

HOUSE BILL No. 4499

April 9, 2013, Introduced by Reps. Tlaib and Irwin and referred to the Committee on Transportation and Infrastructure.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
(MCL 324.101 to 324.90106) by adding part 69.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 69 DIESEL POLLUTION CONTROL

SEC. 6901. AS USED IN THIS PART:

(A) "AUXILIARY POWER UNIT" MEANS A PORTABLE, VEHICLE-MOUNTED
SYSTEM THAT PROVIDES CLIMATE CONTROL AND POWER FOR DIESEL VEHICLES
WITHOUT USING THE PROPULSION ENGINE.

(B) "BEST AVAILABLE CONTROL TECHNOLOGY" OR "BACT" MEANS LEVEL
3 CONTROLS OR ANOTHER EMISSIONS CONTROL DEVICE REQUIRED BY SECTION
6905, 6906, OR 6907 THAT DOES NOT RESULT IN A NET INCREASE OF
EMISSIONS OF NITROGEN OXIDES.

1 (C) "CARB" MEANS THE CALIFORNIA AIR RESOURCES BOARD.

2 (D) "CCV" MEANS A CLOSED CRANKCASE VENTILATION SYSTEM,
3 EQUIPMENT THAT COMPLETELY CLOSES THE CRANKCASE OF A DIESEL ENGINE
4 TO THE ATMOSPHERE AND ROUTES THE CRANKCASE VAPOR TO THE ENGINE
5 INTAKE AIR SYSTEM OR THE EXHAUST SYSTEM.

6 (E) "CERTIFIED ENGINE CONFIGURATION" MEANS A NEW, REBUILT, OR
7 REMANUFACTURED ENGINE CONFIGURATION WITH RESPECT TO WHICH ALL OF
8 THE FOLLOWING REQUIREMENTS ARE MET:

9 (i) IS CERTIFIED OR VERIFIED BY USEPA OR CARB.

10 (ii) MEETS OR IS REBUILT OR REMANUFACTURED TO A MORE STRINGENT
11 SET OF ENGINE EMISSIONS STANDARDS, AS DETERMINED BY THE DEPARTMENT.

12 (iii) IF THE ENGINE CONFIGURATION REPLACES AN EXISTING ENGINE OR
13 VEHICLE, THE EXISTING ENGINE IS RETURNED TO THE SUPPLIER FOR
14 REMANUFACTURING TO A MORE STRINGENT SET OF ENGINE EMISSIONS
15 STANDARDS OR FOR SCRAPPAGE.

16 (F) "CMAQ PROGRAM" MEANS THE CONGESTION MITIGATION AND AIR
17 QUALITY PROGRAM ESTABLISHED UNDER 23 USC 149.

18 (G) "CONTRACTOR" MEANS A PERSON THAT ENTERS INTO A PUBLIC
19 WORKS CONTRACT WITH A PUBLIC AGENCY, OR ANY PERSON THAT ENTERS INTO
20 AN AGREEMENT WITH SUCH A PERSON, TO PERFORM WORK OR PROVIDE LABOR
21 OR SERVICES RELATED TO THE PUBLIC WORKS CONTRACT.

22 (H) "COST-EFFECTIVENESS" MEANS THE TOTAL DOLLAR AMOUNT OF AN
23 EXPENDITURE DIVIDED BY THE TOTAL NUMBER OF TONS OF PM REDUCTION
24 ATTRIBUTABLE TO THE EXPENDITURE.

25 (I) "DEFECTIVE" MEANS MALFUNCTIONING DUE TO AGE, WEAR,
26 MALMAINTENANCE, OR DESIGN DEFECTS.

27 (J) "DEPARTMENT" MEANS THE DEPARTMENT OF ENVIRONMENTAL

1 QUALITY.

2 (K) "DIRECTOR" MEANS THE DIRECTOR OF THE DEPARTMENT.

3 (L) "FLEET" MEANS 1 OR MORE DIESEL VEHICLES OR MOBILE OR
4 STATIONARY DIESEL ENGINES OWNED, CONTROLLED, OR OPERATED BY THE
5 SAME PERSON OR BY ANY PERSON THAT CONTROLS, IS CONTROLLED BY, OR
6 HAS COMMON CONTROL WITH THAT PERSON.

7 (M) "FREIGHT FACILITY" MEANS A PORT, AIRPORT, RAILYARD, OR
8 INTERMODAL SHIPPING FACILITY WHERE PM EMISSIONS (AS TOTAL
9 PARTICULATES) FROM ALL ACTIVITIES ASSOCIATED WITH OPERATIONS OF
10 THAT FACILITY, INCLUDING, BUT NOT LIMITED TO, EMISSIONS FROM MARINE
11 VESSELS, CARGO HANDLING EQUIPMENT, AND TRUCK AND TRAIN TRAFFIC
12 ASSOCIATED WITH THE FACILITY, EXCEED 100 TONS PER YEAR.

13 (N) "FUND" MEANS THE DIESEL EMISSIONS REDUCTION FUND CREATED
14 IN SECTION 6910(1).

15 (O) "FUNDING PROGRAM" MEANS THE DIESEL EMISSIONS REDUCTION
16 FUNDING PROGRAM CREATED PURSUANT TO SECTION 6912.

17 SEC. 6902. AS USED IN THIS PART:

18 (A) "HEAVY-DUTY DIESEL VEHICLE" MEANS A MOTOR VEHICLE WITH A
19 GROSS VEHICLE WEIGHT RATING OF AT LEAST 14,000 POUNDS THAT IS
20 POWERED BY A DIESEL ENGINE.

21 (B) "INCREMENTAL COST" MEANS THE COST OF AN EMISSION REDUCTION
22 MEASURE LESS THE BASELINE COST AVOIDED BY THE EMISSION REDUCTION
23 MEASURE THAT WOULD OTHERWISE BE INCURRED IN THE NORMAL COURSE OF
24 BUSINESS. INCREMENTAL COSTS MAY INCLUDE ADDED LEASE, FUEL, OR
25 CAPITAL COSTS.

26 (C) "LEVEL 1 CONTROL" MEANS A VERIFIED DIESEL EMISSION CONTROL
27 DEVICE THAT ACHIEVES A PM EMISSION REDUCTION OF 25% OR MORE FROM

1 UNCONTROLLED ENGINE EMISSION LEVELS.

2 (D) "LEVEL 2 CONTROL" MEANS A VERIFIED DIESEL EMISSION CONTROL
3 DEVICE THAT ACHIEVES A PM EMISSION REDUCTION OF 50% OR MORE FROM
4 UNCONTROLLED ENGINE EMISSION LEVELS.

5 (E) "LEVEL 3 CONTROL" MEANS A VERIFIED DIESEL EMISSION CONTROL
6 DEVICE THAT ACHIEVES A PM EMISSION REDUCTION OF 85% OR MORE FROM
7 UNCONTROLLED ENGINE EMISSION LEVELS OR THAT REDUCES EMISSIONS TO
8 LESS THAN OR EQUAL TO 0.01 GRAMS OF PM PER BRAKE HORSEPOWER-HOUR.
9 LEVEL 3 CONTROL INCLUDES REPOWERING OR REPLACING THE EXISTING
10 DIESEL ENGINE WITH AN ENGINE MEETING USEPA'S 2007 HEAVY-DUTY
11 HIGHWAY DIESEL STANDARDS OR, IN THE CASE OF A NONROAD ENGINE, AN
12 ENGINE MEETING THE USEPA'S TIER 4 NONROAD DIESEL STANDARDS. LEVEL 3
13 CONTROL ALSO INCLUDES NEW DIESEL ENGINES MEETING THESE EMISSIONS
14 STANDARDS.

