

Requested by Senator DEMBROW

**PROPOSED AMENDMENTS TO  
A-ENGROSSED SENATE BILL 1008**

1 On page 1 of the printed A-engrossed bill, line 2, after “ORS” delete the  
2 rest of the line and insert “327.033, 468A.795, 468A.796, 468A.797, 468A.799,  
3 468A.801, 468A.803, 825.610 and 825.615”.

4 In line 3, delete “and 468A.803”.

5 After line 3, insert:

6 “Whereas exposure to diesel particulate pollution causes myriad health  
7 effects, including the exacerbation of asthma symptoms and early death from  
8 heart disease and various cancers; and

9 “Whereas children are especially vulnerable to the negative health effects  
10 of diesel particulate pollution because their lungs are still in the develop-  
11 mental phase and they breath, on average, 50 percent more air per pound of  
12 body weight than adults; and

13 “Whereas environmental justice communities, including communities of  
14 color, bear a disproportionate burden of exposure to diesel pollution; and

15 “Whereas 23 Oregon counties have total concentrations of ambient levels  
16 of diesel particular matter that are considered harmful to health; and

17 “Whereas some parts of the state are particularly affected by pollution  
18 from older diesel engines because of geography, population density and a  
19 confluence of highways, port activity and construction activities; and

20 “Whereas diesel engines built after 2006 and older diesel engines  
21 retrofitted with particulate filters can reduce diesel particulate by up to 95

1 percent as compared with diesel particulate matter emissions from older,  
2 dirty diesel engines that are not retrofitted; and

3 “Whereas the problem of diesel particulate pollution in this state is  
4 exacerbated when older, dirty diesel engines are allowed to idle unnecessar-  
5 ily; and

6 “Whereas the attrition rate of older, dirty diesel engines that are not  
7 retrofitted is too slow to adequately curb emissions in a timely manner and  
8 protect public health; and

9 “Whereas a strategy to shorten the timeline for conversion to the use of  
10 new diesel engines and older diesel engines retrofitted with particulate fil-  
11 ters and to reduce unnecessary idling by older diesel trucks is needed;’ and

12 “Whereas the cost of newer diesel trucks, buses or nonroad equipment is  
13 particularly challenging for small businesses that do not regularly turn over  
14 their equipment; and

15 “Whereas many school districts are having difficulty meeting a statutory  
16 requirement to retrofit or replace school buses manufactured before 2007 by  
17 2025; and

18 “Whereas Oregon finds itself the recipient of settlement dollars designed  
19 to help shorten the timeline for conversion to cleaner engines; now, there-  
20 fore,”.

21 Delete lines 5 through 10 and delete pages 2 and 3.

22 On page 4, delete lines 1 through 5 and insert:

23

24 **“OREGON CLEAN DIESEL PROGRAM**

25 **“(Definitions)**

26

27 **“SECTION 1. ORS 468A.795 is amended to read:**

28 “468A.795. As used in ORS 468A.795 to 468A.803 and sections 11 to 16,  
29 chapter 855, Oregon Laws 2007:

30 “[*(1) ‘Combined weight’ has the meaning given that term in ORS 825.005.*]

1       “(1) ‘Alternative fuel’ means biofuels, biogas, natural gas, liquefied  
2       petroleum gas, hydrogen and electricity.

3       “(2) ‘Best available exhaust control technology’ means the most  
4       effective exhaust controls to reduce diesel particulate that rely on  
5       passively regenerated diesel particulate control technology supported  
6       in a vehicle’s normal duty cycle.

7       “[(2) (3) ‘Cost-effectiveness threshold’ means the cost, in dollars, per ton  
8       of diesel particulate matter reduced, as established by rule of the Environ-  
9       mental Quality Commission.

10       “(4) ‘Diesel engine’ means a compression ignition engine.

11       “(5) ‘Environmental Mitigation Trust Agreement’ means the Envi-  
12       ronmental Mitigation Trust Agreement required by the Volkswagen  
13       ‘Clean Diesel’ Marketing, Sales Practices and Products Liability Liti-  
14       gation partial consent decree dated October 25, 2016.

15       “(6) ‘Equivalent equipment’ means a piece of equipment that per-  
16       forms the same function and has the equivalent horsepower to a piece  
17       of equipment subject to a replacement.

18       “(7) ‘Equivalent motor vehicle’ means a motor vehicle that per-  
19       forms the same function and is in the same weight class as a motor  
20       vehicle subject to a replacement.

21       “(8) ‘Fleet’ means all pieces of equipment powered by nonroad diesel  
22       engines, medium-duty trucks and heavy-duty trucks that are owned  
23       by a person and operated in Oregon.

