

Requested by Senator ROBLAN

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

1 On page 1 of the printed A-engrossed bill, line 2, delete “468A.795” and
2 insert “327.033, 468A.795, 468A.796”.

3 In line 3, delete “and 468A.803” and insert “, 468A.803, 825.610 and
4 825.615”.

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

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

7
8 **“OREGON CLEAN DIESEL PROGRAM**
9 **“(Definitions)”**

10
11 **“SECTION 1. ORS 468A.795 is amended to read:**

12 “468A.795. As used in ORS 468A.795 to 468A.803 and sections 11 to 16,
13 chapter 855, Oregon Laws 2007:

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

16 **“(2) ‘Best available exhaust control technology’ means the most**
17 **effective exhaust controls to reduce diesel particulate that rely on**
18 **passively regenerated diesel particulate control technology supported**
19 **in a vehicle’s normal duty cycle.**

20 “[1] (3) ‘Combined weight’ has the meaning given that term in ORS
21 825.005.

1 “[2] (4) ‘Cost-effectiveness threshold’ means the cost, in dollars, per ton
2 of diesel particulate matter reduced, as established by rule of the Environ-
3 mental Quality Commission.

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

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

9 “(7) ‘Equivalent equipment’ means a piece of equipment that per-
10 forms the same function and has the equivalent horsepower to a piece
11 of equipment subject to a replacement.

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

15 “[3] (9) ‘Heavy-duty truck’ means a motor vehicle or combination of ve-
16 hicles operated as a unit that has a combined weight that is greater than
17 26,000 pounds.

18 “[4] (10) ‘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] (11) ‘Medium-duty truck’ means a motor vehicle or combination of
22 vehicles operated as a unit that has a combined weight that is greater than
23 14,000 pounds but less than or equal to 26,000 pounds.

24 “[6] (12) ‘Motor vehicle’ has the meaning given that term in ORS
25 825.005.

26 “[7] *‘Nonroad Oregon diesel engine’ means any Oregon diesel engine that*
27 *was not designed primarily to propel a motor vehicle on public highways of*
28 *this state.]*

29 “[8] *‘Oregon diesel engine’ means an engine at least 50 percent of the use*
30 *of which, as measured by miles driven or hours operated, will occur in Oregon*

1 *for the three years following the repowering or retrofitting of the engine.]*

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

5 “[9] (14) **‘Oregon diesel truck engine’ means a diesel engine in a truck**
6 **at least 50 percent of the use of which, as measured by miles driven or hours**
7 **operated, has occurred in Oregon for the two years preceding the scrapping**
8 **of the engine.**

9 “[10] (15) **‘Public highway’ has the meaning given that term in ORS**
10 **825.005.**

11 “(16)(a) **‘Replacement’ means:**

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

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

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

18 “[11] (17) **‘Repower’ means to scrap an old diesel engine and [replace]**
19 **substitute it with a new engine, a used engine or a remanufactured engine,**
20 **or with electric motors, drives or fuel cells, with a minimum useful life of**
21 **seven years.**

22 “[12] (18) **‘Retrofit’ means to equip a diesel engine with new emissions-**
23 **reducing parts or technology after the manufacture of the original engine.**
24 **A retrofit must use the greatest degree of emissions reduction available for**
25 **the particular application of the equipment retrofitted that meets the cost-**
26 **effectiveness threshold.**

27 “[13] (19) **‘Scrap’ means to destroy, [and] render inoperable and**
28 **recycle.**

29 “[14] (20) **‘Truck’ means a motor vehicle or combination of vehicles op-**
30 **erated as a unit that has a combined weight that is greater than 14,000**

1 pounds.

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

4 “468A.795. As used in ORS 468A.795 to 468A.803:

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

7 **“(2) ‘Best available exhaust control technology’ means the most**
8 **effective exhaust controls to reduce diesel particulate that rely on**
9 **passively regenerated diesel particulate control technology supported**
10 **in a vehicle’s normal duty cycle.**

11 “[1] **(3) ‘Combined weight’** has the meaning given that term in ORS
12 825.005.

