2008 -- H 7524 SUBSTITUTE A

LC01943/SUB A

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2008

AN ACT

RELATING TO MOTOR AND OTHER VEHICLES - DIESEL EMISSIONS REDUCTION ACT

<u>Introduced By:</u> Representatives Sullivan, Winfield, O`Neill, Melo, and Segal <u>Date Introduced:</u> February 26, 2008 Referred To: House Environment and Natural Resources

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 31-47.3-2 and 31-47.3-3 of the General Laws in Chapter 31-47.3

2 entitled "The Diesel Emissions Reduction Act" are hereby amended to read as follows:

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<u>31-47.3-2. Definitions. --</u> When used in this chapter:

4 (1) "Best available retrofit technology" means technology, verified by the United States
5 Environmental Protection Agency or California Air Resources Board (CARB) for achieving
6 reductions in particulate matter emissions at the highest classification level for diesel emission
7 control strategies that is applicable to the particular engine and application. Such technology shall
8 not result in a net increase in nitrogen oxides.

9 (2) "Heavy duty vehicle" or "vehicle" means any on-road or nonroad vehicle powered by
10 diesel fuel and having a gross vehicle weight of greater than fourteen thousand (14,000) pounds.

(3) "Director" refers to the director of the department of environmental management(DEM).

(4) "Level 1 control" means a verified diesel emission control device that achieves a
particulate matter (PM) reduction of twenty-five percent (25%) or more compared to uncontrolled
engine emissions levels.

(5) "Level 2 control" means a verified diesel emission control device that achieves a
particulate matter (PM) emission reduction of fifty percent (50%) or more compared to
uncontrolled engine emission levels.

1 (6) "Level 3 control" means a verified diesel emission control device that achieves a 2 particulate matter (PM) emission reduction of eighty-five percent (85%) or more compared to 3 uncontrolled engine emission levels, or that reduces emissions to less than or equal to one one-4 hundredth (0.01) grams of (PM) per brake horsepower-hour. Level 3 control includes repowering 5 or replacing the existing diesel engine with an engine meeting US EPA's 2007 Heavy-duty 6 Highway Diesel Standards, or in the case of a nonroad engine, an engine meeting the US EPA's 7 Tier 4 Nonroad Diesel Standards, published in the federal register at 69 Fed. Reg. 38959 (June 8 29, 2004).

9 (7) "Closed crankcase ventilation system (CCV)" means a system that separates oil and 10 other contaminant from the blow-by gases and routes the blow-by gases into a diesel engine's 11 intake system downstream of air filter.

(8) "Full-sized school bus" means a school bus, as defined in (Rhode Island general law)
section (31-1-3), which is a type 1 diesel school bus, including spare buses operated by or under
contract to a school district, but not including emergency contingency vehicles or low usage
vehicles.

(9) "Model year 2007 emission standards" means engine standards promulgated by the
 federal Environmental Protection Agency in 40 CFR Parts 69, 80 and 86.

(10) "Verified emissions control device" means a device that has been verified by the
federal Environmental Protection Agency or the California Air Resources Board to reduce
particulate matter emissions by a given amount.

21 (11) "Ultra low sulfur diesel fuel" means diesel fuel having sulfur content of fifteen

22 thousandths percent (.0015%) of sulfur or less, as defined by the U.S. Environmental Protection

23 Agency at 40 CFR section 80.520.

24 <u>31-47.3-3. Reducing emissions from school buses. --</u> (a) Purpose. - To reduce health 25 risks from diesel particulate matter (DPM) to Rhode Island school children by significantly 26 reducing tailpipe emissions from school buses, and preventing engine emissions from entering the 27 passenger cabin of the buses.

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(b) Requirements for Rhode Island school buses:

(i) By September 1, 2010, no full-size school bus with an engine model year 1993 or
older may be used to transport school children in Rhode Island; and,

(ii) Providing there is sufficient federal or state monies, by September 1, 2010, all fullsized school buses transporting children in Rhode Island must be retrofitted with a closed
crankcase ventilation system and either: (A) be equipped with a level 1, level 2, or level 3 device
verified by the US Environmental Protection Agency or the California Air Resources Board; or

(B) be equipped with an engine of model year 2007 or newer; or (C) achieve the same or higher
diesel PM reductions through the use of an alternative fuel such as compressed natural gas
verified by CARB/EPA to reduce DPM emissions at a level equivalent to or higher than
subsection (B) above.

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(c) Financial assistance to defray costs of pollution reductions called for in (b)(ii):

6 (i) DEM shall work with the Rhode Island department of transportation or other 7 authorized transit agencies to maximize the allocation of federal congestion mitigation and air 8 quality (CMAQ) money for Rhode Island for diesel emissions reductions in federal FY 2008 and 9 thereafter until the retrofit goals in this act are met. The (CMAQ) program is jointly administered 10 by the federal highway administration (FHWA) and the federal transit administration (FTA), and 11 was reauthorized by congress in 2005 under the safe, accountable, flexible, and efficient 12 transportation equity act: A legacy for users (SAFETEA-LU). The (SAFETEA-LU) requires 13 states and MPOs to give priority in distributing CMAQ funds to diesel engine retrofits, and other 14 cost-effective emission reduction and congestion mitigation activities that benefit air quality.

