By: Turner, Howard, Giddings

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## A BILL TO BE ENTITLED 1 AN ACT 2 relating to low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement programs and local initiative 3 4 projects. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 5 6 SECTION 1. Section 382.201, Health and Safety Code, is 7 amended by adding Subdivision (4-a) to read as follows: (4-a) "Purchase" means a transaction in which a person 8 9 buys a vehicle. SECTION 2. Section 382.202(g), Health and Safety Code, is 10 11 amended to read as follows: 12 (q) The commission shall: 13 (1) use part of the fee collected under Subsection (e) to fund county [low-income vehicle repair assistance, retrofit, and 14 accelerated vehicle retirement] programs and projects as provided 15 by Section 382.220 [created under Section 382.209]; and 16 (2) to the extent practicable, distribute available 17 funding created under Subsection (e) to participating counties in 18 reasonable proportion to the amount of fees collected under 19 20 Subsection (e) in those counties or in the regions in which those 21 counties are located. 22 SECTION 3. Sections 382.209(b) and (e), Health and Safety 23 Code, are amended to read as follows:

24 (b) The commission shall provide funding for local

low-income vehicle repair assistance, retrofit, and accelerated 1 vehicle retirement programs as provided by Section 382.220 [with 2 available funds collected under Section 382.202, 382.302, or other 3 designated and available funds]. 4 The programs shall be administered in accordance with Chapter 783, Government Code. 5 Program costs may include call center management, application 6 oversight, invoice analysis, education, outreach, and advertising. 7 8 Not more than 10 percent of the money provided to a local low-income vehicle repair assistance, retrofit, and accelerated vehicle 9 10 retirement program [under this section] may be used for the administration of the program [programs], including program costs. 11

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12 (e) A vehicle is not eligible to participate in a low-income 13 vehicle repair assistance, retrofit, and accelerated vehicle 14 retirement program established under this section unless:

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(1) the vehicle is capable of being operated;

(2) the [registration of the] vehicle:

17 (A) is registered in a county implementing the
 18 program [is current]; or [and]

19 (B) [reflects that the vehicle] has been 20 registered in <u>a</u> [the] county implementing the program for at least 21 12 of the 15 months preceding the application for participation in 22 the program;

23 (3) the commissioners of court the county 24 administering the program determines that the vehicle meets the eligibility criteria adopted by the commission, the Texas 25 26 Department of Motor Vehicles, and the Public Safety Commission; 27 (4) if the vehicle is to be repaired, the repair is

1 done by a repair facility recognized by the Department of Public
2 Safety, which may be an independent or private entity licensed by
3 the state; and

4 (5) if the vehicle is to be retired under this 5 subsection and Section 382.213, the replacement vehicle is a 6 qualifying motor vehicle.

7 SECTION 4. Sections 382.210(a), (b), and (f), Health and 8 Safety Code, are amended to read as follows:

9 (a) The commission by rule shall adopt guidelines to assist 10 a participating county in implementing a low-income vehicle repair 11 assistance, retrofit, and accelerated vehicle retirement program 12 authorized under Section 382.209. The guidelines at a minimum 13 shall recommend:

14 (1) a [minimum and] maximum amount for repair 15 assistance <u>of at least \$800</u>;

16 (2) <u>an</u> [a minimum and maximum] amount <u>to be put</u> toward 17 the purchase price of a replacement vehicle qualified for the 18 accelerated retirement program, based on vehicle type and model 19 year, <u>of at least</u> [with the maximum amount not to exceed]:

(A) \$4,000 [\$3,000] for a replacement car of the
current model year or the previous four [three] model years, except
as provided by Paragraph (C);

(B) \$4,000 [\$3,000] for a replacement truck of
 the current model year or the previous three [two] model years,
 except as provided by Paragraph (C); and

26 (C)  $\frac{$4,500}{$3,500}$  [ $\frac{$3,500}{$500}$ ] for a replacement vehicle of 27 the current model year or the previous <u>four</u> [<del>three</del>] model years

1 that: 2 (i) is a hybrid vehicle, electric vehicle, 3 or natural gas vehicle; or 4 (ii) has been certified to meet federal 5 Tier 2, Bin 3 or a cleaner Bin certification under 40 C.F.R. Section 86.1811-04, as published in the February 10, 2000, Federal 6 Register, or to meet federal Tier 3, Bin 85 or a cleaner Bin 7 certification under 40 C.F.R. Section 86.1811-17; 8 9 (3) criteria for determining eligibility, taking into 10 account: (A) the vehicle owner's income, which may not 11 exceed 300 percent of the federal poverty level; 12 (B) the fair market value of the vehicle; and 13 14 (C) any other relevant considerations; 15 (4) safeguards for preventing fraud in the repair, purchase, or sale of a vehicle in the program; and 16 17 (5) procedures for determining the degree and amount of repair assistance a vehicle is allowed, based on: 18 the amount of money the vehicle owner has 19 (A) spent on repairs; 20 the vehicle owner's income; and 21 (B) any other relevant factors. 2.2 (C) (b) A replacement vehicle described by Subsection (a)(2) 23 24 must: 25 (1) except as provided by Subsection (c), be a vehicle 26 in a class or category of vehicles that has been certified to meet federal Tier 2, Bin 5 or a cleaner Bin certification under 40 C.F.R. 27

