special group license plates in accordance with this section through Section 41-1a-422 to a person who is specified under this section within the categories listed as follows: (a) disability special group license plates issued in accordance with Section 41-1a-420; (b) honor special group license plates, as in a war hero, which plates are issued for a: (i) survivor of the Japanese attack on Pearl Harbor; (ii) former prisoner of war; (iii) recipient of a Purple Heart;



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

environmental sustainability through an organization affiliated with a professional men's socces
organization;
(xxiii) programs that support children with heart disease;
(xxiv) programs that support the operation and maintenance of the Utah Law
Enforcement Memorial;
(xxv) programs that provide assistance to children with cancer;
(xxvi) programs that promote leadership and career development through agricultural
education;
(xxvii) the Utah State Historical Society;
(xxviii) programs that promote motorcycle safety awareness;
(xxix) organizations that promote clean air through partnership, education, and
awareness;
(xxx) programs dedicated to strengthening the state's Latino community through
education, mentoring, and leadership opportunities;
(xxxi) organizations dedicated to facilitating, connecting, registering, and advocating
for organ donors and donor families;
(xxxii) public education on behalf of the Kiwanis International clubs;
(xxxiii) the Live On suicide prevention campaign; or
(xxxiv) the Division of State Parks to advance the Utah State Parks dark sky initiative.
(2) (a) The division may not issue a new type of special group license plate or decal
unless the division receives:
(i) (A) a private donation for the start-up fee established under Section 63J-1-504 for
the production and administrative costs of providing the new special group license plates or
decals; or
(B) a legislative appropriation for the start-up fee provided under Subsection
(2)(a)(i)(A); and
(ii) beginning on January 1, 2012, and for the issuance of a support special group
license plate authorized in Section 41-1a-422, at least 500 completed applications for the new
type of support special group license plate or decal to be issued with all fees required under this
part for the support special group license plate or decal issuance paid by each applicant.
(b) (i) Reginning on January 1, 2012, each participating organization shall collect and

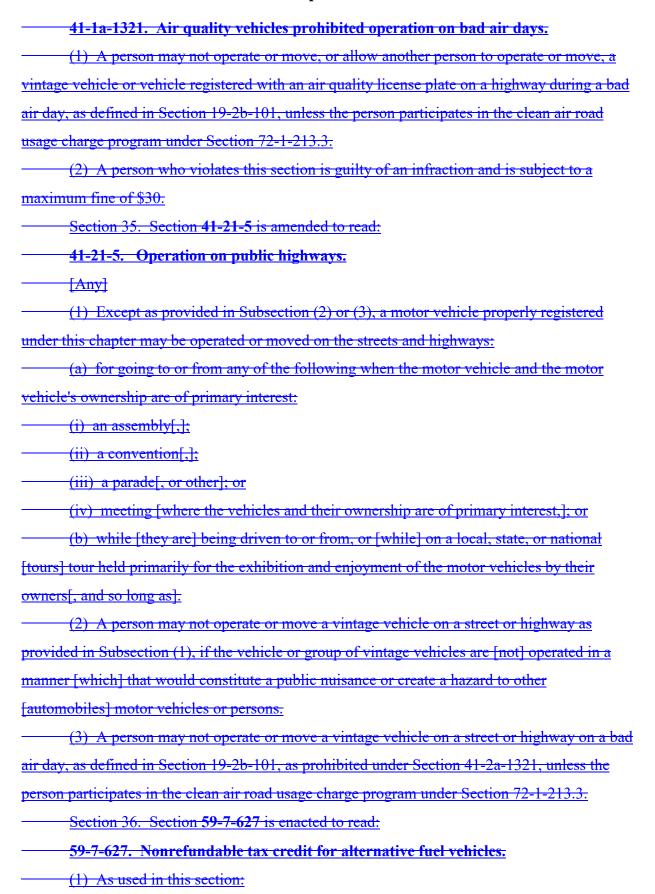
hold applications for support special group license plates or decals authorized in Section 41-1a-422 on or after January 1, 2012, until it has received at least 500 applications.

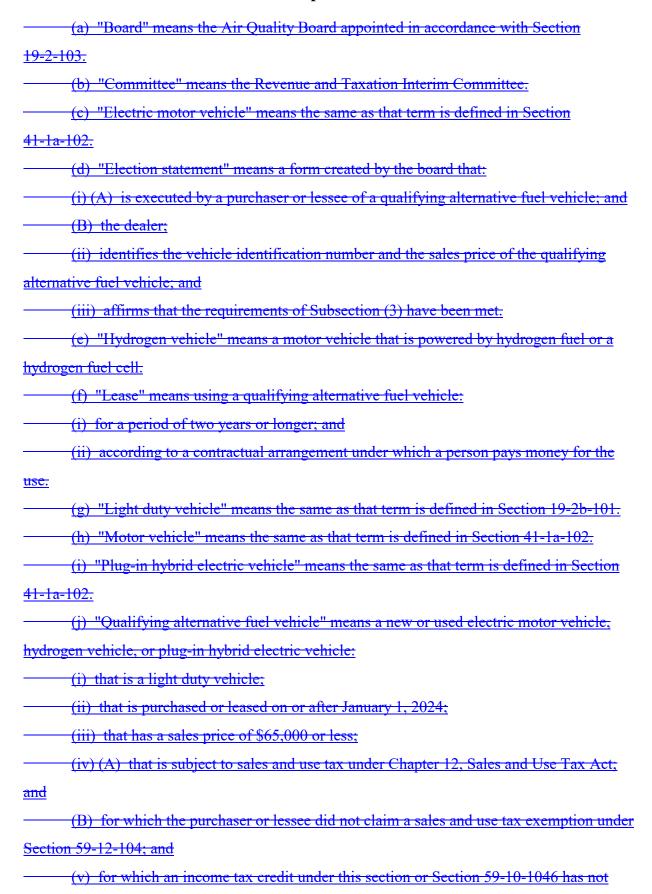
- (ii) Once a participating organization has received at least 500 applications, it shall submit the applications, along with the necessary fees, to the division for the division to begin working on the design and issuance of the new type of support special group license plate or decal to be issued.
- (iii) Beginning on January 1, 2012, the division may not work on the issuance or design of a new support special group license plate or decal authorized in Section 41-1a-422 until the applications and fees required under this Subsection (2) have been received by the division.
- (iv) The division shall begin issuance of a new support special group license plate or decal authorized in Section 41-1a-422 on or after January 1, 2012, no later than six months after receiving the applications and fees required under this Subsection (2).
- (c) (i) Beginning on July 1, 2009, the division may not renew a motor vehicle registration of a motor vehicle that has been issued a firefighter recognition special group license plate unless the applicant is a contributor as defined in Subsection 41-1a-422(1)(a)(ii)(D) to the Firefighter Support Restricted Account.
- (ii) A registered owner of a vehicle that has been issued a firefighter recognition special group license plate prior to July 1, 2009, upon renewal of the owner's motor vehicle registration shall:
- (A) be a contributor to the Firefighter Support Restricted Account as required under Subsection (2)(c)(i); or
- (B) replace the firefighter recognition special group license plate with a new license plate.
- (3) Beginning on July 1, 2011, if a support special group license plate or decal type authorized in Section 41-1a-422 and issued on or after January 1, 2012, has fewer than 500 license plates issued each year for a three consecutive year time period that begins on July 1, the division may not issue that type of support special group license plate or decal to a new applicant beginning on January 1 of the following calendar year after the three consecutive year time period for which that type of support special group license plate or decal has fewer than 500 license plates issued each year.
 - (4) Beginning on July 1, 2011, the division may not issue to an applicant a unique

