By: TurnerH.B. No. 2321Substitute the following for H.B. No. 2321:By: PickettC.S.H.B. No. 2321

## A BILL TO BE ENTITLED

1	AN ACT
2	relating to low-income vehicle repair assistance, retrofit, and
3	accelerated vehicle retirement programs and local initiative
4	projects.
5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
6	SECTION 1. Section 382.201, Health and Safety Code, is
7	amended by adding Subdivision (4-a) to read as follows:
8	(4-a) "Purchase" means a transaction in which a
9	person:
10	(A) buys a vehicle; or
11	(B) leases a vehicle for a period of at least
12	three years under an agreement that allows the vehicle to be driven
13	at least 12,000 miles a year without a penalty.
14	SECTION 2. Section 382.202(g), Health and Safety Code, is
15	amended to read as follows:
16	(g) The commission shall:
17	(1) use part of the fee collected under Subsection (e)
18	to fund <u>county</u> [ <del>low-income vehicle repair assistance, retrofit, and</del>
19	accelerated vehicle retirement] programs and projects as provided
20	by Section 382.220 [created under Section 382.209]; and
21	(2) to the extent practicable, distribute available
22	funding created under Subsection (e) to participating counties in
23	reasonable proportion to the amount of fees collected under
24	Subsection (e) in those counties or in the regions in which those

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1 counties are located.

2 SECTION 3. Sections 382.209(b) and (e), Health and Safety 3 Code, are amended to read as follows:

4 (b) The commission shall provide funding for local low-income vehicle repair assistance, retrofit, and accelerated 5 vehicle retirement programs as provided by Section 382.220 [with 6 available funds collected under Section 382.202, 382.302, or other 7 8 designated and available funds]. The programs shall be administered in accordance with Chapter 783, Government Code. 9 Program costs may include call center management, application 10 oversight, invoice analysis, education, outreach, and advertising. 11 Not more than 10 percent of the money provided to a local low-income 12 vehicle repair assistance, retrofit, and accelerated vehicle 13 14 retirement program [under this section] may be used for the 15 administration of the program [programs], including program costs.

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

19

the vehicle is capable of being operated; (2) the registration of the vehicle:

21

20

(A) is current; and

(1)

reflects that the vehicle is [has been] 2.2 (B) registered in a [the] county implementing the program [for at least 23 24 12 of the 15 months preceding the application for participation in 25 the program];

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

eligibility criteria adopted by the commission, the Texas
 Department of Motor Vehicles, 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 vehicle is a 9 qualifying motor vehicle.

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

12 (a) The commission by rule shall adopt guidelines to assist 13 a participating county in implementing a low-income vehicle repair 14 assistance, retrofit, and accelerated vehicle retirement program 15 authorized under Section 382.209. The guidelines at a minimum 16 shall recommend:

17 (1) a [minimum and] maximum amount for repair 18 assistance of at least \$800;

19 (2) <u>an</u> [a minimum and maximum] amount <u>to be put</u> toward 20 the purchase price of a replacement vehicle qualified for the 21 accelerated retirement program, based on vehicle type and model 22 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 <u>four</u> [three] model years, except
 as provided by Paragraph (C);

26 (B)  $\frac{$4,000}{$3,000}$  [ $\frac{$3,000}{$5,000}$ ] for a replacement truck of 27 the current model year or the previous <u>three</u> [ $\frac{1}{100}$ ] model years,

1 except as provided by Paragraph (C); and (C) \$4,500 [<del>\$3,500</del>] for a replacement vehicle of 2 the current model year or the previous four [three] model years 3 that: 4 5 (i) is a hybrid vehicle, electric vehicle, or natural gas vehicle; or 6 (ii) has been certified to meet federal 7 8 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 9 10 Register; (3) criteria for determining eligibility, taking into 11 12 account: (A) the vehicle owner's income, which may not 13 14 exceed 300 percent of the federal poverty level; 15 (B) the fair market value of the vehicle; and 16 (C) any other relevant considerations; 17 (4) safeguards for preventing fraud in the repair, purchase, or sale of a vehicle in the program; and 18 (5) procedures for determining the degree and amount 19 of repair assistance a vehicle is allowed, based on: 20 21 (A) the amount of money the vehicle owner has spent on repairs; 22 the vehicle owner's income; and 23 (B) 24 (C) any other relevant factors. 25 (b) A replacement vehicle described by Subsection (a)(2) 26 must: (1) except as provided by Subsection (c), be a vehicle 27

