

By: Rodriguez

H.B. No. 650

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the low-income vehicle repair assistance, retrofit, and
3 accelerated vehicle retirement program.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 382.201, Health and Safety Code, is
6 amended by adding Subdivision (1-a) to read as follows:

7 (1-a) "Alternative fuel motor vehicle" means a motor
8 vehicle that operates on at least one alternative fuel, including:

9 (A) methanol, denatured ethanol, or another
10 alcohol, separately or in mixtures of 85 percent or more by volume,
11 or another percentage not less than 70 percent, as determined by
12 United States Department of Energy rule, with gasoline or other
13 fuels;

14 (B) compressed natural gas;

15 (C) liquefied natural gas;

16 (D) liquefied petroleum gas;

17 (E) hydrogen; and

18 (F) a rechargeable electric energy storage
19 system.

20 SECTION 2. Sections 382.209(d), (e), (i), and (j), Health
21 and Safety Code, are amended to read as follows:

22 (d) Subject to the availability of funds, a low-income
23 vehicle repair assistance, retrofit, and accelerated vehicle
24 retirement program established under this section shall provide

1 monetary or other compensatory assistance for:

2 (1) repairs directly related to bringing certain
3 vehicles that have failed a required emissions test into compliance
4 with emissions requirements;

5 (2) alternative transportation options, including a
6 replacement vehicle, after the retirement of [a replacement vehicle
7 or replacement assistance for] a vehicle that has failed a required
8 emissions test and for which the cost of repairs needed to bring the
9 vehicle into compliance is uneconomical; and

10 (3) installing retrofit equipment on vehicles that
11 have failed a required emissions test, if practically and
12 economically feasible, in lieu of or in combination with repairs
13 performed under Subdivision (1). The commission and the Department
14 of Public Safety of the State of Texas shall establish standards and
15 specifications for retrofit equipment that may be used under this
16 section.

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

20 (1) the vehicle is capable of being operated;

21 (2) the registration of the vehicle:

22 (A) is current; and

23 (B) reflects that the vehicle has been registered
24 in the county implementing the program for the 12 months preceding
25 the application for participation in the program;

26 (3) the commissioners court of the county
27 administering the program determines that the vehicle meets the

1 eligibility criteria adopted by the commission, the Texas
2 Department of Transportation, and the Public Safety Commission;

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

7 (5) if the vehicle is to be retired under this
8 subsection and Section 382.213, the replacement motor vehicle , if
9 any, is a qualifying motor vehicle.

10 (i) Notwithstanding the vehicle retirement [~~replacement~~]
11 requirements provided by Subsection (d)(2), the commission by rule
12 may provide monetary or other compensatory assistance under the
13 low-income vehicle repair assistance, retrofit, and accelerated
14 vehicle retirement program, subject to the availability of funds,
15 for the retirement [~~replacement~~] of a vehicle that meets the
16 following criteria:

17 (1) the vehicle is gasoline-powered and is at least 10
18 years old;

19 (2) the vehicle owner meets applicable financial
20 eligibility criteria;

21 (3) the vehicle meets the requirements provided by
22 Subsections (e)(1) and (2); and

23 (4) the vehicle has passed a Department of Public
24 Safety motor vehicle safety inspection or safety and emissions
25 inspection within the 15-month period before the application is
26 submitted.

27 (j) The commission may provide monetary or other

1 compensatory assistance under the low-income vehicle repair
2 assistance, retrofit, and accelerated vehicle retirement program
3 for a replacement motor vehicle or replacement assistance for a
4 pre-1996 model year replacement motor vehicle that passes the
5 required United States Environmental Protection Agency Start-Up
6 Acceleration Simulation Mode Standards emissions test but that
7 would have failed the United States Environmental Protection Agency
8 Final Acceleration Simulation Mode Standards emissions test or
9 failed to meet some other criterion determined by the commission;
10 provided, however, that a replacement motor vehicle under this
11 subsection must be a qualifying motor vehicle.

12 SECTION 3. Sections 382.210(a), (b), (d), and (e), Health
13 and Safety Code, are amended to read as follows:

14 (a) The commission by rule shall adopt guidelines to assist
15 a participating county in implementing a low-income vehicle repair
16 assistance, retrofit, and accelerated vehicle retirement program
17 authorized under Section 382.209. The guidelines at a minimum
18 shall recommend:

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

21 (2) a minimum and maximum amount toward the purchase
22 price of a replacement motor vehicle qualified for the accelerated
23 retirement program, based on vehicle type and model year, with the
24 maximum amount not to exceed:

25 (A) \$3,000 for a replacement motor vehicle [~~car~~]
26 of the current model year or the previous five [~~three~~] model years,
27 except as provided by Paragraph (C);

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

4 (C) \$3,500 for a replacement alternative fuel
5 motor vehicle or hybrid motor vehicle of the current model year or
6 the previous five model years [~~year~~];

7 (2-a) a minimum and maximum amount of assistance, not
8 to exceed \$3,000, for a person whose vehicle is retired under the
9 accelerated retirement program to use for fuel-efficient or
10 low-emissions transportation options other than a replacement
11 motor vehicle, including:

12 (A) a bicycle, electric bicycle, or motor
13 scooter; and

14 (B) a pass or passes for use on a public transit
15 system;

16 (3) criteria for determining eligibility, taking into
17 account:

18 (A) the vehicle owner's income, which may not
19 exceed 300 percent of the federal poverty level;

20 (B) the fair market value of the vehicle; and

21 (C) any other relevant considerations;

22 (4) safeguards for preventing fraud in the repair,
23 purchase, or sale of a vehicle in the program; and

24 (5) procedures for determining the degree and amount
25 of repair assistance a vehicle is allowed, based on:

26 (A) the amount of money the vehicle owner has
27 spent on repairs;

1 (B) the vehicle owner's income; and

2 (C) any other relevant factors.