- vehicle type license plate for a vehicle powered by clean fuel under Subsection (1)(c)(iv). (5) (a) Beginning on October 1, 2017, the division may not issue a new prostate cancer support special group license plate. (b) A registered owner of a vehicle that has been issued a prostate cancer support special group license plate before October 1, 2017, may renew the owner's motor vehicle registration, with the contribution allocated as described in Section 41-1a-422. Section 33. Section 41-1a-1201 is amended to read: 41-1a-1201. Disposition of fees. (1) [All fees] Fees received and collected under this part shall be transmitted daily to the state treasurer. (2) Except as provided in Subsections (3), (6), (7), (8), and (9) and Sections 19-2b-401, 19-2b-402, 19-2b-403, 41-1a-422, 41-1a-1220, 41-1a-1221, and 41-1a-1223 [all], fees collected under this part shall be deposited into the Transportation Fund. (3) Funds generated under Subsections 41-1a-1211(1)(b)(ii), (6)(b)(ii), and (7) and Section 41-1a-1212 may be used by the commission to cover the costs incurred in issuing license plates under Part 4, License Plates and Registration Indicia. (4) In accordance with Section 63J-1-602.2, [all] funds available to the commission for the purchase and distribution of license plates and decals are nonlapsing. (5) (a) Except as provided in Subsections (3) and (5)(b) and Section 41-1a-1205, the expenses of the commission in enforcing and administering this part shall be provided for by legislative appropriation from the revenues of the Transportation Fund. (b) Three dollars of the registration fees imposed under Subsections 41-1a-1206(2)(a) and (b) for each vehicle registered for a six-month registration period under Section 41-1a-215.5 may be used by the commission to cover the costs incurred in enforcing and administering this part. (c) Fifty cents of the registration fee imposed under Subsection 41-1a-1206(1)(i) for each vintage vehicle that has a model year of 1981 or newer may be used by the commission to cover the costs incurred in enforcing and administering this part.
- (6) (a) The following portions of the registration fees imposed under Section 41-1a-1206 for each vehicle shall be deposited into the Transportation Investment Fund of 2005 created under Section 72-2-124:

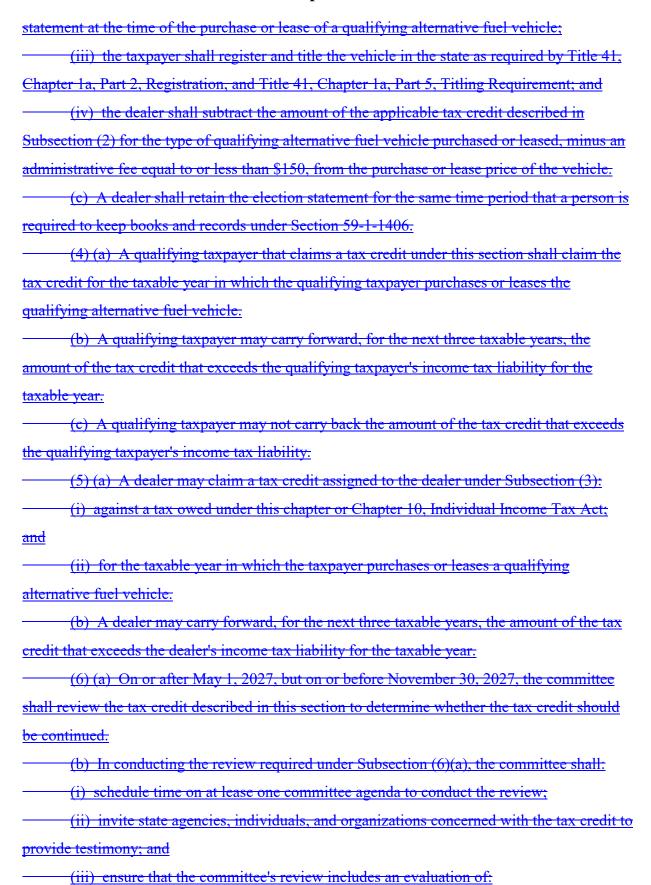
(i) \$30 of the registration fees imposed under Subsections 41-1a-1206(1)(a), (1)(b), (1)(f), (4), and (7); (ii) \$21 of the registration fees imposed under Subsections 41-1a-1206(1)(c)(i) and $\frac{(1)(c)(ii)}{(ii)}$ (iii) \$2.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(ii); (iv) \$23 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(i); (v) \$24.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(i); and (vi) \$1 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(ii). (b) The following portions of the registration fees collected for each vehicle registered for a six-month registration period under Section 41-1a-215.5 shall be deposited into the Transportation Investment Fund of 2005 created by Section 72-2-124: (i) \$23.25 of each registration fee collected under Subsection 41-1a-1206(2)(a)(i); and (ii) \$23 of each registration fee collected under Subsection 41-1a-1206(2)(a)(ii). (7) (a) Ninety-four cents of each registration fee imposed under Subsections 41-1a-1206(1)(a) and (b) for each vehicle shall be deposited into the Public Safety Restricted Account created in Section 53-3-106. (b) Seventy-one cents of each registration fee imposed under Subsections 41-1a-1206(2)(a) and (b) for each vehicle registered for a six-month registration period under Section 41-1a-215.5 shall be deposited into the Public Safety Restricted Account created in Section 53-3-106. (8) (a) One dollar of each registration fee imposed under Subsections 41-1a-1206(1)(a) and (b) for each vehicle shall be deposited into the Motor Vehicle Safety Impact Restricted Account created in Section 53-8-214. (b) One dollar of each registration fee imposed under Subsections 41-1a-1206(2)(a) and (b) for each vehicle registered for a six-month registration period under Section 41-1a-215.5 shall be deposited into the Motor Vehicle Safety Impact Restricted Account created in Section 53-8-214. (9) Fifty cents of each registration fee imposed under Subsection 41-1a-1206(1)(a) for each motorcycle shall be deposited into the Spinal Cord and Brain Injury Rehabilitation Fund created in Section 26-54-102.