15 (ii) Drawing upon any available federal or state monies, the director shall establish and implement a system of providing incentives consistent with this section to municipalities, 16 17 vendors, or school bus owners for the purchase and installation of any CARB/EPA-verified 18 emission control retrofit device together with the purchase and installation of closed crankcase 19 ventilation system (CCV) retrofit device. In 2007, the per unit incentive shall not exceed one 20 thousand two hundred fifty dollars (\$1,250) for a level 1 device plus a CCV, or two thousand five 21 hundred dollars (\$2,500) for a level 2 device plus a CCV, or for model years 2003-2006 five 22 thousand dollars (\$5,000) for a level 3 device plus a CCV. Incentive levels may be reevaluated 23 annually, with the goal of maintaining competition in the market for retrofit devices. To the 24 extent practicable, in kind services will also be utilized to offset some of the costs. The 25 department shall have the authority to determine the incentive levels to take advantage of changing technology and cost fluctuations. Incentive recipients must also certify that newly 26 27 purchased or retrofitted buses with a level 3 technology will operate in the state of Rhode Island 28 for a minimum of four (4) years.

29 (d) Priority community provision:

30 (i) When penalty funds, state SEP funds, federal funds, or funds from other state or non31 state sources become available, these should first be allocated toward further offsetting costs of
32 achieving "best available" emissions control in "priority communities";

(ii) The "best available" standard is attained by all new buses (MY2007 and newer) and
by diesel buses model year 2003 to 2006, inclusive that has been retrofitted with level 3-verified

diesel particulate filters and closed crankcase ventilation systems, by diesel buses model year
1994 to 2002, inclusive that has been retrofitted with at least level 2-verified diesel particulate
filters and closed crankcase ventilation systems or could be achieved with a natural gas bus that
achieves the same or better standards of cleanliness as a 2007 diesel bus standard; and

5 (iii) "Priority communities" (to be identified by the Rhode Island DEM) are Rhode
6 Island communities that have high levels of ambient air pollution and high incidence of childhood
7 respiratory impacts.

8 To achieve the pressing public health and environmental goals of this act, DEM shall 9 identify opportunities to achieve maximize PM reductions from diesel powered heavy duty 10 vehicle vehicles or equipment that is owned by, operated by, or on behalf of, or leased by, or 11 operating under a contact to a state agency or <u>quasi</u> state <u>agency</u> or <u>regional public authority</u> 12 (except vehicles that are specifically equipped for emergency response) and diesel powered waste 13 collection and recycling vehicles that are owned, leased, or contracted to perform the removal or 14 transfer or municipal, commercial or residential waste, or recycling services. No later than 15 January 1, 2008, DEM shall present a report to the general assembly, governor, house committee on environment and natural resources, and the senate committee on environment and agriculture 16 17 on such opportunities to maximum PM reductions from the aforementioned fleets including 18 legislative changes, regulatory changes, funding sources, contract requirements, procurement 19 requirements, and other mechanisms that will bring about maximum PM reductions from these 20 two priority fleets. This report shall explore funding sources beyond CMAQ, including but not 21 limited to Diesel Reductions Emissions Reduction Act (DERA) funds under the Federal Energy 22 Act.

Severability. If any clause, sentence, paragraph, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid and after exhaustion of all further judicial review, the judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part of this act directly involved in the controversy in which the judgment shall have been rendered.

28 SECTION 2. Chapter 31-47.3 of the General Laws entitled "The Diesel Emissions
29 Reduction Act" is hereby amended by adding thereto the following sections:

30 <u>31-47.3-1.1. Purpose. --</u> This act shall be known and may be cited as "The Diesel

31 Emissions reduction Act of 2008." The general purposes of this act are to:

32 (1) Minimize human exposure to and health risks from diesel pollution between the years
 33 2008 and 2015;

34 (2) Reduce health costs, missed school days, lost worker productivity and premature