13 “[2] **(4) ‘Cost-effectiveness threshold’** means the cost, in dollars, per ton
14 of diesel particulate matter reduced, as established by rule of the Environ-
15 mental Quality Commission.

16 **“(5) ‘Diesel engine’ means a compression ignition engine.**

17 **“(6) ‘Environmental Mitigation Trust Agreement’ means the Envi-**
18 **ronmental Mitigation Trust Agreement required by the Volkswagen**
19 **‘Clean Diesel’ Marketing, Sales Practices and Products Liability Liti-**
20 **gation partial consent decree dated October 25, 2016.**

21 **“(7) ‘Equivalent equipment’ means a piece of equipment that per-**
22 **forms the same function and has the equivalent horsepower to a piece**
23 **of equipment subject to a replacement.**

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

27 “[3] **(9) ‘Heavy-duty truck’** means a motor vehicle or combination of ve-
28 hicles operated as a unit that has a combined weight that is greater than
29 26,000 pounds.

30 “[4] **(10) ‘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] (11) ‘Medium-duty truck’ means a motor vehicle or combination of
4 vehicles operated as a unit that has a combined weight that is greater than
5 14,000 pounds but less than or equal to 26,000 pounds.

6 “[6] (12) ‘Motor vehicle’ has the meaning given that term in ORS
7 825.005.

8 “[7] ‘Nonroad Oregon diesel engine’ means any Oregon diesel engine that
9 was not designed primarily to propel a motor vehicle on public highways of
10 this state.]

11 “[8] ‘Oregon diesel engine’ means an engine at least 50 percent of the use
12 of which, as measured by miles driven or hours operated, will occur in Oregon
13 for the three years following the repowering or retrofitting of the engine.]

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

17 “[9] (14) ‘Oregon diesel truck engine’ means a diesel engine in a truck
18 at least 50 percent of the use of which, as measured by miles driven or hours
19 operated, has occurred in Oregon for the two years preceding the scrapping
20 of the engine.

21 “[10] (15) ‘Public highway’ has the meaning given that term in ORS
22 825.005.

23 **“(16)(a) ‘Replacement’ means:**

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

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

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

30 “[11] (17) ‘Repower’ means to scrap an old diesel engine and [replace]

1 **substitute** it with a new engine, a used engine or a remanufactured engine,
2 or with electric motors, drives or fuel cells, with a minimum useful life of
3 seven years.

4 “[~~(12)~~] **(18)** ‘Retrofit’ means to equip a diesel engine with new emissions-
5 reducing parts or technology after the manufacture of the original engine.
6 A retrofit must use the greatest degree of emissions reduction available for
7 the particular application of the equipment retrofitted that meets the cost-
8 effectiveness threshold.

9 “[~~(13)~~] **(19)** ‘Scrap’ means to destroy, [~~and~~] render inoperable **and**
10 **recycle**.

11 “[~~(14)~~] **(20)** ‘Truck’ means a motor vehicle or combination of vehicles op-
12 erated as a unit that has a combined weight that is greater than 14,000
13 pounds.

14

15 **“(Clean Diesel Engine Fund Uses)”**.

16

17 In line 13, delete “replacement,”.

18 In line 24, delete “replacement,”.

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

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

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

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

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

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

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

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

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

9 After line 14, insert:

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

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

15 Delete lines 38 through 44 and insert:

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

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

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

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

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

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

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

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

5 On page 6, after line 5, insert:

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

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

11 In line 24, delete “and”.

12 In line 27, delete the period and insert “; and

13 “(e) Any other moneys deposited in the fund from any source.”