15 (F) "LOAD/UNLOAD LOCATION" MEANS A LOCATION WHERE VEHICLES
16 LOAD OR UNLOAD.

17 (G) "MDOT" MEANS THE STATE TRANSPORTATION DEPARTMENT.

18 (H) "MEDIUM-DUTY DIESEL VEHICLE" MEANS A MOTOR VEHICLE WITH A
19 GROSS VEHICLE WEIGHT RATING OF AT LEAST 8,500 POUNDS AND LESS THAN
20 14,000 POUNDS THAT IS POWERED BY A DIESEL ENGINE.

21 (I) "MOTOR VEHICLE" MEANS ANY SELF-PROPELLED VEHICLE DESIGNED
22 FOR TRANSPORTING PERSONS OR PROPERTY ON A STREET OR HIGHWAY.

23 (J) "NONCONFORMING" MEANS NOT IN COMPLIANCE WITH THE EMISSION
24 CONTROL REQUIREMENTS OF SECTION 6905.

25 (K) "NONROAD ENGINE" MEANS AN INTERNAL COMBUSTION ENGINE,
26 INCLUDING THE FUEL SYSTEM, THAT IS NOT USED IN A MOTOR VEHICLE OR A
27 VEHICLE USED SOLELY FOR COMPETITION AND THAT IS NOT A STATIONARY

1 SOURCE. HOWEVER, NONROAD ENGINE INCLUDES AN INTERNAL COMBUSTION
2 ENGINE USED TO POWER A GENERATOR, COMPRESSOR, OR SIMILAR EQUIPMENT
3 USED IN A CONSTRUCTION PROGRAM OR PROJECT.

4 (I) "NONROAD VEHICLE" MEANS A VEHICLE OR EQUIPMENT THAT IS
5 POWERED BY AN INTERNAL COMBUSTION ENGINE OF 50 OR MORE HORSEPOWER
6 AND GREATER, AND THAT IS NOT A MOTOR VEHICLE OR A VEHICLE USED
7 SOLELY FOR COMPETITION. NONROAD VEHICLE MAY INCLUDE AN EXCAVATOR,
8 BACKHOE, CRANE, COMPRESSOR, GENERATOR, BULLDOZER, OR SIMILAR
9 EQUIPMENT. UNLESS OTHERWISE INDICATED IN THIS PART, NONROAD VEHICLE
10 DOES NOT INCLUDE A LOCOMOTIVE OR MARINE VESSEL.

11 SEC. 6903. AS USED IN THIS PART:

12 (A) "OPACITY" MEANS THE PERCENTAGE OF LIGHT OBSTRUCTED FROM
13 PASSAGE THROUGH AN EXHAUST SMOKE PLUME.

14 (B) "PERSON" MEANS AN INDIVIDUAL OR A PARTNERSHIP,
15 CORPORATION, ASSOCIATION, GOVERNMENTAL ENTITY, OR OTHER LEGAL
16 ENTITY.

17 (C) "PM" MEANS PARTICULATE MATTER.

18 (D) "PM2.5" MEANS PM THAT IS 2.5 MICROMETERS OR SMALLER IN
19 DIAMETER.

20 (E) "PUBLIC AGENCY" MEANS THIS STATE; A CITY, COUNTY,
21 TOWNSHIP, VILLAGE, SCHOOL DISTRICT, OR OTHER POLITICAL SUBDIVISION
22 OF THIS STATE; A STATE INSTITUTION OF HIGHER EDUCATION; A
23 DEPARTMENT, AGENCY, BOARD, OR COMMISSION OF ANY OF THESE; OR AN
24 AUTHORITY ESTABLISHED BY ANY OF THESE PURSUANT TO LAW.

25 (F) "PUBLIC WORKS CONTRACT" MEANS A CONTRACT WITH A PUBLIC
26 AGENCY FOR A PROGRAM OR PROJECT INVOLVING THE CONSTRUCTION,
27 DEMOLITION, RESTORATION, REHABILITATION, REPAIR, RENOVATION, OR

1 ABATEMENT OF ANY BUILDING, TUNNEL, EXCAVATION, ROADWAY, PARK,
2 BRIDGE, OR OTHER STRUCTURE; A CONTRACT WITH A PUBLIC AGENCY
3 REGARDING THE PREPARATION FOR ANY SUCH PROGRAM OR PROJECT; OR A
4 CONTRACT WITH A PUBLIC AGENCY FOR ANY FINAL WORK INVOLVED IN THE
5 COMPLETION OF ANY SUCH PROGRAM OR PROJECT.

6 (G) "REGULATED HIGHWAY DIESEL VEHICLE" MEANS ANY OF THE
7 FOLLOWING HEAVY-DUTY DIESEL VEHICLES, AS FURTHER DEFINED IN AN
8 INCLUSIVE MANNER IN RULES PROMULGATED UNDER SECTION 6920:

9 (i) COMMERCIAL AND TRANSIT BUSES.

10 (ii) GARBAGE TRUCKS.

11 (iii) SCHOOL BUSES.

12 (iv) TRUCKS OWNED BY OR OPERATED ON BEHALF OF PUBLIC AGENCIES,
13 INCLUDING, BUT NOT LIMITED TO, DUMP TRUCKS, GRADERS, AND SNOW
14 PLOWS.

15 (v) FREIGHT AND CARGO DELIVERY TRUCKS WITH CENTRAL FLEET
16 MAINTENANCE OR FUELING LOCATIONS WITHIN THIS STATE.

17 (vi) ON-ROAD CARGO HANDLING EQUIPMENT OPERATED AT PORTS,
18 AIRPORTS, AND RAILYARDS.

19 (vii) SUCH OTHER HEAVY-DUTY HIGHWAY DIESEL VEHICLES AS THE
20 DEPARTMENT MAY DESIGNATE BY RULE PROMULGATED UNDER SECTION 6920.

21 (H) "RETROFIT" MEANS TO EQUIP A DIESEL MOTOR VEHICLE OR
22 NONROAD VEHICLE WITH NEW PM-EMISSIONS-REDUCING PARTS OR TECHNOLOGY
23 VERIFIED BY USEPA OR CARB AFTER MANUFACTURE OF THE ORIGINAL ENGINE,
24 OR WITH A CCV.

25 (I) "SAE J1667" MEANS SOCIETY OF AUTOMOTIVE ENGINEERS (SAE)
26 RECOMMENDED PRACTICE SAE J1667 "SNAP-ACCELERATION SMOKE TEST
27 PROCEDURE FOR HEAVY-DUTY DIESEL POWERED VEHICLES", AS ISSUED

1 FEBRUARY 1996 ("1996-02").

2 (J) "SIGNIFICANT EXPANSION" MEANS ANY MODIFICATION, OR SERIES
3 OF MODIFICATIONS OCCURRING WITHIN A CONSECUTIVE 10-YEAR PERIOD, TO
4 A FREIGHT FACILITY OR OPERATIONS THEREOF, INCLUDING, BUT NOT
5 LIMITED TO, PHYSICAL CHANGES TO THE FACILITY OR AN INCREASE IN THE
6 HOURS OF OPERATION, THAT IS COMMENCED AFTER THE EFFECTIVE DATE OF
7 THE AMENDATORY ACT THAT ADDED THIS SECTION AND THAT WOULD RESULT IN
8 A MAXIMUM POTENTIAL NET INCREASE IN ANNUAL PM 2.5 EMISSIONS OF 10
9 TONS OR MORE FROM ALL ACTIVITIES ASSOCIATED WITH OPERATIONS OF THE
10 FACILITY UNDER USUAL BUSINESS CONDITIONS. "SIGNIFICANTLY EXPAND"
11 HAS A CORRESPONDING MEANING.