24       “(9) ‘Gross vehicle weight rating’ means the value specified by the  
25       manufacturer as the maximum loaded weight of a single or a combi-  
26       nation vehicle.

27       “[(3)] (10) ‘Heavy-duty truck’ means a motor vehicle or combination of  
28       vehicles operated as a unit that has a [*combined weight*] **gross vehicle**  
29       **weight rating** that is greater than 26,000 pounds.

30       “[(4)] (11) ‘Incremental cost’ means the cost of a qualifying repower or

1 retrofit less a baseline cost that would otherwise be incurred in the normal  
2 course of business.

3 “[5] (12) ‘Medium-duty truck’ means a motor vehicle or combination of  
4 vehicles operated as a unit that has a [*combined weight*] **gross vehicle**  
5 **weight rating** that is greater than 14,000 pounds but less than or equal to  
6 26,000 pounds.

7 “[6] (13) ‘Motor vehicle’ has the meaning given that term in ORS  
8 825.005.

9 “[7] ‘Nonroad Oregon diesel engine’ means any Oregon diesel engine that  
10 was not designed primarily to propel a motor vehicle on public highways of  
11 this state.]

12 “[8] ‘Oregon diesel engine’ means an engine at least 50 percent of the use  
13 of which, as measured by miles driven or hours operated, will occur in Oregon  
14 for the three years following the repowering or retrofitting of the engine.]

15 “(14) ‘Nonroad diesel engine’ means a diesel engine of 25 horsepower  
16 or more that is not designed primarily to propel a motor vehicle on  
17 public highways.

18 “[9] (15) ‘Oregon diesel truck engine’ means a diesel engine in a truck  
19 at least 50 percent of the use of which, as measured by miles driven or hours  
20 operated, has occurred in Oregon for the two years preceding the scrapping  
21 of the engine.

22 “[10] (16) ‘Public highway’ has the meaning given that term in ORS  
23 825.005.

24 “(17)(a) ‘Replacement’ means:

25 “(A) To scrap a motor vehicle powered by a diesel engine and re-  
26 place the motor vehicle with an equivalent motor vehicle; or

27 “(B) To scrap a piece of equipment powered by a nonroad diesel  
28 engine and replace the equipment with equivalent equipment.

29 “(b) ‘Replacement’ does not mean ordinary maintenance, repair or  
30 replacement of a diesel engine.

1 “[~~(11)~~] (18) ‘Repower’ means to scrap an old diesel engine and [~~replace~~]  
2 **substitute** it with a new engine, a used engine or a remanufactured engine,  
3 or with electric motors, drives or fuel cells, with a minimum useful life of  
4 seven years.

5 “[~~(12)~~] (19) ‘Retrofit’ means to equip a diesel engine with new emissions-  
6 reducing parts or technology after the manufacture of the original engine.  
7 A retrofit must use the greatest degree of emissions reduction available for  
8 the particular application of the equipment retrofitted that meets the cost-  
9 effectiveness threshold.

10 “[~~(13)~~] (20) ‘Scrap’ means to destroy, [~~and~~] render inoperable **and**  
11 **recycle**.

12 “[~~(14)~~] (21) ‘Truck’ means a motor vehicle or combination of vehicles op-  
13 erated as a unit that has a [~~combined weight~~] **gross vehicle weight rating**  
14 that is greater than 14,000 pounds.

15 **“SECTION 2.** ORS 468A.795, as amended by section 6a, chapter 855,  
16 Oregon Laws 2007, is amended to read:

17 “468A.795. As used in ORS 468A.795 to 468A.803:

18 [(1) ‘Combined weight’ has the meaning given that term in ORS 825.005.]

19 “(1) ‘Alternative fuel’ means biofuels, biogas, natural gas, liquefied  
20 petroleum gas, hydrogen and electricity.

21 “(2) ‘Best available exhaust control technology’ means the most  
22 effective exhaust controls to reduce diesel particulate that rely on  
23 passively regenerated diesel particulate control technology supported  
24 in a vehicle’s normal duty cycle.

25 “[~~(2)~~] (3) ‘Cost-effectiveness threshold’ means the cost, in dollars, per ton  
26 of diesel particulate matter reduced, as established by rule of the Environ-  
27 mental Quality Commission.

28 “(4) ‘Diesel engine’ means a compression ignition engine.

