

**PROPOSED AMENDMENTS TO
SENATE BILL 824**

1 On page 1 of the printed bill, line 2, after “468A.795” delete the rest of
2 the line and insert “, 468A.801 and 468A.803;”.

3 In line 3, after “ORS 825.615” insert “; and declaring an emergency”.

4 On page 3, delete lines 12 through 14 and insert:

5 “(b) Any local contracting agency that is the local government of, or is
6 a local government or special government body located within, a city with
7 a population of 10,000 or more that is located in an area designated by the
8 United States Office of Management and Budget as a metropolitan statistical
9 area.”.

10 On page 4, line 45, delete “to 12” and insert “and 11”.

11 On page 5, delete lines 2 through 28 and insert:

12 **“SECTION 10. (1) The Environmental Quality Commission shall re-**
13 **quire by rule that a person may not operate a nonroad diesel engine**
14 **in this state without first registering the engine with the Department**
15 **of Environmental Quality under section 11 of this 2015 Act.**

16 **“(2) Rules adopted under this section shall establish a registration**
17 **and fee schedule for nonroad diesel engines that takes into consider-**
18 **ation factors including, but not limited to:**

19 **“(a) The burden of the registration requirements on owners and**
20 **operators of nonroad diesel engines;**

21 **“(b) Appropriate intervals for providing or requiring registrations**
22 **and renewal of registrations for nonroad diesel engines that are**

1 **intermittently operated in this state; and**

2 **“(c) Ensuring that the fees established for the registration and re-**
3 **newal of registrations for nonroad diesel engines are sufficient to:**

4 **“(A) Cover the anticipated costs of developing and implementing**
5 **the department’s nonroad diesel engine emissions programs, including**
6 **but not limited to the cost of processing registrations, technical as-**
7 **sistance, education, outreach, compliance inspections and enforce-**
8 **ment; and**

9 **“(B) Cover the anticipated costs of issuing grants and loans to**
10 **owners and operators of nonroad Oregon diesel engines as provided in**
11 **ORS 468A.803.**

12 **“(3) This section does not apply to:**

13 **“(a) Motor vehicles registered as farm vehicles under the provisions**
14 **of ORS 805.300.**

15 **“(b) Farm tractors, as defined in ORS 801.265.**

16 **“(c) Implements of husbandry, as defined in ORS 801.310.**

17 **“SECTION 11. (1) Pursuant to the rules adopted under section 10**
18 **of this 2015 Act, the Department of Environmental Quality shall reg-**
19 **ister and provide a renewal of registration for a nonroad diesel engine**
20 **owned or operated by a person that pays the fee for registration or**
21 **renewal.**

22 **“(2) The department may appoint agents to register nonroad diesel**
23 **engines.**

24 **“(3) Agents shall register nonroad diesel engines in accordance with**
25 **procedures prescribed by the Environmental Quality Commission by**
26 **rule and shall charge and collect the registration fees prescribed by**
27 **law.**

28 **“(4)(a) The department may authorize an agent other than a de-**
29 **partment employee to charge a service fee of \$2, in addition to the**
30 **registration fee, for the registration service performed by the agent.**

1 **“(b) The department shall supply the agents with registration forms**
2 **for nonroad diesel engines.**

3 **“(5) The department shall collect fees under this section and the**
4 **rules adopted under section 10 of this 2015 Act and shall pay all moneys**
5 **from the fees into the State Treasury for deposit in the Clean Diesel**
6 **Engine Fund. Moneys deposited in the Clean Diesel Engine Fund under**
7 **this section may be used to:**

8 **“(a) Cover the costs of developing and implementing the**
9 **department’s nonroad diesel engine emissions programs, including but**
10 **not limited to the cost of processing registrations, technical assist-**
11 **ance, education, outreach, compliance inspections and enforcement;**
12 **and**

13 **“(b) Cover the costs of issuing grants and loans to owners and op-**
14 **erators of nonroad Oregon diesel engines as provided in ORS**
15 **468A.803.”.**

16 In line 29, delete “13” and insert “12”.

17 In line 33, after “468A.803” insert “and section 11 (5) of this 2015 Act”.

18 Delete lines 44 and 45.

19 On page 6, delete lines 1 through 6 and insert:

20 **“SECTION 13. ORS 468A.803 is amended to read:**

21 **“468A.803. (1) Except as provided for in section 11 (5) of this 2015 Act,**
22 **the Department of Environmental Quality shall use the moneys in the Clean**
23 **Diesel Engine Fund to award:**

24 **“(a) Grants and loans to the owners and operators of Oregon diesel en-**
25 **gines for up to 100 percent of the certified costs of qualifying retrofits as**
26 **described in ORS 468A.797 and 468A.799;**

27 **“(b) Grants and loans to the owners and operators of nonroad Oregon**
28 **diesel engines for up to 25 percent of the certified costs of qualifying re-**
29 **powers as described in ORS 468A.797 and 468A.799; and**

30 **“(c) Grants to the owners of Oregon diesel truck engines to scrap those**

1 engines.