12 (K) "SOS" MEANS SECRETARY OF STATE.
13 SEC. 6904. AS USED IN THIS PART:

14 (A) "TAMPERED" MEANS MISSING, MODIFIED, OR DISCONNECTED.

15 (B) "TRUCKSTOP" MEANS A ROADSIDE SERVICE STATION ESPECIALLY
16 FOR TRUCKS.

17 (C) "ULTRA-LOW SULFUR DIESEL FUEL" MEANS DIESEL FUEL THAT HAS
18 A SULFUR CONTENT OF NOT MORE THAN 15 PARTS PER 1,000,000.

19 (D) "USEPA" MEANS THE UNITED STATES ENVIRONMENTAL PROTECTION
20 AGENCY.

21 (E) "USEPA'S 2007 HEAVY-DUTY HIGHWAY DIESEL STANDARDS" MEANS
22 REGULATIONS PROMULGATED BY USEPA AND PUBLISHED AT 66 FR 5002
23 (JANUARY 18, 2001).

24 (F) "USEPA'S TIER 4 NONROAD DIESEL STANDARDS" MEANS
25 REGULATIONS PROMULGATED BY USEPA AND PUBLISHED AT 69 FR 38958 (JUNE
26 29, 2004).

27 (G) "VERIFIED DIESEL EMISSION CONTROL DEVICE" MEANS EITHER OF

1 THE FOLLOWING:

2 (i) AN EMISSION CONTROL DEVICE OR STRATEGY THAT HAS BEEN
3 VERIFIED TO ACHIEVE A SPECIFIED DIESEL PARTICULATE MATTER REDUCTION
4 BY USEPA OR CARB.

5 (ii) REPLACEMENT OR REPOWERING WITH AN ENGINE THAT IS CERTIFIED
6 TO SPECIFIC PM EMISSIONS PERFORMANCE BY USEPA OR CARB.

7 (H) "VERIFIED TECHNOLOGY" MEANS A DIESEL EMISSION CONTROL
8 DEVICE, AN ADVANCED TRUCKSTOP ELECTRIFICATION SYSTEM, OR AN
9 AUXILIARY POWER UNIT, THAT HAS BEEN VERIFIED BY USEPA OR CARB.

10 SEC. 6905. (1) SUBJECT TO SUBSECTIONS (2), (3), AND (4),
11 BEGINNING JULY 1, 2016, A FLEET OWNER OR OPERATOR SHALL NOT OPERATE
12 A REGULATED HIGHWAY DIESEL VEHICLE UNLESS AT LEAST 1/2 OF THE
13 REGULATED HIGHWAY DIESEL VEHICLES IN THAT FLEET HAVE LEVEL 3
14 CONTROLS INSTALLED, PROPERLY MAINTAINED, AND FUNCTIONING. EXCEPT AS
15 PROVIDED IN SUBSECTIONS (2), (3), AND (4), BEGINNING JULY 1, 2017,
16 A FLEET OWNER OR OPERATOR SHALL NOT OPERATE A REGULATED HIGHWAY
17 DIESEL VEHICLE UNLESS THAT VEHICLE HAS LEVEL 3 CONTROL INSTALLED,
18 PROPERLY MAINTAINED, AND FUNCTIONING.

19 (2) FOR THE PURPOSES OF SUBSECTION (1), BOTH OF THE FOLLOWING
20 APPLY:

21 (A) UNTIL JULY 1, 2018, A REGULATED HIGHWAY DIESEL VEHICLE
22 THAT HAS LEVEL 1 CONTROL INSTALLED AND FUNCTIONING BEFORE THE
23 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION SHALL
24 BE CONSIDERED TO HAVE LEVEL 3 CONTROLS INSTALLED, PROPERLY
25 MAINTAINED, AND FUNCTIONING.

26 (B) UNTIL JULY 1, 2020, A REGULATED HIGHWAY DIESEL VEHICLE
27 THAT HAS LEVEL 2 CONTROL INSTALLED AND FUNCTIONING BEFORE THE

1 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION SHALL
2 BE CONSIDERED TO HAVE LEVEL 3 CONTROLS INSTALLED, PROPERLY
3 MAINTAINED, AND FUNCTIONING.

4 (3) AN OWNER OR OPERATOR OF A FLEET, INCLUDING ANY FLEET OWNED
5 OR OPERATED BY A RELATED PERSON, CONSISTING IN THE AGGREGATE OF 5
6 OR FEWER REGULATED HIGHWAY DIESEL VEHICLES HAS AN ADDITIONAL 2
7 YEARS TO COMPLY WITH THE REQUIREMENTS OF SUBSECTION (1).

8 (4) IF THE DEPARTMENT MAKES A WRITTEN FINDING THAT A VERIFIED
9 DIESEL EMISSIONS CONTROL DEVICE WITH LEVEL 3 CONTROLS DOES NOT
10 EXIST FOR A REGULATED HIGHWAY DIESEL VEHICLE, PROPERLY MAINTAINED
11 AND FUNCTIONING LEVEL 2 CONTROLS THAT ARE AVAILABLE AND APPROPRIATE
12 FOR THE VEHICLE AS DETERMINED BY THE DEPARTMENT MAY BE SUBSTITUTED
13 FOR LEVEL 3 CONTROLS FOR THE PURPOSES OF SUBSECTION (1).

14 (5) BEGINNING JULY 1, 2016, A PERSON SHALL NOT OWN OR OPERATE
15 A REGULATED HIGHWAY DIESEL VEHICLE THAT VENTS CRANKCASE EMISSIONS.
16 A VEHICLE WITH A CCV, OR OTHER EQUALLY EFFECTIVE MEANS OF
17 PREVENTING CRANKCASE EMISSIONS PERMITTED BY RULES PROMULGATED UNDER
18 SECTION 6920, COMPLIES WITH THIS SUBSECTION.

19 (6) SUBSECTIONS (1) AND (5) DO NOT APPLY TO ANY REGULATED
20 HIGHWAY DIESEL VEHICLE WHOSE PROPULSION ENGINE WAS OPERATED IN THIS
21 STATE FOR FEWER THAN 1,000 MILES AND LESS THAN 100 HOURS DURING THE
22 PRECEDING CALENDAR YEAR, AS CONFIRMED BY ENGINE OPERATION DATA FROM
23 A PROPERLY FUNCTIONING ODOMETER AND NONRESETTABLE HOUR METER.

24 (7) A PERSON SHALL NOT SELL, DELIVER, OR DISTRIBUTE DIESEL
25 FUEL FOR DIESEL MOTOR VEHICLES OTHER THAN ULTRA-LOW SULFUR DIESEL
26 FUEL. A PERSON SHALL NOT OPERATE A DIESEL MOTOR VEHICLE USING
27 DIESEL FUEL OTHER THAN ULTRA-LOW SULFUR DIESEL FUEL.

1 (8) BEGINNING JULY 1, 2017, THE OWNER OF ANY HEAVY-DUTY DIESEL
2 VEHICLE THAT DOES NOT HAVE BEST AVAILABLE CONTROL TECHNOLOGY
3 INSTALLED, THAT IS REGISTERED TO OPERATE IN THIS STATE, AND THAT IS
4 POWERED BY AN ENGINE 25 YEARS OR OLDER SHALL REBUILD OR REPLACE THE
5 ENGINE WITH A CERTIFIED ENGINE CONFIGURATION MEETING BACT AND
6 OBTAIN WRITTEN CERTIFICATION OF COMPLIANCE WITH THIS REQUIREMENT
7 FROM THE DEPARTMENT.