29 “(5) ‘Environmental Mitigation Trust Agreement’ means the Envi-  
30 ronmental Mitigation Trust Agreement required by the Volkswagen

1 **‘Clean Diesel’ Marketing, Sales Practices and Products Liability Liti-**  
2 **gation partial consent decree dated October 25, 2016.**

3 **“(6) ‘Equivalent equipment’ means a piece of equipment that per-**  
4 **forms the same function and has the equivalent horsepower to a piece**  
5 **of equipment subject to a replacement.**

6 **“(7) ‘Equivalent motor vehicle’ means a motor vehicle that per-**  
7 **forms the same function and is in the same weight class as a motor**  
8 **vehicle subject to a replacement.**

9 **“(8) ‘Fleet’ means all pieces of equipment powered by nonroad diesel**  
10 **engines, medium-duty trucks and heavy-duty trucks that are owned**  
11 **by a person and operated in Oregon.**

12 **“(9) ‘Gross vehicle weight rating’ means the value specified by the**  
13 **manufacturer as the maximum loaded weight of a single or a combi-**  
14 **nation vehicle.**

15 **“[(3)] (10) ‘Heavy-duty truck’ means a motor vehicle or combination of**  
16 **vehicles operated as a unit that has a [*combined weight*] **gross vehicle****  
17 **weight rating that is greater than 26,000 pounds.**

18 **“[(4)] (11) ‘Incremental cost’ means the cost of a qualifying repower or**  
19 **retrofit less a baseline cost that would otherwise be incurred in the normal**  
20 **course of business.**

21 **“[(5)] (12) ‘Medium-duty truck’ means a motor vehicle or combination of**  
22 **vehicles operated as a unit that has a [*combined weight*] **gross vehicle****  
23 **weight rating that is greater than 14,000 pounds but less than or equal to**  
24 **26,000 pounds.**

25 **“[(6)] (13) ‘Motor vehicle’ has the meaning given that term in ORS**  
26 **825.005.**

27 **“[(7) ‘Nonroad Oregon diesel engine’ means any Oregon diesel engine that**  
28 **was not designed primarily to propel a motor vehicle on public highways of**  
29 **this state.]**

30 **“[(8) ‘Oregon diesel engine’ means an engine at least 50 percent of the use**

1 *of which, as measured by miles driven or hours operated, will occur in Oregon*  
2 *for the three years following the repowering or retrofitting of the engine.]*

3 “(14) **‘Nonroad diesel engine’ means a diesel engine of 25 horsepower**  
4 **or more that is not designed primarily to propel a motor vehicle on**  
5 **public highways.**

6 “[9] (15) **‘Oregon diesel truck engine’ means a diesel engine in a truck**  
7 **at least 50 percent of the use of which, as measured by miles driven or hours**  
8 **operated, has occurred in Oregon for the two years preceding the scrapping**  
9 **of the engine.**

10 “[10] (16) **‘Public highway’ has the meaning given that term in ORS**  
11 **825.005.**

12 “(17)(a) **‘Replacement’ means:**

13 **“(A) To scrap a motor vehicle powered by a diesel engine and re-**  
14 **place the motor vehicle with an equivalent motor vehicle; or**

15 **“(B) To scrap a piece of equipment powered by a nonroad diesel**  
16 **engine and replace the equipment with equivalent equipment.**

17 **“(b) ‘Replacement’ does not mean ordinary maintenance, repair or**  
18 **replacement of a diesel engine.**

19 “[11] (18) **‘Repower’ means to scrap an old diesel engine and [replace]**  
20 **substitute it with a new engine, a used engine or a remanufactured engine,**  
21 **or with electric motors, drives or fuel cells, with a minimum useful life of**  
22 **seven years.**

23 “[12] (19) **‘Retrofit’ means to equip a diesel engine with new emissions-**  
24 **reducing parts or technology after the manufacture of the original engine.**  
25 **A retrofit must use the greatest degree of emissions reduction available for**  
26 **the particular application of the equipment retrofitted that meets the cost-**  
27 **effectiveness threshold.**

28 “[13] (20) **‘Scrap’ means to destroy, [and] render inoperable and**  
29 **recycle.**

30 “[14] (21) **‘Truck’ means a motor vehicle or combination of vehicles op-**

1 erated as a unit that has a [*combined weight*] **gross vehicle weight rating**  
2 that is greater than 14,000 pounds.

3

4

**“(Diesel Engine Fleet Provisions)”**

5

6 **“SECTION 3. Sections 4 and 5 of this 2017 Act are added to and**  
7 **made a part of ORS 468A.795 to 468A.803.**

8

9 **“SECTION 4. (1) The Environmental Quality Commission shall**  
10 **adopt by rule standards that, on and after January 1, 2018, prohibit a**  
11 **person from adding to a fleet, or replacing a medium-duty truck or**  
12 **heavy-duty truck in a fleet with, a medium-duty truck or heavy-duty**  
13 **truck powered by a 2006 model year or older diesel engine.**