14 Delete lines 28 through 45 and delete pages 7 and 8.

15 On page 9 delete lines 1 through 15 and insert:

16 “**SECTION 8.** ORS 468A.803 is amended to read:

17 “468A.803. (1) The Department of Environmental Quality shall use the
18 moneys in the Clean Diesel Engine Fund to award:

19 “**(a) Grants and loans to the owners and operators of motor vehicles**
20 **powered by diesel engines, and equipment powered by nonroad diesel**
21 **engines, for up to 25 percent of the certified costs of qualifying re-**
22 **placements as described in ORS 468A.797 and 468A.799;**

23 “[*a*] **(b)** Grants and loans to the owners and operators of [*Oregon*] diesel
24 engines for up to 100 percent of the certified costs of qualifying retrofits as
25 described in ORS 468A.797 and 468A.799;

26 “[*b*] **(c)** Grants and loans to the owners and operators of nonroad
27 [*Oregon*] diesel engines for up to 25 percent of the certified costs of qualify-
28 ing repowers as described in ORS 468A.797 and 468A.799; and

29 “[*c*] **(d)** Grants to the owners of Oregon diesel truck engines to scrap
30 those engines.

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

7 “**(2) The Environmental Quality Commission by rule may set grant**
8 **or loan award rates at a percentage that is greater than a percentage**
9 **allowed under subsection (1) of this section, provided that the grant**
10 **or loan assistance will not exceed the cost-effectiveness threshold, if**
11 **the higher percentage award rate would:**

12 “**(a) Benefit sensitive populations or areas with elevated concen-**
13 **trations of diesel particulate matter; or**

14 “**(b) Otherwise increase participation by those categories of owners**
15 **or operators.**

16 “(3) In determining the amount of a grant or loan under this section, the
17 department must reduce the incremental cost of a qualifying **replacement,**
18 repower or retrofit by the value of any existing financial incentive that di-
19 rectly reduces the cost of the qualifying **replacement,** repower or retrofit,
20 including tax credits, other grants or loans, or any other public financial
21 assistance.

22 “(4) The department may certify third parties to perform qualifying **re-**
23 **placements,** repowers and retrofits and may contract with third parties to
24 perform such services for the certified costs of qualifying **placements,**
25 repowers and retrofits. The department may also contract with institutions
26 of higher education or other public bodies as defined by ORS 174.109 to train
27 and certify third parties to perform qualifying **placements,** repowers and
28 retrofits.

29 “**(5) The department may not award a grant or loan for a replace-**
30 **ment, repower or retrofit under subsection (1) of this section unless**

1 **the grant or loan applicant demonstrates to the department's satis-**
2 **faction that the resulting equivalent motor vehicle, equivalent equip-**
3 **ment, repowered nonroad diesel engine or retrofitted diesel engine will**
4 **undergo at least 50 percent of its use in Oregon, as measured by miles**
5 **driven or hours operated, for the three years following the replace-**
6 **ment, repower or retrofit.**

7 “[5] **(6)** The department may not award a grant to scrap an Oregon die-
8 sel truck engine under subsection (1)[(c)] of this section unless the engine
9 was manufactured prior to 1994 and the engine is in operating condition at
10 the time of the grant application or, if repairs are needed, the owner dem-
11 onstrates to the department's satisfaction that the engine can be repaired to
12 an operating condition for less than its commercial scrap value. The [*Envi-*
13 *ronmental Quality*] commission shall adopt rules for a maximum grant
14 awarded under subsection (1)[(c)] of this section for an engine in a heavy-
15 duty truck and for an engine in a medium-duty truck. A grant awarded under
16 subsection (1)[(c)] of this section may not be combined with any other tax
17 credits, grants or loans, or any other public financial assistance, to scrap an
18 Oregon diesel truck engine.

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

25 **“(8) Any moneys received by the State of Oregon pursuant to a**
26 **voluntary written agreement or a settlement approved in an adminis-**
27 **trative or judicial proceeding that are deposited in the Clean Diesel**
28 **Engine Fund must be used by the department for activities consistent**
29 **with the terms and conditions of the agreement or settlement. Sub-**
30 **sections (1) to (6) of this section and ORS 468A.797 and 468A.799 do not**

1 **apply to the use of moneys in the fund received pursuant to this sub-**
2 **section.**