8 (9) A PERSON WHO VIOLATES THIS SECTION MAY BE ORDERED TO PAY A
9 CIVIL FINE OF NOT MORE THAN \$5,000.00 PER VIOLATION. EACH DAY OF
10 NONCOMPLIANCE FOR EACH VEHICLE CONSTITUTES A SEPARATE VIOLATION. IN
11 ADDITION, THE COURT MAY ORDER THE SOS TO SUSPEND THE REGISTRATION
12 OF A VEHICLE THAT VIOLATES THIS SECTION AND NOT TO ISSUE ANY NEW OR
13 RENEWAL REGISTRATION FOR THAT VEHICLE UNTIL THE DEPARTMENT NOTIFIES
14 THE SOS THAT THE VIOLATION HAS BEEN CORRECTED. IF REQUESTED BY THE
15 OWNER OR OPERATOR, THE DEPARTMENT SHALL INSPECT THE VEHICLE AND
16 DETERMINE IF THE VIOLATION HAS BEEN CORRECTED. THE DEPARTMENT SHALL
17 NOTIFY THE SOS IF THE VIOLATION HAS BEEN CORRECTED. BEFORE
18 DETERMINING THAT A VIOLATION OF THIS SECTION HAS NOT BEEN
19 CORRECTED, THE DEPARTMENT SHALL PROVIDE THE OWNER OR OPERATOR OF A
20 VEHICLE WITH AN OPPORTUNITY FOR AN EVIDENTIARY HEARING UNDER THE
21 ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO
22 24.328. CIVIL FINES COLLECTED UNDER THIS SUBSECTION SHALL BE
23 DEPOSITED IN THE FUND.

24 SEC. 6906. (1) BEGINNING JULY 1, 2015, A PERSON SHALL NOT DO
25 ANY OF THE FOLLOWING:

26 (A) SELL, DELIVER, OR DISTRIBUTE NONROAD DIESEL FUEL OTHER
27 THAN ULTRA-LOW SULFUR DIESEL FUEL.

1 (B) OPERATE A NONROAD DIESEL ENGINE, A DIESEL LOCOMOTIVE, OR A
2 DIESEL MARINE ENGINE CLASSIFIED BY USEPA AS A CATEGORY 1 OR
3 CATEGORY 2 MARINE ENGINE USING DIESEL FUEL OTHER THAN ULTRA-LOW
4 SULFUR DIESEL FUEL.

5 (2) WHILE TRAVELING IN WATERS OF THIS STATE TO OR FROM ANY
6 PORT IN THIS STATE, THE OPERATOR OF ANY OCEANGOING VESSEL POWERED
7 BY A MARINE DIESEL ENGINE CLASSIFIED BY USEPA AS A CATEGORY 3
8 ENGINE SHALL USE MARINE FUEL WITH A SULFUR CONTENT NOT GREATER THAN
9 0.5% (5,000 PARTS PER MILLION) FROM JULY 1, 2016 TO DECEMBER 31,
10 2016, OR 0.1% (1,000 PARTS PER MILLION) BEGINNING JANUARY 1, 2017.

11 (3) THE DEPARTMENT SHALL CONSIDER ADOPTING BY RULE, AS
12 EXPEDITIOUSLY AS POSSIBLE, ANY CARB REGULATION THAT REDUCES PM
13 EMISSIONS FROM NONROAD DIESEL ENGINES. THE DEPARTMENT SHALL NOT
14 ADOPT THE CARB REGULATION IF THE DEPARTMENT FINDS, AFTER NOTICE AND
15 HEARING, THAT ADOPTION OF THE REGULATION WOULD NOT BE CONSISTENT
16 WITH 42 USC 7543 OR WOULD YIELD ONLY DE MINIMIS DIESEL PM
17 REDUCTIONS OR HEALTH BENEFITS WITHIN THIS STATE.

18 (4) EXCEPT AS PROVIDED IN SUBSECTION (5), ON AND AFTER JANUARY
19 1, 2019, ANY PUBLIC AGENCY THAT OWNS, OPERATES, OR LEASES ANY
20 DIESEL NONROAD VEHICLE SHALL INSTALL AND OPERATE LEVEL 3 CONTROLS
21 ON THE NONROAD VEHICLE. THE PUBLIC AGENCY SHALL OPERATE, MAINTAIN,
22 AND SERVICE THE EMISSIONS CONTROL TECHNOLOGY AS RECOMMENDED BY THE
23 MANUFACTURER. FAILURE BY A PUBLIC AGENCY TO MEET THIS CONDITION
24 SHALL SUBJECT THE AGENCY TO A REDUCTION OF STATE FUNDING OR A
25 DENIAL OF INCREASED STATE FUNDING IN ACCORDANCE WITH RULES TO BE
26 PROMULGATED BY THE DEPARTMENT OF TREASURY, IN CONSULTATION WITH THE
27 DEPARTMENT OF ENVIRONMENTAL QUALITY, PURSUANT TO THE ADMINISTRATIVE

1 PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO 24.328.

2 (5) SUBSECTION (4) DOES NOT APPLY TO A DIESEL NONROAD VEHICLE
3 IF THE DEPARTMENT MAKES A WRITTEN FINDING THAT A VERIFIED DIESEL
4 EMISSIONS CONTROL DEVICE WITH LEVEL 3 CONTROLS DOES NOT EXIST FOR
5 THE VEHICLE AND THE AGENCY INSTALLS LEVEL 2 CONTROLS THAT ARE
6 AVAILABLE AND APPROPRIATE FOR THE VEHICLE AS DETERMINED BY THE
7 DEPARTMENT. HOWEVER, IF THE DEPARTMENT MAKES A WRITTEN FINDING THAT
8 A VERIFIED DIESEL EMISSIONS CONTROL DEVICE WITH LEVEL 2 CONTROLS
9 DOES NOT EXIST FOR THE VEHICLE, THE VEHICLE SHALL BE RETROFITTED
10 WITH LEVEL 1 CONTROLS THAT ARE AVAILABLE AND APPROPRIATE FOR THE
11 VEHICLE AS DETERMINED BY THE DEPARTMENT. ALL FINDINGS MADE PURSUANT
12 TO THIS SUBSECTION AND INFORMATION RELATING TO THE FINDINGS SHALL
13 BE MADE AVAILABLE TO THE PUBLIC, AND THE DEPARTMENT SHALL POST THE
14 FINDINGS AND INFORMATION ON ITS WEBSITE.

15 (6) A PERSON WHO VIOLATES SUBSECTION (1) OR (2) OR A RULE
16 PROMULGATED UNDER SUBSECTION (3) MAY BE ORDERED TO PAY A CIVIL FINE
17 OF NOT MORE THAN \$5,000.00 PER VIOLATION. EACH DAY OF NONCOMPLIANCE
18 OF EACH MISFUELED VEHICLE CONSTITUTES A SEPARATE VIOLATION. CIVIL
19 FINES PAID UNDER THIS SUBSECTION SHALL BE DEPOSITED IN THE FUND.

20 SEC. 6907. (1) BEGINNING SEPTEMBER 1, 2017, ANY SOLICITATION
21 FOR A PUBLIC WORKS CONTRACT, AND ANY PUBLIC WORKS CONTRACT, SHALL
22 INCLUDE THE FOLLOWING PROVISIONS AND ALL CONTRACTORS SHALL COMPLY
23 WITH THE PROVISIONS IN THE PERFORMANCE OF THE CONTRACT:

24 (A) ONLY ULTRA-LOW SULFUR DIESEL FUEL OR AN ULTRA-LOW SULFUR
25 DIESEL BLEND WITH A SULFUR CONTENT OF 15 PPM OR LESS SHALL BE USED
26 IN ALL DIESEL NONROAD VEHICLES AND HEAVY-DUTY DIESEL VEHICLES.