14

**“(2) Rules adopted under this subsection must:**

15

16 **“(a) Allow for owners and operators of medium-duty trucks and**  
17 **heavy-duty trucks to be granted extensions to comply with the prohi-**  
18 **bition under subsection (1) of this section based on factors that must**  
19 **include, but need not be limited to:**

20

21 **“(A) Expected vehicle usage as measured by miles driven or hours**  
22 **operated; and**

23

24 **“(B) The area in this state in which medium-duty trucks and**  
25 **heavy-duty trucks are operated; and**

26

27 **“(b) Allow for alternative options for compliance with the prohibi-**  
28 **tion under subsection (1) of this section, including but not limited to**  
29 **an option for compliance through retrofitting with exhaust controls**  
30 **that meet standards adopted by the commission for the qualifying**  
**retrofit of a diesel engine under ORS 468A.799.**

31

32 **“(3) Notwithstanding ORS 468.140(5), the Department of Environ-**  
33 **mental Quality may impose civil penalties as authorized by ORS**  
34 **468.140(1)(c) for violation of standards adopted by rule under this sec-**  
35 **tion.**

36



1       **“(4) The following classes of vehicles are exempt from this section:**

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

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

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

6       **“(d) Motor vehicles used exclusively as training vehicles, as deter-**  
7 **mined by the commission by rule.**

8       **“(e) Any other medium-duty trucks or heavy-duty trucks exempted**  
9 **from the prohibition under subsection (1) of this section by the com-**  
10 **mission by rule.**

11       **“SECTION 5. (1) The Environmental Quality Commission shall**  
12 **adopt by rule nonroad diesel engine emission standards that prohibit**  
13 **a person from adding to a fleet, or replacing a nonroad piece of**  
14 **equipment in a fleet with, a nonroad piece of equipment that is pow-**  
15 **ered by a nonroad diesel engine that does not meet or exceed certain**  
16 **tier standards for nonroad diesel exhaust emissions as adopted by the**  
17 **United States Environmental Protection Agency.**

18       **“(2) The commission may adopt rules for exemptions, extensions**  
19 **and alternative options for compliance as necessary to facilitate com-**  
20 **pliance with the standards adopted by rule under this section.**

21       **“(3) The standards adopted under this section, and implementation**  
22 **and enforcement of the standards, must be consistent with the re-**  
23 **quirements of section 209(e) of the federal Clean Air Act (P.L. 88-206**  
24 **as amended).**

25       **“(4) Before adopting rules under this section, the commission shall**  
26 **consider regulations adopted by the State of California for reducing**  
27 **nonroad diesel engine emissions.”.**

28       In line 6, delete “3” and insert “6”.

29       In line 13, delete “replacement,”.

30       In line 18, delete “4” and insert “7”.

1 In line 24, delete “replacement.”.

2 In line 29, delete “5” and insert “8”.

3 On page 5, delete lines 2 through 8 and insert:

4 “(B) The equivalent equipment is powered by:

5 “(i) A nonroad diesel engine, whether or not capable of being powered by  
6 alternative fuel, that meets or exceeds United States Environmental Pro-  
7 tection Agency Tier 4 exhaust emission standards for nonroad compression  
8 ignition engines;

9 “(ii) A nonroad engine capable of being powered by alternative fuel that  
10 meets or exceeds United State Environmental Protection Agency Tier 2 ex-  
11 haust emission standards for nonroad spark ignition engines; or

12 “(iii) A nonroad engine powered by electricity.

13 “(c) For the qualifying repower of a nonroad diesel engine, that the re-  
14 power will be accomplished using:

15 “(A) A nonroad diesel engine, whether or not capable of being powered  
16 by alternative fuel, that is at least one tier higher than the engine to be  
17 scrapped, based on the United States Environmental Protection Agency tier  
18 standards for nonroad compression ignition engines;

19 “(B) A nonroad engine capable of being powered by alternative fuel that  
20 meets or exceeds United State Environmental Protection Agency Tier 2 ex-  
21 haust emission standards for nonroad spark ignition engines; or

22 “(C) A nonroad engine powered by electricity.”.

23 After line 14, insert:

24 “(3) The commission by rule shall establish standards for the methods of  
25 recycling used for scrapping a motor vehicle, a piece of equipment powered  
26 by a nonroad diesel engine or a nonroad diesel engine after a qualifying re-  
27 placement or repower.”.

28 In line 15, delete “(3)” and insert “(4)”.

29 In line 21, delete “6” and insert “9”.

30 Delete lines 38 through 44 and insert:

1 “(B) The equivalent equipment is powered by:

2 “(i) A nonroad diesel engine, whether or not capable of being powered by  
3 alternative fuel, that meets or exceeds United States Environmental Pro-  
4 tection Agency Tier 4 exhaust emission standards for nonroad compression  
5 ignition engines;

6 “(ii) A nonroad engine capable of being powered by alternative fuel that  
7 meets or exceeds United State Environmental Protection Agency Tier 2 ex-  
8 haust emission standards for nonroad spark ignition engines; or

9 “(iii) A nonroad engine powered by electricity.