3 “[~~(6)~~] **(9) Except as provided in subsection (8) of this section,** the de-
4 partment may use the moneys in the Clean Diesel Engine Fund to pay ex-
5 penses of the department in administering the program described in [*this*
6 *section*] **ORS 468A.795 to 468A.803.**

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

18 “[~~(8)~~] *The department may perform activities necessary to ensure that recip-*
19 *ients of grants and loans from the Clean Diesel Engine Fund comply with*
20 *applicable requirements. If the department determines that a recipient has not*
21 *complied with applicable requirements, it may order the recipient to refund all*
22 *grant or loan moneys and may impose penalties pursuant to ORS 468.140.]*

23 **“SECTION 9. Sections 10 and 11 of this 2017 Act are added to and**
24 **made a part of ORS 468A.795 to 468A.803.**

25

26 **“(Environmental Mitigation Trust Agreement Moneys; Uses)**

27

28 **“SECTION 10. (1) Subject to and consistent with ORS 468A.803 (8)**
29 **and with the terms of the Environmental Mitigation Trust Agreement,**
30 **any moneys received by the State of Oregon pursuant to the agree-**

1 **ment that are deposited in the Clean Diesel Engine Fund under ORS**
2 **468A.801 must be used by the Department of Environmental Quality**
3 **to award grants for the purpose of reducing nitrogen oxides emissions**
4 **from diesel engines.**

5 **“(2) To the extent authorized by the agreement, the department**
6 **shall allocate moneys awarded pursuant to subsection (1) of this sec-**
7 **tion as follows:**

8 **“(a)(A) The department shall first award grants totaling up to \$20**
9 **million to owners and operators of school buses to reduce emissions**
10 **from approximately 450 diesel powered school buses operating in this**
11 **state.**

12 **“(B) In awarding grants under this paragraph, the department shall**
13 **begin by awarding grants to owners and operators of school buses that**
14 **are of the median model year of diesel school buses operating in this**
15 **state, and shall proceed to award grants for replacing buses through**
16 **the adjoining model years until the requirements of subparagraph (A)**
17 **of this paragraph are met. A grant may be awarded under this para-**
18 **graph for any school bus within the control of an owner or operator**
19 **that meets the following conditions:**

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

21 **“(ii) Use of the school bus has occurred in Oregon during the year**
22 **preceding the date of the grant; and**

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

26 **“(C) The grant amount per school bus awarded under this para-**
27 **graph shall be for:**

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

1 “(ii) Up to 100 percent of the cost to retrofit a school bus with
2 emissions-reducing parts or technology that result in a reduction of
3 diesel particulate matter emissions by at least 85 percent when com-
4 pared with the baseline emissions for the relevant engine year and
5 application.

6 “(b) Moneys remaining after the requirements of paragraph (a) of
7 this subsection are met shall be allocated by the department, subject
8 to the preferences for grant awards established under subsection (4)
9 of this section, among owners and operators of diesel engines to
10 undertake actions that are other eligible mitigation actions and miti-
11 gation action expenditures under Appendix D-2 to the Volkswagen
12 ‘Clean Diesel’ Marketing, Sales Practices and Products Liability Liti-
13 gation partial consent decree dated October 25, 2016.

14 “(3) The department may not award a grant under subsection (2)(b)
15 of this section to the owner or operator of a motor vehicle powered
16 by a diesel engine or a piece of equipment powered by a nonroad diesel
17 engine unless the following criteria are met:

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

20 “(B) If a piece of equipment, the piece of equipment is powered by
21 a nonroad diesel engine that does not meet United States Environ-
22 mental Protection Agency Tier 4 or higher exhaust emission standards
23 for nonroad compression ignition engines.

24 “(b) During the year preceding the date of the grant, use of the
25 motor vehicle or piece of equipment has occurred in a county in
26 Oregon with elevated levels of diesel particulate matter and nitrogen
27 oxides emissions from diesel engines.

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

30 “(d) The motor vehicle or piece of equipment has at least three

1 years of remaining useful life.