27 (B) CONTRACTORS SHALL NOT VENT CRANKCASE EMISSIONS FROM DIESEL

1 NONROAD VEHICLES AND HEAVY-DUTY DIESEL VEHICLES. A VEHICLE WITH A
2 CCV, OR OTHER EQUALLY EFFECTIVE MEANS OF PREVENTING CRANKCASE
3 EMISSIONS PERMITTED BY RULES PROMULGATED UNDER SECTION 6920,
4 COMPLIES WITH THIS SUBSECTION.

5 (C) CONTRACTORS SHALL NOT PERMIT NONESSENTIAL IDLING OF DIESEL
6 NONROAD AND HEAVY-DUTY DIESEL VEHICLES, AND SHALL NOT EXCEED THE
7 IDLE LIMITS FOR MOTOR VEHICLES SET FORTH IN SECTION 6909(2).

8 (D) ALL DIESEL NONROAD VEHICLES (NOT INCLUDING DIESEL
9 GENERATORS) ON SITE FOR MORE THAN 3 DAYS DURING THE PROJECT SHALL
10 HAVE INSTALLED AND OPERATE THE FOLLOWING, AS APPLICABLE:

11 (i) A MINIMUM OF LEVEL 1 CONTROLS BY JANUARY 1, 2018.

12 (ii) FOR ENGINES WITH A RATING OF 25 OR MORE BUT LESS THAN 75
13 HORSEPOWER, LEVEL 2 CONTROLS BY JULY 1, 2021.

14 (iii) FOR ENGINES WITH A RATING OF 75 HORSEPOWER OR MORE, LEVEL
15 3 CONTROLS BY JULY 1, 2021.

16 (E) ALL HEAVY-DUTY DIESEL VEHICLES AND DIESEL GENERATORS ON
17 SITE FOR MORE THAN 3 DAYS DURING THE PROJECT SHALL HAVE INSTALLED
18 AND OPERATE THE FOLLOWING, AS APPLICABLE:

19 (i) A MINIMUM OF LEVEL 1 CONTROLS BY JANUARY 1, 2018.

20 (ii) LEVEL 3 CONTROLS BY JULY 1, 2018.

21 (F) EACH DIESEL NONROAD VEHICLE, HEAVY-DUTY DIESEL VEHICLE,
22 AND DIESEL GENERATOR ON SITE SHALL DISPLAY A COMPLIANCE STICKER
23 CLEARLY AND CONSPICUOUSLY INDICATING ITS INSTALLED LEVEL OF
24 EMISSIONS CONTROL.

25 (G) ALL EMISSIONS CONTROL TECHNOLOGY SHALL BE OPERATED,
26 MAINTAINED, AND SERVICED AS RECOMMENDED BY THE MANUFACTURER.

27 (2) A PUBLIC WORKS CONTRACT SHALL PROVIDE FULL OR PARTIAL

1 REIMBURSEMENT FROM THE PUBLIC WORKS PROJECT FUNDS FOR INCREMENTAL
2 COSTS INCURRED BY CONTRACTORS THAT ARE NECESSARY TO BRING DIESEL
3 NONROAD VEHICLES AND HEAVY-DUTY DIESEL VEHICLES USED ON THAT
4 SPECIFIC PROJECT INTO COMPLIANCE WITH THE REQUIREMENTS OF
5 SUBSECTION (1) (D) (ii) AND (iii) AND (E) (ii) FOR THAT SPECIFIC PROJECT.
6 HOWEVER, REIMBURSEMENT SHALL NOT BE PROVIDED FOR COSTS INCURRED
7 MORE THAN 180 DAYS AFTER THE APPLICABLE COMPLIANCE DATE. EACH
8 RELEVANT AGENCY SHALL ESTABLISH ANNUALLY THE REIMBURSEMENT
9 PERCENTAGE TO BE APPLIED TO ALL OF ITS PUBLIC WORKS CONTRACTS FOR
10 EACH CALENDAR YEAR FROM 2017 THROUGH 2021. ELIGIBLE CONTRACTORS
11 APPLYING FOR SUCH REIMBURSEMENT SHALL PROVIDE SUCH INFORMATION AS
12 REQUIRED BY THE PUBLIC AGENCY. ONLY 1 REIMBURSEMENT SHALL BE
13 PROVIDED FOR EACH DIESEL NONROAD VEHICLE OR HEAVY-DUTY DIESEL
14 VEHICLE. EXPENDITURES ARE NOT ELIGIBLE FOR REIMBURSEMENT UNDER THIS
15 SUBSECTION TO THE EXTENT THAT THEY WERE INCURRED TO BRING A VEHICLE
16 INTO COMPLIANCE WITH A DIFFERENT PROVISION OF THIS ACT OR ANY OTHER
17 FEDERAL OR STATE LAW OR REGULATION, OR IF SUCH EXPENDITURES HAVE
18 BEEN PREVIOUSLY REIMBURSED USING FUNDS FROM ANY OTHER PUBLIC WORKS
19 CONTRACT OR ANY OTHER PUBLIC AGENCY. EACH APPLICATION FOR
20 REIMBURSEMENT SHALL INCLUDE APPROPRIATE CONTRACTOR CERTIFICATIONS
21 CONCERNING THESE ELIGIBILITY PROHIBITIONS.

22 (3) THE COSTS THAT ARE REIMBURSED BY THE PUBLIC AGENCY UNDER
23 SUBSECTION (2) SHALL NOT BE INCLUDED IN THE PROJECT BID OR
24 CONSIDERED BY THE PUBLIC AGENCY IN EVALUATING BIDS.

25 (4) A PUBLIC AGENCY ENTERING INTO A PUBLIC WORKS CONTRACT MAY
26 PROVIDE REIMBURSEMENT FOR RETROFITS OF PROJECT DIESEL NONROAD
27 VEHICLES AND HEAVY-DUTY DIESEL VEHICLES AUTHORIZED UNDER SUBSECTION

1 (2) IN THE FORM OF REBATES IF THE DEPARTMENT PROMULGATES RULES
2 UNDER SECTION 6920 GOVERNING THE REBATES. ANY SUCH RULES SHALL
3 ESTABLISH THE AMOUNTS OF REBATES FOR PARTICULAR TYPES OF VEHICLES
4 AND REBATE POLICIES, PROCEDURES, AND SAFEGUARDS THAT ARE
5 SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 6914.

6 (5) ANY PUBLIC WORKS CONTRACT SHALL PROVIDE FOR ENFORCEMENT OF
7 THE CONTRACT PROVISIONS REQUIRED BY SUBSECTION (1) AND PENALTIES
8 FOR NONCOMPLIANCE WITH SUCH PROVISIONS.

9 (6) SUBSECTION (1) (D) (iii) AND (E) (ii) DOES NOT APPLY TO A DIESEL
10 NONROAD VEHICLE OR HEAVY-DUTY DIESEL VEHICLE IF THE PUBLIC AGENCY
11 MAKES A WRITTEN FINDING THAT A VERIFIED DIESEL EMISSIONS CONTROL
12 DEVICE WITH LEVEL 3 CONTROLS DOES NOT EXIST FOR THE VEHICLE AND THE
13 FINDING IS APPROVED, IN WRITING, BY THE DEPARTMENT. IN THAT CASE,
14 THE VEHICLE MAY OPERATE ON THE PROJECT SITE ONLY IF IT HAS BEEN
15 RETROFITTED WITH LEVEL 2 CONTROLS THAT ARE AVAILABLE AND
16 APPROPRIATE FOR THE VEHICLE AS DETERMINED BY THE DEPARTMENT.
17 HOWEVER, IF THE PUBLIC AGENCY MAKES A WRITTEN FINDING THAT A
18 VERIFIED DIESEL EMISSIONS CONTROL DEVICE WITH LEVEL 2 CONTROLS DOES
19 NOT EXIST FOR THE VEHICLE AND THE FINDING IS APPROVED, IN WRITING,
20 BY THE DEPARTMENT, THE VEHICLE MAY OPERATE ON SITE ONLY IF IT HAS
21 BEEN RETROFITTED WITH SUCH LEVEL 1 CONTROLS THAT ARE AVAILABLE AND
22 APPROPRIATE FOR THE VEHICLE AS DETERMINED BY THE DEPARTMENT. ALL
23 FINDINGS MADE PURSUANT TO THIS SUBSECTION AND INFORMATION RELATING
24 TO THE FINDINGS SHALL BE MADE AVAILABLE TO THE PUBLIC, AND THE
25 DEPARTMENT SHALL POST THE FINDINGS AND INFORMATION ON ITS WEBSITE.