10 “(c) For the qualifying repower of a nonroad diesel engine, that the re-  
11 power will be accomplished using:

12 “(A) A nonroad diesel engine, whether or not capable of being powered  
13 by alternative fuel, that is at least one tier higher than the engine to be  
14 scrapped, based on the United States Environmental Protection Agency tier  
15 standards for nonroad compression ignition engines;

16 “(B) A nonroad engine capable of being powered by alternative fuel that  
17 meets or exceeds United State Environmental Protection Agency Tier 2 ex-  
18 haust emission standards for nonroad spark ignition engines; or

19 “(C) A nonroad engine powered by electricity.”.

20 On page 6, after line 5, insert:

21 “(3) The commission by rule shall establish standards for the methods of  
22 recycling used for scrapping a motor vehicle, a piece of equipment powered  
23 by a nonroad diesel engine or a nonroad diesel engine after a qualifying re-  
24 placement or repower.”.

25 In line 6, delete “(3)” and insert “(4)”.

26 In line 11, delete “7” and insert “10”.

27 In line 28, delete “8” and insert “11”.

28 On page 7, line 42, delete “among” and insert “as follows”.

29 Delete lines 43 through 45 and insert:

30 “(a)(A) The department shall first award grants to owners and operators

1 of school buses to reduce emissions from at least 450 diesel powered school  
2 buses operating in this state.

3 “(B) In awarding grants under this paragraph, the department shall begin  
4 by awarding grants to owners and operators of school buses that are of the  
5 median model year of diesel school buses operating in this state, and shall  
6 proceed to award grants for replacing buses through the adjoining model  
7 years until the requirements of subparagraph (A) of this paragraph are met.  
8 A grant may be awarded under this paragraph for any school bus within the  
9 control of an owner or operator that meets the following conditions:

10 “(i) The school bus has at least three years of remaining useful life;

11 “(ii) Use of the school bus has occurred in Oregon during the year pre-  
12 ceding the date of the grant; and

13 “(iii) For the three years following receipt of a grant award, the school  
14 bus use for which the owner or operator received the grant will occur in  
15 Oregon.

16 “(C) The grant amount per school bus awarded under this paragraph shall  
17 be for:

18 “(i) Up to 30 percent of the cost to purchase a school bus that meets  
19 minimum standards adopted by the State Board of Education under ORS  
20 820.100 for the applicable class or type of school bus; or

21 “(ii) Up to 100 percent of the cost to retrofit a school bus with  
22 emissions-reducing parts or technology that result in a reduction of diesel  
23 particulate matter emissions by at least 85 percent when compared with the  
24 baseline emissions for the relevant engine year and application.

25 “(b) Moneys described in this subsection remaining after the requirements  
26 of paragraph (a) of this subsection are met shall be allocated by the depart-  
27 ment, subject to the preferences for grant awards established under section  
28 13 (1)(b) of this 2017 Act, among:

29 “(A) Owners and operators of:

30 “(i) Drayage trucks;

1       “(ii) Delivery trucks;  
2       “(iii) Waste hauling trucks;  
3       “(iv) Transit buses; and  
4       “(v) Airport ground support equipment;  
5       “(B) Motor vehicles owned and operated by local governments; and  
6       “(C) Actions for which moneys under the agreement may be expended  
7 pursuant to the Diesel Emission Reduction Act Option, as provided for in  
8 Appendix D-2 to the Volkswagen ‘Clean Diesel’ Marketing, Sales Practices  
9 and Products Liability Litigation partial consent decree dated October 25,  
10 2016.

11       “(9) The department may not award a grant under subsection (8)(b) of this  
12 section to the owner or operator of a motor vehicle powered by a diesel en-  
13 gine or a piece of equipment powered by a nonroad diesel engine unless the  
14 following criteria are met:

15       “(a)(A) If a motor vehicle, the motor vehicle is powered by a 2006 model  
16 year or older diesel engine; or

17       “(B) If a piece of equipment, the piece of equipment is powered by a  
18 nonroad diesel engine that does not meet United States Environmental Pro-  
19 tection Agency Tier 4 or higher exhaust emission standards for nonroad  
20 compression ignition engines.

21       “(b) Use of the motor vehicle or piece of equipment has occurred in  
22 Oregon during the year preceding the date of the grant.

23       “(c) The motor vehicle or piece of equipment is authorized for use in this  
24 state.