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25 SECTION 5. Section 382.220, Health and Safety Code, is 26 amended to read as follows:

27 Sec. 382.220. <u>COUNTY</u> USE OF <u>MONEY FROM VEHICLE EMISSIONS</u>

1 <u>INSPECTION FEES;</u> [FUNDING FOR] LOCAL INITIATIVE PROJECTS. (a) <u>The</u> 2 <u>commission:</u> 3 <u>(1) shall provide funding to participating counties</u> 4 <u>for local low-income vehicle repair assistance, retrofit, and</u> 5 <u>accelerated vehicle retirement programs under Section 382.209</u> 6 <u>using:</u> 7 <u>(A) available funds derived from fees collected</u>

8 through vehicle emissions inspection and maintenance programs
9 under Sections 382.202 and 382.302; and

10 <u>(B) other designated and available funds; and</u> 11 <u>(2) may provide funding to participating counties for</u> 12 <u>local initiative projects under Subsection (b) using available</u> 13 <u>funds derived from fees collected through vehicle emissions</u> 14 <u>inspection and maintenance programs under Sections 382.202 and</u> 15 <u>382.302.</u>

16 <u>(a-1) A participating county that implements a local</u> 17 <u>initiative project under Subsection (b) must use at least 50</u> 18 <u>percent of the money made available to the county under Section</u> 19 <u>382.202(g) or 382.302 for the county's low-income vehicle repair</u> 20 assistance, retrofit, and accelerated vehicle retirement program.

21 <u>(a-2)</u> Money that is made available to participating 22 counties under Section 382.202(g) or 382.302 may be appropriated 23 only for programs administered in accordance with Chapter 783, 24 Government Code, to improve air quality.

25 <u>(a-3)</u> A participating county may agree to contract with any 26 appropriate entity, including a metropolitan planning organization 27 or a council of governments<u>,</u> to implement a program under Section

1 382.202 or[-] 382.209[-] or a project under Subsection (b) [this
2 section].

3 (b) A <u>participating county may implement a local initiative</u> 4 <u>project, which</u> [<del>program under this section</del>] must be implemented in 5 consultation with the commission and may include a program to:

6 (1) expand and enhance the AirCheck Texas Repair and7 Replacement Assistance Program;

8 (2) develop and implement programs or systems that 9 remotely determine vehicle emissions and notify the vehicle's 10 operator;

11 (3) develop and implement projects to implement the 12 commission's smoking vehicle program;

(4) develop and implement projects in consultation 13 director of the Department of Public Safety for 14 with the 15 coordinating with local law enforcement officials to reduce the use of counterfeit registration insignia and vehicle inspection 16 17 reports by providing local law enforcement officials with funds to identify vehicles with counterfeit registration insignia and 18 19 vehicle inspection reports and to carry out appropriate actions;

20 (5) develop and implement programs to enhance
 21 transportation system improvements; [<del>or</del>]

(6) develop and implement new air control strategies
designed to assist local areas in complying with state and federal
air quality rules and regulations; or

25 (7) improve air quality through the replacement and
 26 retirement of fleet vehicles as authorized by Subsection (d).

27 (c) Except as provided by Subsection (d), money [Money] that

1 is made available for the implementation of a program under 2 Subsection (b) may not be expended for local government fleet or 3 vehicle acquisition or replacement, call center management, 4 application oversight, invoice analysis, education, outreach, or 5 advertising purposes.

6 A participating county may use money that has been (d) 7 allocated by the commission to the county for a program under 8 Subsection (b) and that has not been spent by the last day of the fiscal year in which the money was allocated for the replacement and 9 retirement of local government fleet vehicles. Money available for 10 use under this subsection must be spent not later than the second 11 12 anniversary of the last day of the fiscal year in which the commission allocated the funds [Fees collected under Sections 13 382.202 and 382.302 may be used in an amount not to exceed \$7 14 million per fiscal year for projects described by Subsection (b), 15 of which \$2 million may be used only for projects described by 16 Subsection (b)(4). The remaining \$5 million may be used for any 17 project described by Subsection (b). The fees shall be made 18 available only to counties participating in the low-income vehicle 19 repair assistance, retrofit, and accelerated vehicle retirement 20 programs created under Section 382.209 and only on a matching 21 basis, whereby the commission provides money to a county in the same 22 amount that the county dedicates to a project authorized by 23 24 Subsection (b). The commission may reduce the match requirement for a county that proposes to develop and implement independent 25 26 test facility fraud detection programs, including the use of remote sensing technology for coordinating with law enforcement officials 27

1 to detect, prevent, and prosecute the use of counterfeit 2 registration insignia and vehicle inspection reports]. 3 SECTION 6. Section 382.302(e), Health and Safety Code, is 4 amended to read as follows: 5 (e) A participating county may participate in the program 6 established under Section 382.209 and may implement a local 7 initiative project under Section 382.220.

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SECTION 7. This Act takes effect September 1, 2017.