3 (b) A replacement motor vehicle described by Subsection
4 (a)(2) must:

5 (1) except as provided by Subsection (c), be a vehicle
6 in a class or category of vehicles that has been certified to meet
7 federal Tier 2, Bin 5 or a cleaner Bin certification under 40 C.F.R.
8 Section 86.1811-04, as published in the February 10, 2000, Federal
9 Register; and

10 (2) have a gross vehicle weight rating of less than
11 10,000 pounds[~~, and~~

12 [~~(3) be a vehicle the total cost of which does not~~
13 ~~exceed \$25,000].~~

14 (d) A participating county shall provide an electronic
15 means for distributing vehicle repair or retirement [~~replacement~~]
16 funds once all program criteria have been met with regard to the
17 repair or retirement [~~replacement~~]. The county shall ensure that
18 funds for repairs or motor vehicle replacement are transferred to a
19 participating dealer under this section not later than five
20 business days after the date the county receives proof of the sale
21 and any required administrative documents from the participating
22 dealer.

23 (e) In rules adopted under this section, the commission
24 shall require a mandatory procedure that:

25 (1) produces a document confirming that a person is
26 eligible to purchase a replacement motor vehicle in the manner
27 provided by this chapter, and the amount of money available to the

1 participating purchaser;

2 (2) provides that a person who seeks to purchase a
3 replacement motor vehicle in the manner provided by this chapter is
4 required to have the document required by Subdivision (1) before
5 the person enters into negotiation for a replacement motor vehicle
6 in the manner provided by this chapter; and

7 (3) provides that a participating dealer who relies on
8 a document issued as required by Subdivision (1) has no duty to
9 otherwise confirm the eligibility of a person to purchase a
10 replacement motor vehicle in the manner provided by this chapter.

11 SECTION 4. Sections 382.213(a), (b), and (i), Health and
12 Safety Code, are amended to read as follows:

13 (a) Except as provided by Subsection (c) and Subdivision (5)
14 of this subsection, a vehicle retired under an accelerated vehicle
15 retirement program authorized by Section 382.209 may not be resold
16 or reused in its entirety in this or another state. Subject to the
17 provisions of Subsection (i), the automobile dealer who takes
18 possession of the vehicle must submit to the program administrator
19 proof, in a manner adopted by the commission, that the vehicle has
20 been retired. The vehicle must be:

21 (1) destroyed;

22 (2) recycled;

23 (3) dismantled and its parts sold as used parts or used
24 in the program;

25 (4) placed in a storage facility of a program
26 established under Section 382.209 and subsequently destroyed,
27 recycled, or dismantled and its parts sold or used in the program;

1 or

2 (5) repaired, brought into compliance, and used as a
3 replacement motor vehicle under Section 382.209(d)(2).

4 (b) Not more than 10 percent of all vehicles eligible for
5 retirement under this section may be used as replacement motor
6 vehicles under Subsection (a)(5).

7 (i) Notwithstanding any other provision of this section,
8 and except as provided by this subsection, a dealer is in compliance
9 with this section and incurs no civil or criminal liability as a
10 result of the disposal of a retired [~~replaced~~] vehicle if the dealer
11 produces proof of transfer of the retired [~~replaced~~] vehicle by the
12 dealer to a dismantler. The defense provided by this subsection is
13 not available to a dealer who knowingly and intentionally conspires
14 with another person to violate this section.

15 SECTION 5. Section 382.219, Health and Safety Code, is
16 amended to read as follows:

17 Sec. 382.219. PURCHASE OF REPLACEMENT MOTOR VEHICLE;
18 AUTOMOBILE DEALERSHIPS. (a) An amount described by Section
19 382.210(a)(2) may be used as a down payment toward the purchase of a
20 replacement motor vehicle.

21 (b) An automobile dealer that participates in the
22 procedures and programs offered by this chapter must be located in
23 the state. No dealer is required to participate in the procedures
24 and programs provided by this chapter.

25 SECTION 6. Section 382.220(d), Health and Safety Code, is
26 amended to read as follows:

27 (d) Fees collected under Sections 382.202 and 382.302 may be

1 used, in an amount not to exceed \$5 million per fiscal year, for
2 projects described by Subsection (b). The fees shall be made
3 available only to participating counties [~~participating in the~~
4 ~~low-income vehicle repair assistance, retrofit, and accelerated~~
5 ~~vehicle retirement programs created under Section 382.209 and only~~]
6 on a matching basis, whereby the commission provides money to a
7 county in the same amount that the county dedicates to a project
8 authorized by Subsection (b). If the county is not in an area that
9 receives federal Congestion Mitigation Air Quality funding to
10 support projects authorized by Subsection (b), the commission shall
11 provide three times the amount of money that the county dedicates to
12 a project under that subsection.

13 SECTION 7. Section 382.210(f), Health and Safety Code, is
14 repealed.

15 SECTION 8. This Act takes effect September 1, 2009.