26 SEC. 6908. (1) A FREIGHT FACILITY SHALL NOT COMMENCE OR
27 OPERATE A SIGNIFICANT EXPANSION WITHOUT A PERMIT ISSUED BY THE

1 DEPARTMENT UNDER THIS SECTION. AN APPLICATION FOR A PERMIT SHALL BE
2 SUBMITTED ON A FORM PROVIDED BY THE DEPARTMENT AND SHALL INCLUDE OR
3 BE ACCOMPANIED BY ALL OF THE FOLLOWING:

4 (A) A BASELINE INVENTORY OF ANNUAL PM EMISSIONS FROM ALL
5 SOURCES ASSOCIATED WITH OPERATIONS OF THE FREIGHT FACILITY,
6 INCLUDING, AS APPROPRIATE, EMISSIONS FROM OCEANGOING VESSELS,
7 HARBORCRAFT, LOCOMOTIVES, CARGO HANDLING EQUIPMENT, AND COMMERCIAL
8 MEDIUM-DUTY AND HEAVY-DUTY TRUCKS SERVING THE FACILITY. THE
9 BASELINE INVENTORY SHALL BE BASED ON DATA COLLECTED BY THE FREIGHT
10 FACILITY FOR THE FULL CALENDAR YEAR IMMEDIATELY PRECEDING THE
11 COMMENCEMENT OF THE SIGNIFICANT EXPANSION.

12 (B) AN INVENTORY OF ANNUAL POTENTIAL PM EMISSIONS FROM ALL
13 SOURCES ASSOCIATED WITH OPERATIONS OF THE FREIGHT FACILITY FOR EACH
14 OF THE FIRST 5 YEARS FOLLOWING THE PROJECTED COMPLETION OF THE
15 PROPOSED EXPANSION.

16 (C) A PLAN TO REDUCE PM EMISSIONS FROM SOURCES ASSOCIATED WITH
17 OPERATIONS OF THE FREIGHT FACILITY TO PREVENT AN INCREASE OVER THE
18 BASELINE INVENTORY OF MORE THAN 10 TONS PER YEAR OF PM EMISSIONS
19 FROM ALL SOURCES ASSOCIATED WITH OPERATIONS OF THE FREIGHT FACILITY
20 DURING ANY OF THE YEARS FOLLOWING THE PROPOSED EXPANSION.

21 (D) DOCUMENTATION THAT THE FACILITY HAS PROVIDED OPPORTUNITY
22 FOR PUBLIC COMMENT, INCLUDING PUBLIC HEARINGS AS APPROPRIATE, ON
23 THE INVENTORY DATA AND THE PLAN TO REDUCE PM EMISSIONS AT THE
24 FREIGHT FACILITY. THE DOCUMENTATION SHALL INCLUDE A SUMMARY OF
25 SIGNIFICANT COMMENTS RECEIVED.

26 (2) THE DEPARTMENT SHALL ISSUE OR DENY A PERMIT BY NOT MORE
27 THAN 180 DAYS AFTER SUBMISSION OF AN ADMINISTRATIVELY COMPLETE

1 APPLICATION UNDER SUBSECTION (1). THE DEPARTMENT SHALL ISSUE THE
2 PERMIT IF THE PLAN UNDER SUBSECTION (1)(C) IS ADEQUATE TO LIMIT PM
3 EMISSIONS TO THE LEVEL SPECIFIED IN SUBSECTION (1)(C).

4 (3) ANY FREIGHT FACILITY THAT COMMENCES OR OPERATES A
5 SIGNIFICANT EXPANSION WITHOUT A PERMIT ISSUED BY THE DEPARTMENT
6 UNDER SUBSECTION (2) MAY BE ORDERED TO PAY A CIVIL FINE OF NOT MORE
7 THAN \$25,000.00 FOR EACH DAY OF NONCOMPLIANCE. CIVIL FINES PAID
8 UNDER THIS SUBSECTION SHALL BE DEPOSITED IN THE FUND.

9 (4) A FREIGHT FACILITY ISSUED A PERMIT UNDER SUBSECTION (2)
10 SHALL SUBMIT TO THE DEPARTMENT BY MARCH 1 OF EACH YEAR A REPORT
11 THAT DESCRIBES THE FREIGHT FACILITY'S PROGRAMS AND EFFORTS TO
12 COMPLY WITH ITS EMISSION REDUCTION PLAN UNDER SUBSECTION (1)(C).
13 THE REPORT SHALL INCLUDE AN ANNUAL INVENTORY OF PM EMISSIONS FROM
14 ALL SOURCES ASSOCIATED WITH OPERATIONS OF THE FREIGHT FACILITY
15 DURING THE PRECEDING CALENDAR YEAR. NOT MORE THAN 90 DAYS AFTER
16 SUBMISSION OF A REPORT UNDER THIS SUBSECTION, THE DEPARTMENT SHALL
17 APPROVE, APPROVE WITH CONDITIONS, OR DISAPPROVE THE REPORT. UNLESS
18 THE REPORT IS APPROVED, THE FREIGHT FACILITY SHALL CORRECT ANY
19 REMAINING ERRORS, DEFICIENCIES, OR OMISSIONS IN THE REPORT
20 IDENTIFIED BY THE DEPARTMENT WITHIN 60 DAYS OF THE DEPARTMENT'S
21 ACTION AND RESUBMIT THE REPORT FOR FURTHER ACTION BY THE DEPARTMENT
22 UNDER THIS SUBSECTION.

23 (5) A FREIGHT FACILITY THAT DOES NOT HAVE A FULLY APPROVED
24 REPORT UNDER SUBSECTION (4) BY SEPTEMBER 1 OF ANY YEAR WITH RESPECT
25 TO PM EMISSIONS FOR THE PRIOR YEAR MAY BE ORDERED TO PAY A CIVIL
26 FINE OF NOT MORE THAN \$5,000.00 PER DAY OF NONCOMPLIANCE. CIVIL
27 FINES PAID UNDER THIS SUBSECTION SHALL BE DEPOSITED IN THE FUND.

1 (6) BEGINNING 2 YEARS FOLLOWING ISSUANCE BY THE DEPARTMENT OF
2 A FACILITY EXPANSION PERMIT UNDER SUBSECTION (2), IF ANNUAL
3 AGGREGATE PM EMISSIONS FROM THE FREIGHT FACILITY, AS SHOWN IN THE
4 MOST RECENT ANNUAL REPORT UNDER SUBSECTION (4) AS APPROVED BY THE
5 DEPARTMENT, EXCEED THE BASELINE INVENTORY ESTABLISHED PURSUANT TO
6 THIS SECTION BY MORE THAN 10 TONS PER YEAR, THE FREIGHT FACILITY
7 SHALL BE ORDERED TO PAY A CIVIL FINE IN AN AMOUNT EQUAL TO 125% OF
8 THE COST OF REDUCING AGGREGATE FACILITY PM EMISSIONS TO NOT MORE
9 THAN 10 TONS PER YEAR OVER THE BASELINE INVENTORY AS ESTIMATED BY
10 THE DEPARTMENT.