1 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. 2 Section 86.1811-04, as published in the February 10, 2000, Federal 3 4 Register; 5 (2) have a gross vehicle weight rating of less than 6 10,000 pounds; 7 have an odometer reading of not more than 85,000 (3) 8 [70,000] miles; and 9 (4) be a vehicle the total purchase price [cost] of which does not exceed: 10 (A) for a vehicle 11 described by Subsection (a)(2)(A) or (B), \$35,000; or 12 (B) a vehicle 13 for described by Subsection (a)(2)(C), \$45,000. 14 15 (f) For the purposes of Subsection (b), a reference to the total purchase price of a motor vehicle that is sold [In this 16 section, "total cost"] means the total amount of money paid or to be 17 paid for the purchase of a motor vehicle as set forth as "sales 18 price" in the form entitled "Application for Texas Certificate of 19 Title" promulgated by the Texas Department of Motor Vehicles. In a 20 transaction that does not involve the use of that form, the term 21 means an amount of money that is equivalent, or substantially 22 23 equivalent, to the amount that would appear as "sales price" on the 24 Application for Texas Certificate of Title if that form were 25 involved.

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26 SECTION 5. Section 382.220, Health and Safety Code, is 27 amended to read as follows:

1 Sec. 382.220. COUNTY USE OF MONEY FROM VEHICLE EMISSIONS INSPECTION FEES; [FUNDING FOR] LOCAL INITIATIVE PROJECTS. (a) The 2 3 commission: 4 (1) shall provide funding to participating counties 5 for local low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement programs under Section 382.209 6 7 using: (A) available funds derived from fees collected 8 through vehicle emissions inspection and maintenance programs 9 10 under Sections 382.202 and 382.302; and (B) other designated and available funds; and 11 12 (2) may provide funding to participating counties for local initiative projects under Subsection (b) using available 13 funds derived from fees collected through vehicle emissions 14 15 inspection and maintenance programs under Sections 382.202 and 382.302. 16 17 (a-1) A participating county that implements a local initiative project under Subsection (b) must use at least 50 18 19 percent of the money made available to the county under Section 382.202(g) or 382.302 for the county's low-income vehicle repair 20 assistance, retrofit, and accelerated vehicle retirement program. 21 22 (a-2) Money that is made available to participating

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counties under Section 382.202(g) or 382.302 may be appropriated only for programs administered in accordance with Chapter 783, Government Code, to improve air quality.

26 <u>(a-3)</u> A participating county may agree to contract with any
 27 appropriate entity, including a metropolitan planning organization

1 or a council of governments, to implement a program under Section
2 382.202 or[7] 382.209[7] or a project under Subsection (b) [this
3 section].

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

7 (1) expand and enhance the AirCheck Texas Repair and8 Replacement Assistance Program;

9 (2) develop and implement programs or systems that 10 remotely determine vehicle emissions and notify the vehicle's 11 operator;

12 (3) develop and implement projects to implement the13 commission's smoking vehicle program;

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

(5) develop and implement programs to enhance
 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

26 (7) improve air quality through the replacement and 27 retirement of fleet vehicles as authorized by Subsection (d).

1 (c) Except as provided by Subsection (d), money [Money] that 2 is made available for the implementation of a program under 3 Subsection (b) may not be expended for local government fleet or 4 vehicle acquisition or replacement, call center management, 5 application oversight, invoice analysis, education, outreach, or 6 advertising purposes.

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

1	sensing technology for coordinating with law enforcement officials
2	to detect, prevent, and prosecute the use of counterfeit
3	registration insignia and vehicle inspection reports].
4	SECTION 6. Section 382.302(e), Health and Safety Code, is
5	amended to read as follows:
6	(e) A participating county may participate in the program
7	established under Section 382.209 and may implement a local
8	initiative project under Section 382.220.
9	SECTION 7. This Act takes effect September 1, 2017.