25       “(d) For the three years following the receipt of a grant award, at least  
26 50 percent of the motor vehicle or equipment use for which the owner or  
27 operator received the grant will occur in Oregon, as measured by miles  
28 driven or hours operated.

29       “(e) The grant will not exceed the cost-effectiveness threshold where,  
30 notwithstanding ORS 468A.795, the ‘cost-effectiveness threshold’ for purposes

1 of this paragraph means the cost in dollars per ton of diesel particulate  
2 matter and nitrogen oxides emissions from diesel engines reduced, as estab-  
3 lished by rule of the commission.

4 “(f) Any other criteria the department deems necessary to ensure that a  
5 grant award will result in reducing emissions from diesel engines in this  
6 state.”.

7 On page 8, delete lines 1 through 22.

8 In line 38, delete “9” and insert “12” and delete “10” and insert “13”.

9 Delete lines 40 through 42 and insert:

10 **“SECTION 13.** (1) The Environmental Quality Commission shall adopt  
11 rules necessary to implement ORS 468A.795 to 468A.803. Rules adopted under  
12 this section must include, but need not be limited to, rules that establish  
13 preferences for awarding:”.

14 On page 9, delete lines 3 through 6 and insert:

15 “(b) Grants under ORS 468A.803 (8)(b) based on whether a project sup-  
16 ported by a grant will:

17 “(A) Benefit areas identified by demographic and health factors as a pri-  
18 ority for reducing the impacts of emissions from diesel engines on dispro-  
19 portionately impacted populations including but not limited to the elderly,  
20 children and low income or minority populations.

21 “(B) Be carried out by an applicant that is a minority-owned business,  
22 woman-owned business or business that a service-disabled veteran owns as  
23 those terms are defined in ORS 200.005.

24 “(C) Operate in counties with elevated levels of diesel particulate matter  
25 and nitrogen oxides emissions from diesel engines.

26 “(D) Reflect engagement with and the support of a local community in the  
27 design and performance of a project.

28 “(E) Involve the replacement of motor vehicles or pieces of equipment  
29 that have at least three years of remaining useful life.

30 “(F) Utilize low carbon fuels.

1 “(G) Involve small fleets.

2 “(H) Be part of a broad-based air quality program documented to identify  
3 and address air quality concerns, including an ability to promote and con-  
4 tinue efforts beyond the end of the project.

5 “(I) Be part of a program that is designed to reduce diesel particulate  
6 matter and nitrogen oxides emissions from diesel engines through a clean  
7 diesel public improvement program organized by a local or regional govern-  
8 ment.

9 “(J) Any other criteria the department deems necessary to ensure that a  
10 grant award will result in a reduction in emissions from diesel engines in  
11 this state.”.

12 After line 15, insert:

13

14 “(School Buses)

15

16 “**SECTION 14.** ORS 468A.796 is amended to read:

17 “468A.796. (1) All school buses with diesel engines operated in Oregon  
18 must, by **January 1, 2025**, be:

19 “[*(1) Retrofitted with 2007 equivalent engines and 2007 fine particulate*  
20 *matter capture technology by January 1, 2017; or]*

21 “**(a) Repowered with an engine meeting 2007 fine particulate matter**  
22 **federal exhaust emission standards for diesel heavy-duty engines as**  
23 **set forth in 40 C.F.R. 86.007-11;**

24 “**(b) Retrofitted:**

25 “**(A) If retrofitted prior to the effective date of this 2017 Act, with**  
26 **best available exhaust control technology; or**

27 “**(B) If retrofitted on or after the effective date of this 2017 Act,**  
28 **with exhaust controls meeting 2007 fine particulate matter federal ex-**  
29 **haust emission standards for diesel heavy-duty engines as set forth in**  
30 **40 C.F.R. 86.007-11; or**

1        “[2] (c) Replaced with school buses manufactured on or after January  
2 1, 2007[, by January 1, 2025].

3        “(2) A school bus replaced under [*this subsection*] **subsection (1)(c) of**  
4 **this section** may not be used for transportation of any type.

5        **“SECTION 15.** ORS 327.033 is amended to read:

6        “327.033. (1) **As used in this section, ‘retrofit’ and ‘Environmental**  
7 **Mitigation Trust Agreement’ have the meanings given those terms in**  
8 **ORS 468A.795.**

9        “[1] (2) Approved transportation costs shall be estimated for the year  
10 of distribution.