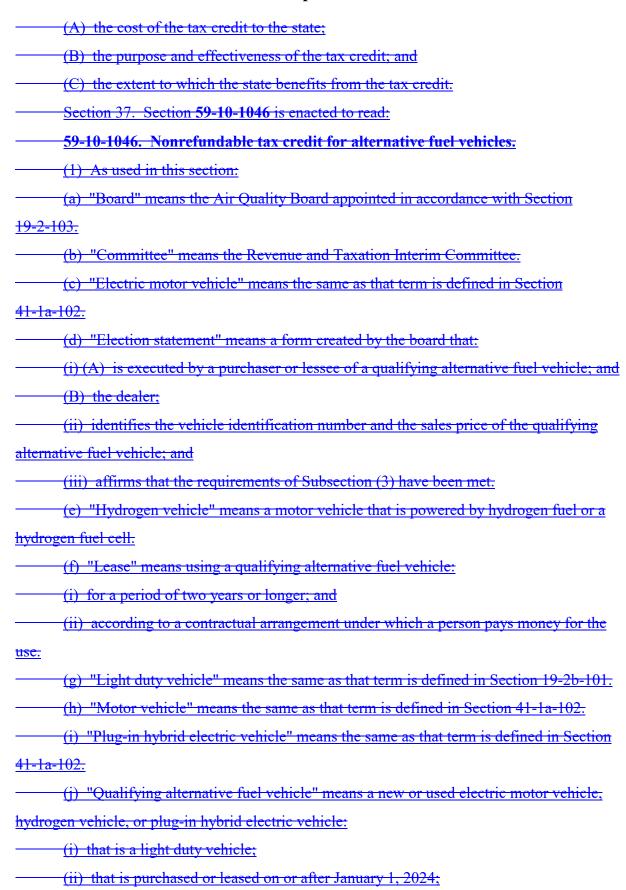
Section 34. Section 41-1a-1321 is enacted to read:





previously been claimed. (k) "Qualifying taxpayer" means a taxpayer that has not assigned a tax credit under this section in accordance with Subsection (3). (1) "Sales price" means: (i) for the purchase of a qualifying alternative fuel vehicle, the price before subtracting: (A) the value of any trade-in vehicle; (B) the amount of a tax credit under this section; and (C) the amount of sales and use tax due under Chapter 12, Sales and Use Tax Act; or (ii) for a lease of a qualifying alternative fuel vehicle, the manufacturer's suggested retail price. (2) For a taxable year beginning on or after January 1, 2024, but beginning on or before December 31, 2027, a qualifying taxpayer or a dealer may claim a nonrefundable tax credit for the purchase or lease of a qualifying alternative fuel vehicle equal to: (a) \$3,000, for the purchase of a new qualifying alternative fuel vehicle that is a light duty vehicle but not a motorcycle; (b) \$2,000, for the purchase of a used qualifying alternative fuel vehicle that is a light duty vehicle but not a motorcycle; (c) \$1,500, for the purchase of a new qualifying alternative fuel vehicle that is a motorcycle; (d) \$1,000, for the purchase of a used qualifying alternative fuel vehicle that is a motorcycle; (e) \$1,500, for the lease of a qualifying alternative fuel vehicle that is a light duty vehicle but not a motorcycle; or (f) \$1,000, for the lease of a qualifying alternative fuel vehicle that is a motorcycle. (3) (a) Except as provided in Subsection (3)(b), a taxpayer may not assign a tax credit under this section to another person. (b) A taxpayer shall assign a tax credit under this section to a dealer as follows: (i) in exchange for the consideration described in Subsection (3)(b)(iv), the taxpayer shall assign the tax credit to the dealer and forfeit the right to claim the tax credit on the taxpayer's income tax return; (ii) the taxpayer shall assign the tax credit to the dealer by executing an election