11 (7) CIVIL FINES COLLECTED UNDER THIS SECTION SHALL BE
12 DEPOSITED IN THE FUND.

13 (8) THIS SECTION DOES NOT LIMIT ANY OTHER AUTHORITY OF THE
14 DEPARTMENT WITH RESPECT TO ANY EMISSIONS SOURCE AT A FREIGHT
15 FACILITY.

16 SEC. 6909. (1) SUBJECT TO SUBSECTION (4), THE OWNER OF A
17 LOAD/UNLOAD LOCATION SHALL NOT CAUSE A MEDIUM-DUTY OR HEAVY-DUTY
18 DIESEL MOTOR VEHICLE TO IDLE FOR A PERIOD GREATER THAN 30 MINUTES
19 WHILE WAITING TO LOAD OR UNLOAD AT THE LOCATION.

20 (2) THE OWNER OR OPERATOR OF A MEDIUM-DUTY OR HEAVY-DUTY
21 DIESEL MOTOR VEHICLE SHALL NOT CAUSE OR PERMIT THE VEHICLE TO IDLE
22 FOR MORE THAN 5 MINUTES IN ANY 60-MINUTE PERIOD EXCEPT AS PROVIDED
23 IN SUBSECTIONS (1) AND (3) AND SUBJECT TO SUBSECTION (4).

24 (3) SUBSECTION (2) DOES NOT APPLY UNDER ANY OF THE FOLLOWING
25 CIRCUMSTANCES:

26 (A) A MEDIUM-DUTY OR HEAVY-DUTY DIESEL MOTOR VEHICLE IDLES
27 WHILE FORCED TO REMAIN MOTIONLESS BECAUSE OF ON-HIGHWAY TRAFFIC OR

1 AN OFFICIAL TRAFFIC CONTROL DEVICE OR SIGNAL OR AT THE DIRECTION OF
2 A LAW ENFORCEMENT OFFICIAL.

3 (B) A MEDIUM-DUTY OR HEAVY-DUTY DIESEL MOTOR VEHICLE IDLES
4 SOLELY TO PREVENT A SAFETY OR HEALTH EMERGENCY.

5 (C) ANY OF THE FOLLOWING APPLY:

6 (i) AN AMBULANCE OR A POLICE, FIRE, PUBLIC SAFETY, MILITARY, OR
7 OTHER EMERGENCY OR LAW ENFORCEMENT VEHICLE IDLES WHILE USED IN AN
8 EMERGENCY OR TRAINING CAPACITY AND NOT FOR CABIN COMFORT.

9 (ii) ANY OTHER VEHICLE IDLES WHILE BEING USED IN AN EMERGENCY
10 CAPACITY AND NOT FOR CABIN COMFORT.

11 (D) A VEHICLE'S PRIMARY PROPULSION ENGINE IDLES FOR
12 MAINTENANCE, SERVICING, REPAIRING, OR DIAGNOSTIC PURPOSES, BUT ONLY
13 TO THE EXTENT THAT IDLING IS REQUIRED FOR SUCH ACTIVITY.

14 (E) A VEHICLE IDLES AS PART OF A STATE OR FEDERAL INSPECTION
15 TO VERIFY THAT ALL EQUIPMENT IS IN GOOD WORKING ORDER, BUT ONLY TO
16 THE EXTENT THAT IDLING IS REQUIRED AS PART OF THE INSPECTION.

17 (F) IDLING OF THE PRIMARY PROPULSION ENGINE IS NECESSARY TO
18 POWER WORK-RELATED MECHANICAL OR ELECTRICAL OPERATIONS OTHER THAN
19 PROPULSION, SUCH AS OPERATING AN EXTENSION, LOADING OR UNLOADING,
20 MIXING OR PROCESSING CARGO, OR STRAIGHT TRUCK REFRIGERATION. THIS
21 SUBDIVISION DOES NOT APPLY TO IDLING FOR CABIN COMFORT OR THE
22 OPERATION OF NONESSENTIAL ON-BOARD EQUIPMENT.

23 (G) AN ARMORED VEHICLE IDLES WHEN A PERSON REMAINS INSIDE THE
24 VEHICLE TO GUARD THE CONTENTS OR WHILE THE VEHICLE IS BEING LOADED
25 OR UNLOADED.

26 (4) SUBSECTIONS (1) AND (2) DO NOT PROHIBIT OPERATING AN
27 AUXILIARY POWER UNIT AS AN ALTERNATIVE TO IDLING THE VEHICLE'S

1 PRIMARY PROPULSION ENGINE IF ALL OF THE FOLLOWING APPLY:

2 (A) THE VEHICLE IS EQUIPPED WITH A MODEL YEAR 2006 OR OLDER
3 ENGINE.

4 (B) THE VERIFIED PM EMISSIONS OF THE AUXILIARY POWER UNIT ARE
5 LESS THAN THOSE OF THE PRIMARY PROPULSION ENGINE.

6 (5) BEFORE 1 YEAR AFTER THE EFFECTIVE DATE OF THE AMENDATORY
7 ACT THAT ADDED THIS SECTION, A PERSON WHO VIOLATES SUBSECTION (1)
8 OR (2) SHALL BE GIVEN A WRITTEN WARNING. BEGINNING 1 YEAR AFTER THE
9 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION:

10 (A) THE OWNER OF A LOAD/UNLOAD LOCATION WHO VIOLATES
11 SUBSECTION (1) IS RESPONSIBLE FOR A STATE CIVIL INFRACTION AND MAY
12 BE ORDERED TO PAY A CIVIL FINE OF NOT MORE THAN \$750.00.

13 (B) THE REGISTERED OWNER OF A MEDIUM-DUTY OR HEAVY-DUTY DIESEL
14 MOTOR VEHICLE WHO VIOLATES SUBSECTION (2) IS RESPONSIBLE FOR A
15 STATE CIVIL INFRACTION AND MAY BE ORDERED TO PAY A CIVIL FINE OF
16 NOT MORE THAN \$750.00.

17 (C) THE OPERATOR OF A MEDIUM-DUTY OR HEAVY-DUTY DIESEL MOTOR
18 VEHICLE WHO VIOLATES SUBSECTION (2) IS RESPONSIBLE FOR A STATE
19 CIVIL INFRACTION AND MAY BE ORDERED TO PAY A CIVIL FINE OF NOT MORE
20 THAN \$250.00.

21 (6) THE PROCEEDS OF FINES COLLECTED UNDER SUBSECTION (5) SHALL
22 BE DEPOSITED AS PROVIDED IN SUBSECTION (11).

23 (7) BY 3 YEARS AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT
24 THAT ADDED THIS SECTION, EACH TRUCKSTOP HAVING A CAPACITY OF 25 OR
25 MORE TRUCKS SHALL INSTALL TRUCKSTOP ELECTRIFICATION FACILITIES
26 COVERING AT LEAST 80% OF ITS PARKING SPACES THAT ALLOW DIESEL
27 TRUCKS TO CONNECT TO THE ELECTRICAL GRID TO OBTAIN POWER FOR ON-

1 BOARD COMPONENTS OR STATIONARY COMPONENTS FOR HEATING, COOLING, AND
2 OTHER NEEDS THAT OTHERWISE WOULD BE MET BY IDLING THE PROPULSION
3 ENGINES OF THE DIESEL TRUCKS.

4 (8) A PERSON WHO VIOLATES SUBSECTION (7) MAY BE ORDERED TO PAY
5 A CIVIL FINE OF NOT MORE THAN \$750.00 PER VIOLATION, WITH EACH DAY
6 OF NONCOMPLIANCE CONSTITUTING A SEPARATE VIOLATION. CIVIL FINES
7 PAID UNDER THIS SUBSECTION SHALL BE DEPOSITED IN THE FUND.