2 “(2) Subject to and consistent with federal law, any moneys received from
3 the federal government that are deposited in the Clean Diesel Engine Fund
4 under ORS 468A.801 (2)(b) must be used for initiatives to reduce emissions
5 from diesel engines. Subsections (1), (3) to (5) and (7) of this section and
6 ORS 468A.797 and 468A.799 do not apply to use of moneys in the Clean Diesel
7 Engine Fund received from the federal government.

8 “(3) In determining the amount of a grant or loan under this section, the
9 department must reduce the incremental cost of a qualifying repower or
10 retrofit by the value of any existing financial incentive that directly reduces
11 the cost of the qualifying repower or retrofit, including tax credits, other
12 grants or loans, or any other public financial assistance.

13 “(4) The department may certify third parties to perform qualifying re-
14 powers and retrofits and may contract with third parties to perform such
15 services for the certified costs of qualifying repowers and retrofits. The de-
16 partment may also contract with institutions of higher education or other
17 public bodies as defined by ORS 174.109 to train and certify third parties to
18 perform qualifying repowers and retrofits.

19 “(5) The department may not award a grant to scrap an Oregon diesel
20 truck engine under subsection (1)(c) of this section unless the engine was
21 manufactured prior to 1994 and the engine is in operating condition at the
22 time of the grant application or, if repairs are needed, the owner demon-
23 strates to the department’s satisfaction that the engine can be repaired to
24 an operating condition for less than its commercial scrap value. The Envi-
25 ronmental Quality Commission shall adopt rules for a maximum grant
26 awarded under subsection (1)(c) of this section for an engine in a heavy-duty
27 truck and for an engine in a medium-duty truck. A grant awarded under
28 subsection (1)(c) of this section may not be combined with any other tax
29 credits, grants or loans, or any other public financial assistance, to scrap an
30 Oregon diesel truck engine.

1 “(6) The department may use the moneys in the Clean Diesel Engine Fund
2 to pay expenses of the department in administering the program described
3 in this section.

4 “(7) The commission shall adopt rules to implement this section and ORS
5 468A.801, including but not limited to establishing preferences for grant and
6 loan awards based upon percentage of engine use in Oregon, whether a grant
7 or loan applicant will provide matching funds, whether scrapping, repower-
8 ing or retrofitting an engine will benefit sensitive populations or areas with
9 elevated concentrations of diesel particulate matter, or such other criteria
10 as the commission may establish. The rules adopted by the commission shall
11 reserve a portion of the financial assistance available each year for appli-
12 cants that own or operate a small number of Oregon diesel engines or
13 Oregon diesel truck engines and shall provide for simplified access to finan-
14 cial assistance for those applicants.

15 “(8) The department may perform activities necessary to ensure that re-
16 cipients of grants and loans from the Clean Diesel Engine Fund comply with
17 applicable requirements. If the department determines that a recipient has
18 not complied with applicable requirements, it may order the recipient to re-
19 fund all grant or loan moneys and may impose penalties pursuant to ORS
20 468.140.

21 **“SECTION 14. (1) Sections 9 to 11 of this 2015 Act and the amend-**
22 **ments to ORS 468A.795, 468A.801 and 468A.803 by sections 7, 12 and 13**
23 **of this 2015 Act become operative January 1, 2017.**

24 **“(2) The Environmental Quality Commission may adopt rules before**
25 **the operative date specified in subsection (1) of this section or take**
26 **any action before the operative date specified in subsection (1) of this**
27 **section that is necessary to carry out the provisions of sections 9 to**
28 **11 of this 2015 Act and the amendments to ORS 468A.795, 468A.801 and**
29 **468A.803 by sections 7, 12 and 13 of this 2015 Act. Any rules adopted**
30 **by the commission under this section do not become operative until**

1 **on or after January 1, 2017.”.**

2 In line 16, after “all” insert “medium-duty and”.

3 Delete lines 18 and 19 and insert:

4 “(A) Fitted with engines meeting, at a minimum, the heavy-duty engine
5 emission standards adopted by the United States Environmental Protection
6 Agency;”.

7 In line 20, after “469.960” insert “and otherwise meeting, at a minimum,
8 the 2007 heavy-duty engine emission standards for particulate matter adopted
9 by the United States Environmental Protection Agency”.

10 In line 25, delete “department” and insert “commission”.

11 In line 26, delete “heavy-duty trucks” and insert “medium-duty trucks,
12 heavy-duty trucks and nonroad diesel engines”.

13 Delete lines 31 through 40 and insert:

14 “(c) To retrofit or replace medium-duty trucks, heavy-duty trucks and
15 nonroad diesel engines that, as measured by miles driven or hours operated,
16 are used primarily in areas where the Department of Environmental Quality
17 has determined, based on best available data, that diesel emission levels are
18 ten or more times above the ambient benchmark concentration for diesel
19 particulate matter.

20 “(4) In adopting emission standards for nonroad diesel engines under this
21 section, the commission shall adopt standards that are more protective of
22 public health, as allowed under the federal Clean Air Act (P.L. 88-206 as
23 amended).”.

24 On page 7, after line 23, insert:

25 **“SECTION 21. This 2015 Act being necessary for the immediate
26 preservation of the public peace, health and safety, an emergency is
27 declared to exist, and this 2015 Act takes effect on its passage.”.**

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