(iii) that has a sales price of \$65,000 or less;
(iv) (A) that is subject to sales and use tax under Chapter 12, Sales and Use Tax Act;
and
(B) for which the purchaser or lessee did not claim a sales and use tax exemption under
Subsection 59-12-104; and
(v) for which an income tax credit under this section or Section 59-7-627 has not
previously been claimed.
(k) "Qualifying claimant" means a claimant, estate, or trust that has not assigned a tax
credit under this section in accordance with Subsection (3).
(1) "Sales price" means:
(i) for the purchase of a qualifying alternative fuel vehicle, the price before subtracting
(A) the value of any trade-in vehicle;
(B) the amount of a tax credit under this section; and
(C) the amount of sales and use tax due under Chapter 12, Sales and Use Tax Act; or
(ii) for a lease of a qualifying alternative fuel vehicle, the manufacturer's suggested
retail price.
(2) For a taxable year beginning on or after January 1, 2024, but beginning on or before
December 31, 2027, a qualifying claimant, estate, or trust or a dealer may claim a
nonrefundable tax credit for the purchase or lease of a qualifying alternative fuel vehicle equal
to:
(a) \$3,000, for the purchase of a new qualifying alternative fuel vehicle that is a light
duty vehicle but not a motorcycle;
(b) \$2,000, for the purchase of a used qualifying alternative fuel vehicle that is a light
duty vehicle but not a motorcycle;
(c) \$1,500, for the purchase of a new qualifying alternative fuel vehicle that is a
motorcycle;
(d) \$1,000, for the purchase of a used qualifying alternative fuel vehicle that is a
motoreyele;
(e) \$1,500, for the lease of a qualifying alternative fuel vehicle that is a light duty
vehicle but not a motorcycle; or
(f) \$1,000, for the lease of a qualifying alternative fuel vehicle that is a motorcycle.
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(3) (a) Except as provided in Subsection (3)(b), a claimant, estate, or trust may not assign a tax credit under this section to another person. (b) A claimant, estate, or trust shall assign a tax credit under this section to a dealer as follows: (i) in exchange for the consideration described in Subsection (3)(b)(iv), the claimant, estate, or trust shall assign the tax credit to the dealer and forfeit the right to claim the tax credit on the claimant's, estate's, or trust's income tax return; (ii) the claimant, estate, or trust shall assign the tax credit to the dealer by executing an election statement at the time of the purchase or lease of a qualifying alternative fuel vehicle; (iii) the claimant, estate, or trust shall register and title the vehicle in the state as required by Title 41, Chapter 1a, Part 2, Registration, and Title 41, Chapter 1a, Part 5, Titling Requirement; and (iv) the dealer shall subtract the amount of the applicable tax credit described in Subsection (2) for the type of qualifying alternative fuel vehicle purchased or leased, minus an administrative fee equal to or less than \$150, from the purchase or lease price of the vehicle. (4) (a) A qualifying claimant that claims a tax credit under this section shall claim the tax credit for the taxable year in which the qualifying claimant purchases or leases the qualifying alternative fuel vehicle. (b) A qualifying claimant may carry forward, for the next three taxable years, the amount of the tax credit that exceeds the qualifying claimant's income tax liability for the taxable year. (c) A qualifying claimant may not carry back the amount of the tax credit that exceeds the qualifying claimant's income tax liability. (5) (a) A dealer may claim a tax credit assigned to the dealer under Subsection (3): (i) against a tax owed under this chapter or Chapter 7, Corporate Franchise and Income Taxes; and (ii) for the taxable year in which the claimant, estate, or trust purchases or leases a qualifying alternative fuel vehicle. (b) A dealer may carry forward, for the next three taxable years, the amount of the tax credit that exceeds the dealer's income tax liability for the taxable year.

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

shall review the tax credit described in this section to determine whether the tax credit should be continued. (b) In conducting the review required under Subsection (6)(a), the committee shall: (i) schedule time on at least one committee agenda to conduct the review; (ii) invite state agencies, individuals, and organizations concerned with the tax credit to provide testimony; and (iii) ensure that the committee's review includes an evaluation of: (A) the cost of the tax credit to the state; (B) the purpose and effectiveness of the tax credit; and (C) the extent to which the state benefits from the tax credit. Section 38. Section 59-13-201 is amended to read: 59-13-201. Rate -- Tax basis -- Exemptions -- Revenue deposited into the Transportation Fund -- Restricted account for boating uses -- Refunds -- Reduction of tax in limited circumstances. (1) (a) Subject to the provisions of this section and except as provided in [Subsection] Subsections (1)(e) and (f), a tax is imposed at the rate of 16.5% of the statewide average rack price of a gallon of motor fuel per gallon upon all motor fuel that is sold, used, or received for sale or used in this state. (b) (i) Until December 31, 2018, and subject to the requirements under Subsection (1)(c), the statewide average rack price of a gallon of motor fuel under Subsection (1)(a) shall be determined by calculating the previous fiscal year statewide average rack price of a gallon of regular unleaded motor fuel, excluding federal and state excise taxes, for the 12 months ending on the previous June 30 as published by an oil pricing service. (ii) Beginning on January 1, 2019, and subject to the requirements under Subsection (1)(c), the statewide average rack price of a gallon of motor fuel under Subsection (1)(a) shall be determined by calculating the previous three fiscal years statewide average rack price of a gallon of regular unleaded motor fuel, excluding federal and state excise taxes, for the 36 months ending on the previous June 30 as published by an oil pricing service. (c) (i) Subject to the requirement in Subsection (1)(c)(ii), the statewide average rack price of a gallon of motor fuel determined under Subsection (1)(b) may not be less than \$1.78 per gallon.