2 “(e) For the three years following the receipt of a grant award, at
3 least 50 percent of the use of the motor vehicle or equipment to which
4 the owner or operator applied the grant will occur in counties in
5 Oregon with elevated levels of particulate matter or nitrogen oxides
6 emissions from diesel emissions, as measured by miles driven or hours
7 operated.

8 “(f) The grant will not exceed the cost-effectiveness threshold
9 where, notwithstanding ORS 468A.795, the ‘cost-effectiveness
10 threshold’ for purposes of this paragraph means the cost in dollars per
11 ton of diesel particulate matter and nitrogen oxides emissions from
12 diesel engines reduced, as established by rule of the Environmental
13 Quality Commission.

14 “(g) Any other criteria the department deems necessary to ensure
15 that a grant award will result in reducing emissions from diesel en-
16 gines in this state.

17 “(4) The department shall establish preferences for awarding grants
18 under this section based on whether a project supported by a grant
19 will:

20 “(A) Benefit areas identified by demographic and health factors as
21 a priority for reducing the impacts of emissions from diesel engines
22 on disproportionately impacted populations including but not limited
23 to the elderly, children and low income or minority populations.

24 “(B) Be part of a voluntary program that is designed to reduce
25 diesel particulate matter and nitrogen oxides emissions from diesel
26 engines.

27 “(5) The department shall, during any calendar year in which grant
28 awards are available under this section, locate in counties with ele-
29 vated levels of diesel particulate matter and nitrogen oxides emissions
30 from diesel engines no fewer than four of the air quality monitoring

1 stations that the department was authorized to acquire on or before
2 the effective date of this 2017 Act and that are capable of detecting
3 diesel particulate matter and nitrogen oxides emissions.

4
5 “(Rules)
6

7 “SECTION 11. (1) The Environmental Quality Commission shall
8 adopt rules necessary to implement ORS 468A.795 to 468A.803.

9 “(2) Rules adopted under this section must include, but need not
10 be limited to, rules that establish preferences for awarding grants and
11 loans under ORS 468A.803 (1) based upon:

12 “(a) A percentage of diesel engine use in Oregon;

13 “(b) Whether a grant or loan applicant will provide matching funds;

14 “(c) Whether scrapping, replacement, repowering or retrofitting an
15 engine will benefit sensitive populations or areas with elevated con-
16 centrations of diesel particulate matter; or

17 “(d) Other criteria as the commission may establish.

18 “(3) Rules adopted by the commission under this section must re-
19 serve a portion of the financial assistance available each year for ap-
20 plicants that own or operate a small number of diesel engines or
21 Oregon diesel truck engines and must provide for simplified access to
22 financial assistance for those applicants.

23 “(4) The Department of Environmental Quality may perform activ-
24 ities necessary to ensure that recipients of grants and loans from the
25 Clean Diesel Engine Fund comply with applicable requirements. If the
26 department determines that a recipient has not complied with appli-
27 cable requirements, the department may order the recipient to refund
28 all or a portion of the grant or loan moneys and may impose penalties
29 pursuant to ORS 468.140.

30

1 district-owned buses, not in excess of 10 percent per year; *[and]*

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

8 “(c) **Shall include costs to replace diesel school buses as allowed in**
9 **the Environmental Mitigation Trust Agreement, except that the board**
10 **may not include costs paid from the Environmental Mitigation Trust**
11 **Agreement in the calculation of the transportation grant computed**
12 **as provided in ORS 327.013.**

13 “[~~(3)~~] **(4)** School districts shall account separately for those funds received
14 from the State School Fund attributable to the costs included under sub-
15 section [~~(2)~~] **(3)** of this section, and expenditure of those funds shall be lim-
16 ited as follows:

17 “(a) The expenditure of funds attributable to costs under subsection
18 [~~(2)(a)~~] **(3)(a)** of this section shall be limited to the acquisition of new buses.