- 1 mortality linked to exposure to diesel particulate matter (PM), nitrogen oxides (NOx) and other
- 2 <u>diesel pollutants;</u>
- 3 (3) Achieve maximum feasible diesel particulate matter emissions reductions and
- 4 diminished human exposure that is additional to the impact of federal diesel emission rules which
- 5 <u>focus mostly on new engines;</u>
- 6 (4) Advance the state's climate protection goals and climate action plan by reducing the
 7 amount of black carbon pollution emitted by diesels; and
- 8 (5) Achieve health benefits for Rhode Island without requiring appropriations from the
- 9 general fund by ensuring state contracting and leasing takes advantage of retrofits that are
- 10 <u>occurring in the marketplace.</u>
- 11 <u>31-47.3-4. Use of ultra low sulfur diesel and emission control technology in new state</u>
- 12 <u>contracts. -- Use of emission control technology in new state contracts. --</u> Use of emission
- 13 control technology in state vehicles and new state contracts. --
- 14 (1)(a) Contingent upon state funding or the funding identified in section 31-47.3-5 by
- 15 July 1, 2009, any diesel powered heavy duty vehicle that is owned by, operated by or on behalf
- of, or leased by or operating under a contract to a state agency or quasi state agency shall be
 powered by a model year 1994 or newer engine and engines model years between and including
- 18 <u>1994-2006 be retrofitted with level 3 verified emissions control devices. If level 3 devices have</u>
- 19 not been verified for use on particular engines, level 2 verified (if available) or level 1 verified
- 20 emissions control devices must be required. The procuring agency shall incorporate these
- 21 emissions reduction requirements into all contract specifications.
- 22 (b) Contingent upon state funding or the funding identified in section 31-47.3-5 by July 1, 23 2009 any diesel powered vehicles and non-road construction equipment with an engine 75 hp and 24 greater purchased by or used for projects or activities contracted by the state agency or quasi 25 state agency shall be required to have the highest level of emissions control equipment available 26 as a contract requirement, which is stipulated in contract specifications by the procuring agency. 27 If level 3 verified emissions control devices have not been verified for use on particular engines, 28 level 2 verified (if available) or level 1 verified must be required. If a level 3 verified emissions 29 control device is required, the non-road construction equipment must use ultra-low sulfur diesel 30 fuel in conjunction with the emissions control device. 31 (c) The emission control technology requirements of subsection 1 herein shall not apply
- 32 <u>to:</u>
- 33 (i) any vehicle purchased prior to July 1, 2009, or subject to a lease or public works
 34 contract entered into, extended, or renewed prior to July 1, 2009;

1 (ii) vehicles that are specially equipped and used for emergency response, as well as other 2 vehicles that may be operated under a contract for emergency response; 3 (iii) vehicles and equipment dedicated for snow removal and maintenance operations; and 4 (iv) farm equipment. (2) On or before January 1, 2010 and on or before every January 1 thereafter until 2030 5 the procuring agency shall report to the director on the use of the retrofit technology as required 6 7 under this section. The information in this report shall include, but not be limited to, for each state 8 agency and quasi-public state agency covered by this section: 9 (a) the total number of diesel fuel-powered motor vehicles and construction equipment 10 operated by, leased by or contracted by such agencies and the number of such vehicles and 11 equipment employing retrofit technology as required under this section including a breakdown by 12 motor vehicle model, engine year and the type of technology used for each vehicle. 13 (b) the number of such motor vehicles that are equipped with an engine certified to the 14 applicable 2007 United States environment protection agency standard for particulate matter as 15 set forth in section 86.007-11 of title 40 of the code of federal regulations or to any subsequent 16 US EPA standard for particulate matter that is at least as stringent; and 17 (3) On or before March 1, 2010 and each year thereafter the director shall compile all 18 information submitted by state and quasi-state procuring agencies as required by subsection 2 19 above and present a report to the governor and the general assembly. 31-47.3-5. Federal funding. -- (a) Provided that all full-sized school buses, as defined in 20 21 Rhode Island general law section 31-47.3-2, transporting children in Rhode Island have been 22 retrofit with diesel emission control devises as specified in section 31-47.3-3, any additional 23 federal or state monies, including, but not limited to, federal CMAQ, federal DERA and any 24 federal or state settlement monies shall be used to retrofit heavy duty vehicles or construction 25 equipment engine year 1994 and later that are owned by, operated by or on behalf of, or leased by 26 or operating under contract to a state agency or quasi-public state agency with Level 3 control 27 technology as specified in section 4 of this chapter. Heavy duty vehicles pre-1994 model engines 28 and already owned or contracted by a state agency or quasi-public state agency may be equipped 29 with the best available retrofit technology as defined by section 31-47-3.2 to have achieved 30 CARB or EPA verification. To the extent such funding is available it shall be used to retrofit all 31 such vehicles and equipment. 32 (b) When a state agency or quasi-state agency applies for federal funding for a state 33 contract, including, but not limited to, federal highway funding, the cost of the project(s) applied

34 for shall include the full cost of the technology required in section 31-47.3-4 for state and non-

- 1 <u>state owned vehicles, equipement and generators.</u>
- 2 <u>31-47.3-6. Severability. --</u> If any clause, sentence, paragraph, section or part of this act
- 3 <u>shall be adjudged by any court of competent jurisdiction to be invalid and after exhaustion of all</u>
- 4 further judicial review, the judgment shall not affect, impair or invalidate the remainder thereof,
- 5 but shall be confined in its operation to the clause, sentence, paragraph, section or part of this act
- 6 directly involved in the controversy in which the judgment shall have been rendered.
- 7 SECTION 3. This act shall take effect upon passage.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO MOTOR AND OTHER VEHICLES - DIESEL EMISSIONS REDUCTION ACT

- 1 This act would expand the diesel emissions reduction act in several regards, including the
- 2 requirement that new state contracts and state vehicles incorporate new technologies and use ultra
- 3 low sulfur diesel fuel.
- 4 This act would take effect upon passage.

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