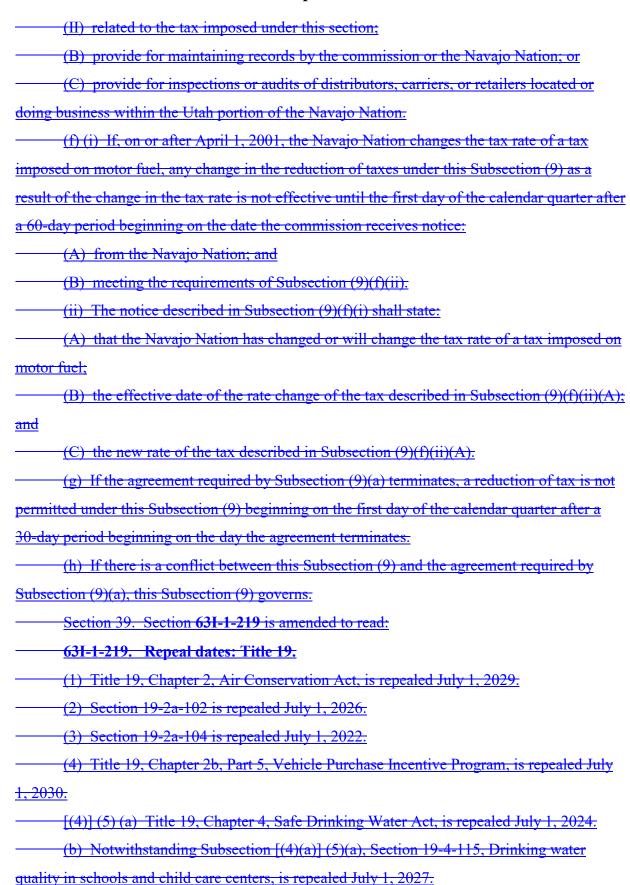
(ii) Beginning on January 1, 2019, the commission shall, on January 1, annually adjust the minimum statewide average rack price of a gallon of motor fuel described in Subsection (1)(c)(i) by taking the minimum statewide average rack price of a gallon of motor fuel for the previous calendar year and adding an amount equal to the greater of: (A) an amount calculated by multiplying the minimum statewide average rack price of a gallon of motor fuel for the previous calendar year by the actual percent change during the previous fiscal year in the Consumer Price Index; and (B) 0. (iii) The statewide average rack price of a gallon of motor fuel determined by the commission under Subsection (1)(b) may not exceed \$2.43 per gallon. (iv) The minimum statewide average rack price of a gallon of motor fuel described and adjusted under Subsections (1)(c)(i) and (ii) may not exceed the maximum statewide average rack price of a gallon of motor fuel under Subsection (1)(c)(iii). (d) (i) The commission shall annually: (A) determine the statewide average rack price of a gallon of motor fuel in accordance with Subsections (1)(b) and (c); (B) adjust the fuel tax rate imposed under Subsection (1)(a), rounded to the nearest one-tenth of a cent, based on the determination under Subsection (1)(b); (C) publish the adjusted fuel tax as a cents per gallon rate; and (D) post or otherwise make public the adjusted fuel tax rate as determined in Subsection (1)(d)(i)(B) no later than 60 days before the annual effective date under Subsection (1)(d)(ii). (ii) The tax rate imposed under this Subsection (1) and adjusted as required under Subsection (1)(d)(i) shall take effect on January 1 of each year. (e) In lieu of the tax imposed under Subsection (1)(a) and subject to the provisions of this section, a tax is imposed at the rate of 3/19 of the rate imposed under Subsection (1)(a), rounded up to the nearest penny, upon all motor fuels that meet the definition of clean fuel in Section 59-13-102 and are sold, used, or received for sale or use in this state. (f) (i) In lieu of the tax imposed under Subsection (1)(a) and subject to the provisions of this section, a tax is imposed at the rate of three times the rate imposed under Subsection (1)(a) upon motor fuel that:

(A) is sold for retail sale within an emissions county, as defined in Section 19-2b-101; and (B) does not meet the United States Environmental Protection Agency's Tier 3 gasoline sulfur standard described in 40 C.F.R. Sec. 79.54. (ii) The commission may not exempt from this Subsection (1)(f) a small business as described in 40 C.F.R. Sec. 79.58. (2) Any increase or decrease in tax rate applies to motor fuel that is imported to the state or sold at refineries in the state on or after the effective date of the rate change. (3) (a) No motor fuel tax is imposed upon: (i) motor fuel that is brought into and sold in this state in original packages as purely interstate commerce sales; (ii) motor fuel that is exported from this state if proof of actual exportation on forms prescribed by the commission is made within 180 days after exportation; (iii) motor fuel or components of motor fuel that is sold and used in this state and distilled from coal, oil shale, rock asphalt, bituminous sand, or solid hydrocarbons located in this state; or (iv) motor fuel that is sold to the United States government, this state, or the political subdivisions of this state. (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall make rules governing the procedures for administering the tax exemption provided under Subsection (3)(a)(iv). (4) The commission may either collect no tax on motor fuel exported from the state or, upon application, refund the tax paid. (5) (a) [All revenue] Revenue received by the commission under this part shall be deposited daily with the state treasurer and credited to the Transportation Fund. (b) An appropriation from the Transportation Fund shall be made to the commission to cover expenses incurred in the administration and enforcement of this part and the collection of the motor fuel tax. (6) (a) The commission shall determine what amount of motor fuel tax revenue is received from the sale or use of motor fuel used in motorboats registered under Title 73, Chapter 18, State Boating Act, and this amount shall be deposited into a restricted revenue

account in the General Fund of the state.

- (b) The funds from this account shall be used for the construction, improvement, operation, and maintenance of state-owned boating facilities and for the payment of the costs and expenses of the Division of Outdoor Recreation in administering and enforcing Title 73, Chapter 18, State Boating Act.
- (7) (a) The United States government or any of its instrumentalities, this state, or a political subdivision of this state that has purchased motor fuel from a licensed distributor or from a retail dealer of motor fuel and has paid the tax on the motor fuel as provided in this section is entitled to a refund of the tax and may file with the commission for a quarterly refund.
- (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall make rules governing the application and refund provided for in Subsection (7)(a).
- (8) (a) The commission shall refund annually into the Off-highway Vehicle Account in the General Fund an amount equal to .5% of the motor fuel tax revenues collected under this section.
- (b) This amount shall be used as provided in Section 41-22-19.
- (9) (a) Beginning on April 1, 2001, a tax imposed under this section on motor fuel that is sold, used, or received for sale or use in this state is reduced to the extent provided in Subsection (9)(b) if:
- (i) a tax imposed on the basis of the sale, use, or receipt for sale or use of the motor fuel is paid to the Navajo Nation;
- (ii) the tax described in Subsection (9)(a)(i) is imposed without regard to whether or not the person required to pay the tax is an enrolled member of the Navajo Nation; and
- (iii) the commission and the Navajo Nation execute and maintain an agreement as provided in this Subsection (9) for the administration of the reduction of tax.
- (b) (i) If but for Subsection (9)(a) the motor fuel is subject to a tax imposed by this section:
- (A) the state shall be paid the difference described in Subsection (9)(b)(ii) if that difference is greater than \$0; and
- (B) a person may not require the state to provide a refund, a credit, or similar tax relief