11        “[2] (3) In determining approved transportation costs, the State Board  
12 of Education:

13        “(a) Shall include depreciation of original cost to the school district of  
14 district-owned buses, not in excess of 10 percent per year; [*and*]

15        “(b) Shall include the costs to retrofit[, *as defined in ORS 468A.795,*] or  
16 to replace school buses for the purpose of reducing or eliminating diesel en-  
17 gine emissions, except that the board may not include the costs paid with  
18 moneys received from the state by a school district from the Clean Diesel  
19 Engine Fund under ORS 468A.801 (2)(a) to retrofit or to replace school buses  
20 for the purpose of reducing or eliminating diesel engine emissions[.]; **and**

21        **“(c) Shall include costs to replace diesel school buses as allowed in**  
22 **the Environmental Mitigation Trust Agreement, except that the board**  
23 **may not include costs paid from the Environmental Mitigation Trust**  
24 **Agreement in the calculation of the transportation grant computed**  
25 **as provided in ORS 327.013.**

26        “[3] (4) School districts shall account separately for those funds received  
27 from the State School Fund attributable to the costs included under sub-  
28 section [(2)] (3) of this section, and expenditure of those funds shall be lim-  
29 ited as follows:

30        “(a) The expenditure of funds attributable to costs under subsection



1 [(2)(a)] **(3)(a)** of this section shall be limited to the acquisition of new buses.

2 “(b) The expenditure of funds attributable to costs under subsection  
3 [(2)(b)] **(3)(b) and (c)** of this section shall be limited to the costs to  
4 retrofit[, *as defined in ORS 468A.795,*] or to replace school buses for the  
5 purpose of reducing or eliminating diesel engine emissions.

6 “**(5) The transportation grant computed as provided in ORS 327.013**  
7 **when combined with costs paid from the Environmental Mitigation**  
8 **Trust Agreement to replace diesel school buses may not exceed the**  
9 **purchase price of the buses for which the funds described in this sub-**  
10 **section were received.”**

11 In line 21, delete “11’ and insert “16”.

12 On page 10, line 17, delete “12” and insert “17” and delete “11” and insert  
13 “16”.

14 In line 18, delete “13” and insert “18”.

15 On page 11, line 1, delete “14” and insert “19” and delete “13” and insert  
16 “18”.

17 In line 5, delete “15” and insert “20”.

18 In line 8, delete “11” and insert “16”.

19 After line 9, insert:

20

21 **“IDLING BY PRIMARY ENGINES IN COMMERCIAL VEHICLES**

22

23 **“SECTION 21. ORS 825.610 is amended to read:**

24 “825.610. (1) ORS 825.605 does not apply to a commercial vehicle if it is  
25 necessary to idle the primary engine of the commercial vehicle:

26 “[*(1)*] **(a)** Due to traffic, a traffic control device or mechanical difficulties  
27 over which the operator has no control or at the direction of a law  
28 enforcement official or road authority.

29 “[*(2)*] **(b)** Due to the need to operate defrosters, heaters or air conditioners  
30 or installing equipment necessary to comply with manufacturers’ operating

1 requirements, specifications and warranties or with federal, state or local  
2 safety regulations.

3 “[3] (c) Because the commercial vehicle is a police, fire, ambulance,  
4 public safety, military, utility service or road authority vehicle, or any other  
5 vehicle being used to respond to an emergency or for other public safety  
6 purposes, or being actively used for training for emergencies or public safety.

7 “[4] (d) For maintenance, service, repair or diagnostic purposes or for  
8 particulate matter trap regeneration.

9 “[5] (e) For a state or federal inspection to verify that all equipment is  
10 in good working order.

11 “[6] (f) To power work-related mechanical, safety, electrical or con-  
12 struction equipment installed on the vehicle that is not used for propulsion.

13 “[7] (g) Because the commercial vehicle is an armored vehicle and a  
14 person must remain inside the vehicle to guard the contents or while the  
15 vehicle is being loaded or unloaded.

16 “[8] (h) To maintain the comfort of commercial bus passengers while  
17 passengers are on board.

18 “[9] (i) In a commercial vehicle with a gross vehicle weight rating of  
19 more than 26,000 pounds, for purposes of air conditioning or heating during  
20 a rest or sleep period and the outside temperature is less than 50 degrees or  
21 greater than 75 degrees Fahrenheit at any time during the rest or sleep pe-  
22 riod. This subsection applies to a commercial vehicle with a sleeper berth  
23 compartment that is parked in any place that a commercial vehicle is legally  
24 permitted to park, including, but not limited to, a fleet trucking terminal,  
25 commercial vehicle stop or designated rest area. This exemption does not  
26 apply if the commercial vehicle is equipped with an auxiliary power unit or  
27 other suitable idle reduction technology, if the commercial vehicle is parked  
28 at a location equipped with suitable stationary idle reduction technology  
29 that is available for use, or during a rest or sleep period when the commer-  
30 cial vehicle is parked on or adjacent to a public or private educational in-

1 stitution offering education in all or part of kindergarten through grade 12,  
2 unless the outside temperature is greater than 75 degrees Fahrenheit and the  
3 auxiliary power unit provides heating only, in which case the person may  
4 idle the primary engine to provide air conditioning.

