

## **BILL ANALYSIS**

Senate Research Center

H.B. 3272  
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Natural Resources  
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Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program has consistently and effectively reduced air pollution in our state's hottest ozone areas. Stationary sources of air pollution are subject to scrutiny and permitting processes from the Texas Commission on Environmental Quality, but on-road mobile sources contribute nearly half the emissions that lead to the creation of ground-level ozone. The program is available in areas not in attainment according to the federal Clean Air Act, as well as in areas that agree to participate in an early action program. Local governments provide assistance to low-income vehicle owners to repair or replace high-emitting cars and trucks. H.B. 3272 encourages the purchase of cleaner vehicles by expanding the list of vehicles available for replacement and removing a hurdle that disqualifies an eligible vehicle with a small gap in registration history.

H.B. 3272 amends current law relating to the low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program.

[**Note:** While the statutory reference in this bill is to the Texas Natural Resource Conservation Commission (TNRCC), the following amendments affect the Texas Commission on Environmental Quality, as the successor agency to TNRCC.]

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Commission on Environmental Quality [Texas Natural Resource Conservation Commission] is modified in SECTION 3 (Section 382.210, Health and Safety Code) and SECTION 4 (Section 382.213, Health and Safety Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 382.003, Health and Safety Code, by adding Subdivisions (4-a) and (9-b) and amending Subdivision (7-b), to define "electric vehicle" and "natural gas vehicle" and to redefine "hybrid vehicle."

SECTION 2. Amends Section 382.209(e), Health and Safety Code, as follows:

(e) Provides that a vehicle is not eligible to participate in a low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program established under this section unless:

- (1) the vehicle is capable of being operated;
- (2) the registration of the vehicle is current and reflects that the vehicle has been registered in the county implementing the program for at least 12 of the 15 months preceding the application for participation in the program, rather than for the 12 months preceding the application for participation in the program;
- (3) the commissioners court of the county administering the program determines that the vehicle meets the eligibility criteria adopted by the commission, the Texas Department of Motor Vehicles, and the Public Safety Commission;

(4) if the vehicle is to be repaired, the repair is done by a repair facility recognized by the Department of Public Safety of the State of Texas, which may be an independent or private entity licensed by the state; and

(5) if the vehicle is to be retired under this subsection and Section 382.213 (Disposition of Retired Vehicle), the replacement vehicle is a qualifying motor vehicle.

SECTION 3. Amends Sections 382.210(a) and (b), Health and Safety Code, as follows:

(a) Requires the Texas Natural Resource Conservation Commission (TNRCC) by rule to adopt guidelines to assist a participating county in implementing a low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program authorized under Section 382.209 (Low-Income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program). Requires that the guidelines at a minimum recommend:

(1) a minimum and maximum amount for repair assistance;

(2) a minimum and maximum amount toward the purchase price of a replacement vehicle qualified for the accredited retirement program, based on vehicle type and model year, with the maximum not to exceed;

(A) \$3,000 for a replacement car of the current model year or the previous three model years, except as provided by Paragraph (C);

(B) \$3,000 for a replacement truck of the current model year or the previous two model years, except as provided by Paragraph (C); and

(C) \$3,500 for a replacement vehicle, rather than replacement hybrid vehicle, of the current model year or the previous three model years that is a hybrid vehicle, electric vehicle, or natural gas vehicle, or has been certified to meet federal Tier 2, Bin 3 or a cleaner Bin certification under 40 C.F.R. Section 86.1811-04, as published in the February 10, 2000, Federal Register.

(b) Requires a replacement vehicle described by Subsection (a)(2) to meet certain requirements, including have an odometer reading of not more than 70,000 miles; and be a vehicle the total cost of which does not exceed, for a vehicle described by Subsection (a)(2)(A) or (B), \$35,000, or for a vehicle described by Subsection (a)(2)(C), \$45,000, rather than \$25,000.

SECTION 4. Amends Section 382.213, Health and Safety Code, by adding Subsection (a-1) and amending Subsection (h), as follows:

(a-1) Requires TNRCC to establish a partnership with representatives of the steel industry, automobile dismantlers, and the scrap metal recycling industry to ensure that vehicles retired under Section 382.209 are scrapped or recycled, and proof of scrapping or recycling is provided to TNRCC.

(h) Requires TNRCC to adopt rules defining "emissions control equipment" and "engine" for the purposes of this section, and providing a procedure for certifying that emissions control equipment and vehicle engines have been scrapped or recycled, rather than requires TNRCC, for purposes of this section, to adopt rules defining "emissions control equipment" and "engine."

SECTION 5. Effective date: September 1, 2011.