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

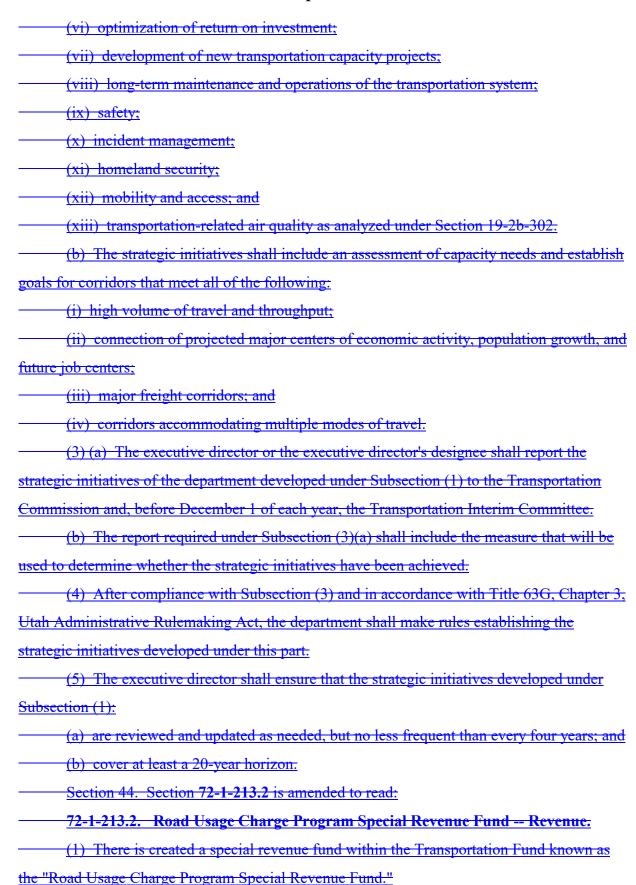


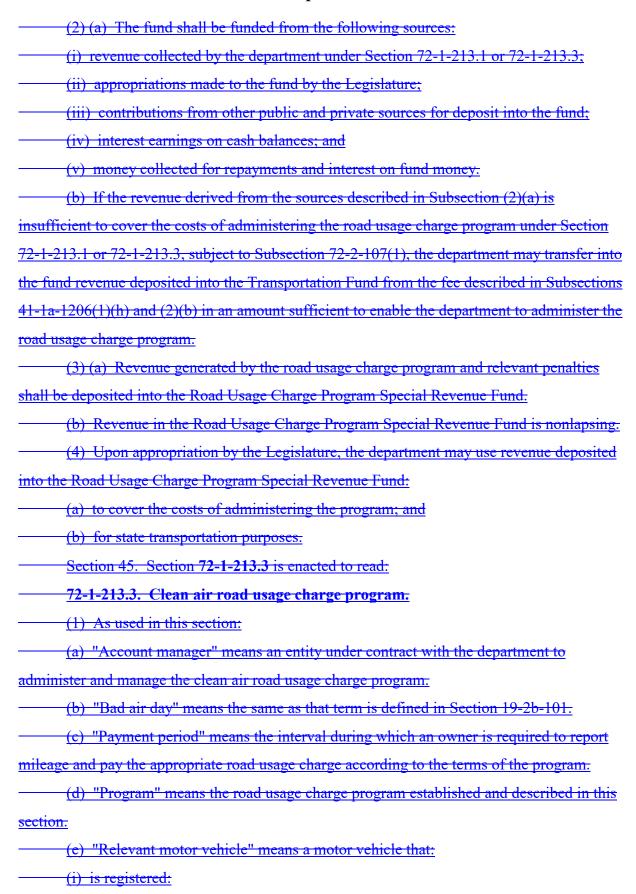
[(5)] (6) Title 19, Chapter 5, Water Quality Act, is repealed July 1, 2029. [(6)] (7) Title 19, Chapter 6, Part 1, Solid and Hazardous Waste Act, is repealed July 1, 2029. [(7)] (8) Title 19, Chapter 6, Part 3, Hazardous Substances Mitigation Act, is repealed July 1, 2030. [(8)] (9) Title 19, Chapter 6, Part 4, Underground Storage Tank Act, is repealed July 1, 2028. [(9)] (10) Title 19, Chapter 6, Part 6, Lead Acid Battery Disposal, is repealed July 1, 2026. [(10)] (11) Title 19, Chapter 6, Part 7, Used Oil Management Act, is repealed July 1, 2029. -[(11)] (12) Title 19, Chapter 6, Part 8, Waste Tire Recycling Act, is repealed July 1, 2030. [(12)] (13) Title 19, Chapter 6, Part 10, Mercury Switch Removal Act, is repealed July 1, 2027. Section 40. Section 63I-1-226 is amended to read: 63I-1-226. Repeal dates: Titles 26 through 26B. (1) Section 26-1-7.5, which creates the Utah Health Advisory Council, is repealed July 1, 2025. (2) Section 26-1-40 is repealed July 1, 2022. (3) Section 26-1-41 is repealed July 1, 2026. (4) Section 26-1-43 is repealed December 31, 2025. (5) Section 26-7-10 is repealed July 1, 2025. (6) Subsection 26-7-11(5), regarding reports to the Legislature, is repealed July 1, 2028. (7) Section 26-7-14 is repealed December 31, 2027. (8) Section 26-8a-603 is repealed July 1, 2027. (9) Title 26, Chapter 9f, Utah Digital Health Service Commission Act, is repealed July 1.2025. (10) Subsection 26-10-6(5), which creates the Newborn Hearing Screening Committee, is repealed July 1, 2026.