5 “[~~(10)~~] (j) In a commercial vehicle with a gross vehicle weight rating of  
6 more than 26,000 pounds, for purposes of air conditioning or heating while  
7 waiting to load or unload the commercial vehicle or while actually loading  
8 or unloading the commercial vehicle, and the outside temperature is less  
9 than 50 degrees or greater than 75 degrees Fahrenheit at the time. This ex-  
10 emption does not apply if the commercial vehicle is equipped with an auxil-  
11 iary power unit or other suitable idle reduction technology, or if the  
12 commercial vehicle is parked at a location equipped with suitable stationary  
13 idle reduction technology that is available for use, unless the outside tem-  
14 perature is greater than 75 degrees Fahrenheit and the auxiliary power unit  
15 provides heating only, in which case the person may idle the primary engine  
16 to provide air conditioning.

17 “[~~(11)~~] (k) For a maximum of 30 minutes while waiting to load or unload  
18 the commercial vehicle [*or while actually loading or unloading the commer-*  
19 *cial vehicle*] during a single loading or unloading event.

20 **“(2)(a) ORS 825.605 does not apply to a commercial vehicle when the**  
21 **engine manufacturer has certified that a new 2008 and subsequent**  
22 **model year commercial vehicle diesel engine meets an optional nitro-**  
23 **gen oxides idling emission standard of 30 grams per hour while not**  
24 **affecting the associate emissions of carbon monoxide, particulate**  
25 **matter and nonmethane hydrocarbons.**

26 **“(b) A manufacturer that certifies that its engine meets the stand-**  
27 **ard specified in paragraph (a) of this subsection shall provide a sticker**  
28 **to be affixed to the commercial vehicle to demonstrate compliance**  
29 **with the idling emission standard.**

30 **“SECTION 22. ORS 825.615 is amended to read:**

1       “825.615. (1) The authority to regulate the idling of primary engines in  
2 commercial vehicles is vested solely in the Legislative Assembly. A city,  
3 county or other local government may not enact any charter provision, or-  
4 dinance, resolution or other provision regulating the idling of primary en-  
5 gines in commercial vehicles.

6       “(2) Notwithstanding subsection (1) of this section, a city, county or other  
7 local government may enforce any charter provision, ordinance, resolution  
8 or other provision regulating the idling of primary engines in commercial  
9 vehicles in effect on January 1, 2011.

10       **“(3)(a) Notwithstanding subsection (1) of this section, a city, county  
11 or other local government may adopt by ordinance provisions re-  
12 stricting the idling of diesel primary engines in commercial vehicles  
13 within zones established by the ordinance that are on or adjacent to  
14 one or more of the following types of facilities:**

15       **“(A) Public or private educational institutions offering education in  
16 all or part of kindergarten through grade 12.**

17       **“(B) Child care facilities as defined in ORS 329A.250 and child care  
18 facilities operated by public bodies as defined in ORS 174.109.**

19       **“(C) Hospitals as defined in ORS 442.015.**

20       **“(D) Residential care facilities as defined in ORS 443.400.**

21       **“(b) An ordinance adopted pursuant to this subsection may not re-  
22 strict the idling of diesel primary engines in commercial vehicles  
23 where such idling is necessary to power work-related mechanical,  
24 safety, electrical or construction equipment installed on the vehicle  
25 that is not used for propulsion.**

26       **“(c) An ordinance adopted pursuant to this subsection is effective  
27 when appropriate signs giving notice of the idling restrictions are  
28 posted in a conspicuous location near the restricted idling zone. The  
29 expense of erecting any sign under this subsection shall be borne by  
30 the city, county or other local government that adopted the ordinance.**

1 **All signs posted under this subsection must comply with ORS**  
2 **810.200.”.**

3 In line 14, delete “16” and insert “23”.

4 On page 12, after line 30, insert:

5

6 **“OPERATION OF NONROAD DIESEL ENGINE EMISSION STAN-**  
7 **DARDS**

8

9 **“SECTION 24. The Environmental Quality Commission shall adopt**  
10 **rules as required by section 5 of this 2017 Act no later than January**  
11 **1, 2018. Rules adopted under section 5 of this 2017 Act may not become**  
12 **operative until at least two years after the date that the rules are filed**  
13 **with the Secretary of State under ORS 183.355.”.**

14 In line 34, delete “17” and insert “25”.

15 In line 40, delete “18” and insert “26”.

16

\_\_\_\_\_