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

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

28 In line 21, delete “11” and insert “14”.

29 In line 33, after “agency” delete the rest of the line and delete line 34 and
30 insert “; and”.

1 Delete line 37 and insert:

2 “(3) The third-party organization shall gather information for completing
3 the inventory using a combination of census and statistically significant
4 sampling methods, and shall validate the accuracy of the inventory through
5 methods that may include, but need not be limited to:

6 “(a) Direct field observations; and

7 “(b) Available fuel usage data, including data on red dye fuel usage.

8 “(4) Information gathered by the third-party organization must include all
9 of the following for each vehicle, engine or emissions-reducing part or tech-
10 nology sampled:”.

11 On page 10, after line 16, insert:

12 “(5) Sampling data for the inventory must be collected from both public
13 and private owners of nonroad diesel engines used in Oregon, such that equal
14 percentages of the sampling data are gathered on fleets of nonroad diesel
15 engines:

16 “(a) With a total maximum horsepower of less than 2500;

17 “(b) With a total maximum horsepower of 2500 to 5000; and

18 “(c) With a total maximum horsepower of more than 5000.”.

19 In line 17, delete “12” and insert “15” and delete “11” and insert “14”.

20 In line 18, delete “13” and insert “16”.

21 Delete lines 35 and 36.

22 In line 37, delete “(e)” and insert “(d)”.

23 On page 11, delete line 1 and insert:

24 **“SECTION 17. The inventory required to be developed under section
25 14 of this 2017 Act shall serve as the initial inventory required to be
26 maintained by the Department of Environmental Quality under sec-
27 tion 16 of this 2017 Act.”.**

28 In line 5, delete “15” and insert “18”.

29 In line 8, delete “11” and insert “14”.

30 After line 9, insert:

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

2
3 **“SECTION 19.** ORS 825.610 is amended to read:

4 “825.610. (1) ORS 825.605 does not apply to a commercial vehicle if it is
5 necessary to idle the primary engine of the commercial vehicle:

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

9 “[(2)] (b) Due to the need to operate defrosters, heaters or air conditioners
10 or installing equipment necessary to comply with manufacturers’ operating
11 requirements, specifications and warranties or with federal, state or local
12 safety regulations.

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

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

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

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

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

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

28 “[(9)] (i) In a commercial vehicle with a gross vehicle weight rating of
29 more than 26,000 pounds, for purposes of air conditioning or heating during
30 a rest or sleep period and the outside temperature is less than 50 degrees or

1 greater than 75 degrees Fahrenheit at any time during the rest or sleep pe-
2 riod. This subsection applies to a commercial vehicle with a sleeper berth
3 compartment that is parked in any place that a commercial vehicle is legally
4 permitted to park, including, but not limited to, a fleet trucking terminal,
5 commercial vehicle stop or designated rest area. This exemption does not
6 apply if the commercial vehicle is equipped with an auxiliary power unit or
7 other suitable idle reduction technology, if the commercial vehicle is parked
8 at a location equipped with suitable stationary idle reduction technology
9 that is available for use, or during a rest or sleep period when the commer-
10 cial vehicle is parked on or adjacent to a public or private educational in-
11 stitution offering education in all or part of kindergarten through grade 12,
12 unless the outside temperature is greater than 75 degrees Fahrenheit and the
13 auxiliary power unit provides heating only, in which case the person may
14 idle the primary engine to provide air conditioning.

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

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

30 “(2)(a) **ORS 825.605 does not apply to a commercial vehicle when the**

1 **engine manufacturer has certified that a new 2008 and subsequent**
2 **model year commercial vehicle diesel engine meets an optional nitro-**
3 **gen oxides idling emission standard of 30 grams per hour while not**
4 **affecting the associate emissions of carbon monoxide, particulate**
5 **matter and nonmethane hydrocarbons.**

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

10 **“SECTION 20.** ORS 825.615 is amended to read:

11 **“825.615. (1) The authority to regulate the idling of primary engines in**
12 **commercial vehicles is vested solely in the Legislative Assembly. A city,**
13 **county or other local government may not enact any charter provision, or-**
14 **dinance, resolution or other provision regulating the idling of primary en-**
15 **gines in commercial vehicles.**

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

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

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

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

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

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