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

(29) Title 26, Chapter 68, COVID-19 Vaccine Restrictions Act, is repealed July 1, 2024. (30) Section 26-69-406 is repealed July 1, 2025. (31) Section 26A-1-131, Vehicle Emissions Reduction Program certification, is repealed July 1, 2030. [(31)] (32) Subsection 26B-1-204(2)(i), related to the Residential Child Care Licensing Advisory Committee, is repealed July 1, 2024. [(32)] (33) Subsection 26B-1-204(2)(k), related to the Primary Care Grant Committee, is repealed July 1, 2025. Section 41. Section 63I-2-259 is amended to read: 631-2-259. Repeal dates: Title 59. (1) In Section 59-2-926, the language that states "applicable" and "or 53F-2-301.5" is repealed July 1, 2023. (2) Subsection 59-7-610(8), relating to claiming a tax credit in the same taxable year as the targeted business income tax credit, is repealed December 31, 2024. (3) Subsection 59-7-614.10(5), relating to claiming a tax credit in the same taxable year as the targeted business income tax credit, is repealed December 31, 2024. (4) Section 59-7-624 is repealed December 31, 2024. (5) Section 59-7-627, creating a nonrefundable tax credit for alternative fuel vehicles, is repealed December 31, 2029. [(5)] (6) Subsection 59-10-210(2)(b)(vi) is repealed December 31, 2024. [(6)] (7) Subsection 59-10-1007(8), relating to claiming a tax credit in the same taxable year as the targeted business income tax credit, is repealed December 31, 2024. [(7)] (8) Subsection 59-10-1037(5), relating to claiming a tax credit in the same taxable year as the targeted business income tax credit, is repealed December 31, 2024. (9) Section 59-10-1046, creating a nonrefundable tax credit for alternative fuel vehicles, is repealed December 31, 2029. [(8)] (10) Section 59-10-1112 is repealed December 31, 2024. Section 42. Section 63I-2-272 is amended to read: 63I-2-272. Repeal dates: Title 72. (1) Subsections 72-1-213.1(13)(a) and (b), related to the road usage charge rate and

road usage charge cap, are repealed January 1, 2033.
(2) Subsections 72-1-213.3(13)(a) and (b), related to the air quality road usage charge
rate and road charge cap, are repealed January 1, 2034.
[(2)] (3) Section 72-1-216.1 is repealed January 1, 2023.
[(3)] (4) Section 72-4-105.1 is repealed on January 1, 2024.
Section 43. Section 72-1-211 is amended to read:
72-1-211. Department to develop strategic initiatives Report Rulemaking.
(1) (a) The executive director shall develop statewide strategic initiatives across all
modes of transportation.
(b) To develop the strategic initiatives described in Subsection (1)(a), the executive
director shall consult with the commission and relevant stakeholders, including:
(i) metropolitan planning organizations;
(ii) county and municipal governments;
(iii) transit districts; and
(iv) other transportation stakeholders.
(c) To develop the strategic initiatives described in Subsection (1)(a), the executive
director shall consider:
(i) regional transportation plans developed by metropolitan planning organizations;
(ii) local transportation plans developed by county and municipal governments;
(iii) public transit plans developed by public transit districts; and
(iv) other relevant transportation plans developed by other stakeholders.
(d) To develop the strategic initiatives described in Subsection (1)(a), the executive
director shall consider projected major centers of economic activity, population growth, and
job centers.
(2) (a) The strategic initiatives developed under Subsection (1) shall include
consideration of the following factors:
(i) corridor preservation;
(ii) congestion reduction;
(iii) economic development and job creation;
(iv) asset management;
(v) sustainability;

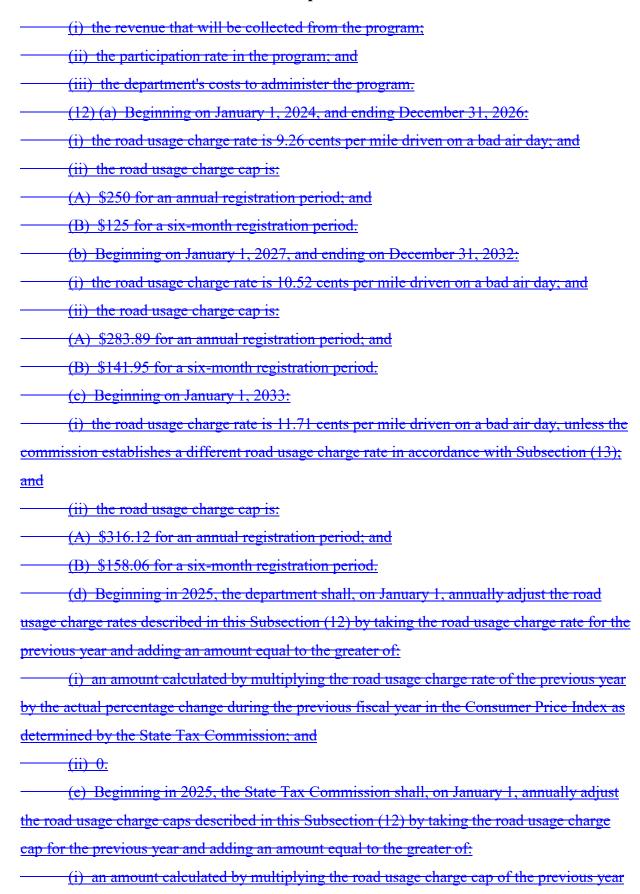


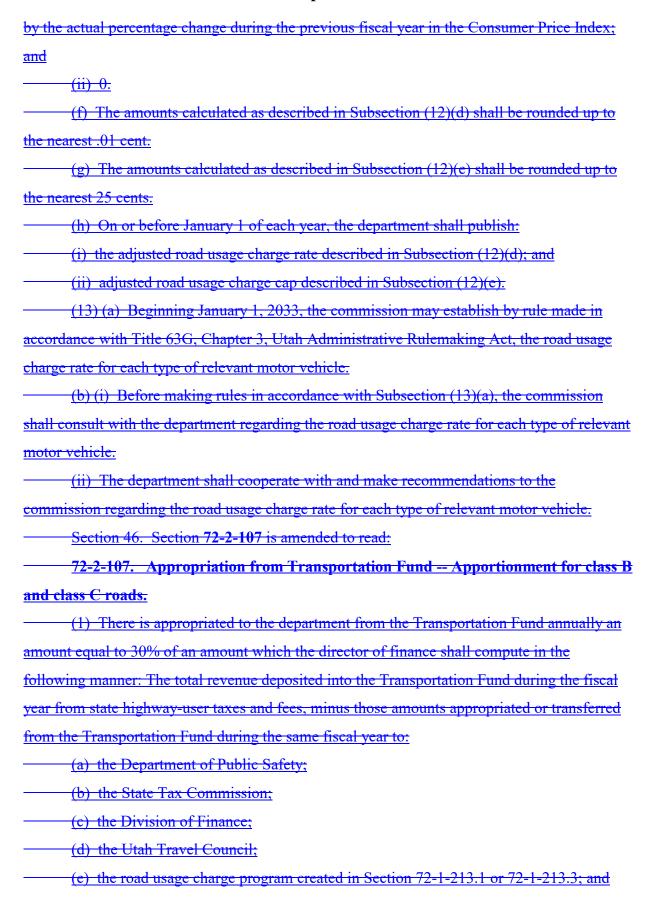


(A) under Section 41-1a-233; or
(B) as a vintage vehicle under Section 41-1a-226; and
(ii) is not an alternative fuel vehicle, as defined in Section 72-1-213.1.
(f) "Road usage charge cap" means the maximum fee charged to a participant in the
program for a registration period.
(g) "Road usage charge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

(vii) procedures to provide security and protection of personal information and data connected to the program, and penalties for account managers for violating privacy protection rules; (viii) penalty procedures for a program participant's failure to pay a road usage charge or tampering with a device necessary for the program; and (ix) department oversight of an account manager, including privacy protection of personal information and access and auditing capability of financial and other records related to administration of the program; and (b) may make rules to establish: (i) a process for collection of an unpaid road usage charge or penalty, or (ii) integration of the program with other similar programs, such as tolling. (6) Revenue generated by the program and relevant penalties shall be deposited into the Road Usage Charge Program Special Revenue Fund. (7) (a) The department may: (i) (A) impose a penalty for failure to timely pay a road usage charge according to the terms of the program or tampering with a device necessary for the program; and (B) request that the Division of Motor Vehicles place a hold on the registration of the owner's or lessee's relevant motor vehicle for failure to pay a road usage charge according to the terms of the program; (ii) send correspondence to the owner of a relevant motor vehicle to inform the owner or lessee of: (A) the road usage charge program, implementation, and procedures; (B) an unpaid road usage charge and the amount of the road usage charge to be paid to the department; (C) the penalty for failure to pay a road usage charge within the time period described in Subsection (7)(a)(iii); and (D) a hold being placed on the owner's or lessee's registration for the relevant motor vehicle, if the road usage charge and penalty are not paid within the time period described in Subsection (7)(a)(iii), which would prevent the renewal of the relevant motor vehicle's registration; and (iii) require that the owner or lessee of the relevant motor vehicle pay the road usage

charge to the department within 30 days of the date when the department sends written notice of the road usage charge to the owner or lessee. (b) The department shall send the correspondence and notice described in Subsection (7)(a) to the owner of the relevant motor vehicle according to the terms of the program. (8) (a) The Division of Motor Vehicles and the department shall share and provide access to information pertaining to a relevant motor vehicle and participation in the program including: (i) registration and ownership information pertaining to a relevant motor vehicle; (ii) information regarding the failure of an owner or lessee of a relevant motor vehicle to pay a road usage charge or penalty imposed under this section within the time period described in Subsection (7)(a)(iii); and (iii) the status of a request for a hold on the registration of a relevant motor vehicle. (b) If the department requests a hold on a registration in accordance with this section, the Division of Motor Vehicles may not renew the registration of a motor vehicle under Title 41, Chapter 1a, Part 2, Registration, until the department withdraws the hold request. (9) The owner of a relevant motor vehicle shall apply for enrollment in the program or withdraw from the program according to the terms established by the department pursuant to rules made under Subsection (5). (10) If enrolled in the program, the owner or lessee of a relevant motor vehicle shall: (a) report mileage driven as required by the department pursuant to Subsection (5); (b) pay the road usage fee for each payment period in accordance with Subsection (5); and (c) comply with all other provisions of this section and other requirements of the program. (11) The department shall submit annually, on or before October 1, to the Transportation Interim Committee, an electronic report that: (a) states for the preceding fiscal year: (i) the amount of revenue collected from the program; (ii) the participation rate in the program; and (iii) the department's costs to administer the program; and (b) provides for the current fiscal year, an estimate of:





- (f) any other amounts appropriated or transferred for any other state agencies not a part of the department. (2) (a) Except as provided in Subsections (2)(b) and (c), all of the money appropriated in Subsection (1) shall be apportioned among counties and municipalities for class B and class C roads as provided in this title. (b) The department shall annually transfer \$500,000 of the amount calculated under Subsection (1) to the State Park Access Highways Improvement Program created in Section 72-3-207. (c) Administrative costs of the department to administer class B and class C roads shall be paid from funds calculated under Subsection (1). (3) Each quarter of every year the department shall make the necessary accounting entries to transfer the money appropriated under this section for class B and class C roads. (4) The funds appropriated for class B and class C roads shall be expended under the direction of the department as the Legislature shall provide. Section 47. Repealer. This bill repeals: Section 19-2-107.5, Solid fuel burning. Subsection (2) on the division's public website. (5) The division shall report to the Natural Resources, Agriculture, and Environment Interim Committee regarding the status of the air emissions inventory and emissions reduction plan:
- (a) on or before the 2023 November interim committee meeting of the Natural Resources, Agriculture, and Environment Interim Committee; and
- (b) on or before the 2024 November interim committee meeting of the Natural Resources, Agriculture, and Environment Interim Committee.