8 (9) WITHIN 1 YEAR AFTER THE EFFECTIVE DATE OF THE AMENDATORY
9 ACT THAT ADDED THIS SECTION, THE DEPARTMENT SHALL CONDUCT AN
10 ANALYSIS OF IDLING PRACTICES OF LOCOMOTIVE AND COMMERCIAL MARINE
11 DIESEL VEHICLE OPERATORS AND THE EFFECTS OF SUCH PRACTICES. THE
12 OWNER OR OPERATOR OF SUCH A DIESEL VEHICLE SHALL PROVIDE
13 INFORMATION REQUESTED BY THE DEPARTMENT FOR THE PURPOSE OF
14 COMPLETING THE ANALYSIS. WITHIN 1 YEAR AND 26 WEEKS AFTER THE
15 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION, BASED
16 ON SUCH ANALYSIS, THE DEPARTMENT SHALL PROMULGATE RULES UNDER
17 SECTION 6920 REQUIRING LOCOMOTIVE AND COMMERCIAL MARINE DIESEL
18 VEHICLES OPERATING WITHIN THIS STATE TO ELIMINATE NONESSENTIAL
19 IDLING TO THE EXTENT SUCH REGULATION IS NOT PREEMPTED BY FEDERAL
20 LAW.

21 (10) A PERSON WHO VIOLATES SUBSECTION (9) OR A RULE REQUIRED
22 UNDER SUBSECTION (9) IS RESPONSIBLE FOR A STATE CIVIL INFRACTION
23 AND MAY BE ORDERED TO PAY A CIVIL FINE OF NOT MORE THAN \$750.00.

24 (11) HALF OF THE PROCEEDS OF FINES COLLECTED UNDER SUBSECTION
25 (5) OR (10) SHALL BE DEPOSITED IN THE FUND. THE REMAINING 1/2 OF
26 THE PROCEEDS OF SUCH FINES SHALL BE FORWARDED AS FOLLOWS:

27 (A) IF THE LAW ENFORCEMENT OFFICER ISSUING THE CIVIL

1 INFRACTION CITATION IS EMPLOYED BY THIS STATE, TO THE STATE
2 TREASURER FOR DEPOSIT IN THE GENERAL FUND.

3 (B) IF THE LAW ENFORCEMENT OFFICER IS EMPLOYED BY A POLITICAL
4 SUBDIVISION, TO THE TREASURER OF THAT POLITICAL SUBDIVISION FOR
5 DEPOSIT IN ITS GENERAL FUND.

6 (12) THE DEPARTMENT, AFTER CONSULTATION WITH MDOT, SHALL
7 CREATE AND IMPLEMENT A PLAN TO DO BOTH OF THE FOLLOWING:

8 (A) PROVIDE INFORMATION TO DIESEL VEHICLE OPERATORS AND OWNERS
9 ON THE IDLE REDUCTION REQUIREMENTS OF THIS SECTION, THE ECONOMIC
10 AND ENVIRONMENTAL BENEFITS OF IDLE REDUCTION, AND THE TECHNIQUES
11 AND TECHNOLOGIES AVAILABLE TO REDUCE UNNECESSARY IDLING.

12 (B) PROVIDE INFORMATION AND TRAINING TO LOCAL AND STATE LAW
13 ENFORCEMENT OFFICERS ON THE REQUIREMENTS OF THIS SECTION AND HOW TO
14 EFFECTIVELY MONITOR COMPLIANCE WITH AND ENFORCE THOSE REQUIREMENTS.

15 SEC. 6910. (1) THE DIESEL EMISSIONS REDUCTION FUND IS CREATED
16 WITHIN THE STATE TREASURY.

17 (2) THE FUND CONSISTS OF THE FUNDS, CONTRIBUTIONS, FEES, AND
18 SURCHARGES AS PROVIDED UNDER SUBSECTIONS (4), (5), AND (6) AND
19 SECTION 6911, FINES AND FEES DEPOSITED IN THE FUND PURSUANT TO
20 SECTIONS 6905, 6906, 6908, 6909, 6913, 6914, AND 6916, AND SURPLUS
21 REVENUE FROM THE DIESEL REVENUE BOND RECEIVING FUND AS PROVIDED IN
22 SECTION 6911. THE STATE TREASURER MAY RECEIVE MONEY OR OTHER ASSETS
23 FROM ANY OTHER SOURCE FOR DEPOSIT INTO THE FUND. THE STATE
24 TREASURER SHALL DIRECT THE INVESTMENT OF THE FUND. THE STATE
25 TREASURER SHALL CREDIT TO THE FUND INTEREST AND EARNINGS FROM FUND
26 INVESTMENTS. MONEY IN THE FUND AT THE CLOSE OF THE FISCAL YEAR
27 SHALL REMAIN IN THE FUND AND SHALL NOT LAPSE TO THE GENERAL FUND.

1 THE DEPARTMENT SHALL BE THE ADMINISTRATOR OF THE FUND FOR AUDITING
2 PURPOSES.

3 (3) THE DEPARTMENT SHALL EXPEND MONEY FROM THE FUND, UPON
4 APPROPRIATION, ONLY FOR THE FUNDING PROGRAM. HOWEVER, NOT MORE THAN
5 10% OF THE INSPECTION FEE REVENUE COLLECTED UNDER SECTION 6916 MAY
6 BE EXPENDED BY THE DEPARTMENT, UPON APPROPRIATION, FOR COSTS
7 INCURRED IN CARRYING OUT THE INSPECTION PROGRAM. IN ADDITION, NOT
8 MORE THAN 2% OF THE REMAINING MONEY DEPOSITED IN THE FUND MAY BE
9 EXPENDED, UPON APPROPRIATION, FOR ADMINISTRATIVE COSTS INCURRED BY
10 THE DEPARTMENT AND THE STATE TREASURER IN EXERCISING THEIR POWERS
11 AND DISCHARGING THEIR DUTIES UNDER THIS PART. MONEY ALLOCATED TO AN
12 ELIGIBLE DIESEL EMISSION REDUCTION MEASURE MAY BE DESIGNATED AS A
13 WORK PROJECT PURSUANT TO SECTION 451A OF THE MANAGEMENT AND BUDGET
14 ACT, 1984 PA 431, MCL 18.451A, AND IF NOT EXPENDED IN ANY FISCAL
15 YEAR MAY BE CARRIED OVER TO SUCCEEDING FISCAL YEARS.

16 (4) A SURCHARGE IS IMPOSED ON THE LEASE OR RENTAL OF DIESEL
17 NONROAD VEHICLES IN AN AMOUNT EQUAL TO 1% OF THE LEASE OR RENTAL
18 AMOUNT. THE STATE TREASURER SHALL ADOPT ANY PROCEDURES NEEDED FOR
19 THE COLLECTION, ADMINISTRATION, AND ENFORCEMENT OF THE SURCHARGE
20 AUTHORIZED BY THIS SUBSECTION AND SHALL DEPOSIT ALL SURCHARGES TO
21 THE CREDIT OF THE FUND.

22 (5) A SURCHARGE IS IMPOSED ON THE LEASE OR RENTAL OF HEAVY-
23 DUTY DIESEL VEHICLES THAT ARE OF A MODEL YEAR OF 2006 OR EARLIER
24 AND THAT ARE NOT EQUIPPED WITH LEVEL 3 CONTROLS. THE AMOUNT OF THE
25 SURCHARGE IS 2.5% OF THE TOTAL LEASE OR RENTAL AMOUNT. THE STATE
26 TREASURER SHALL ADOPT ANY PROCEDURES NEEDED FOR THE COLLECTION,
27 ADMINISTRATION, AND ENFORCEMENT OF THE SURCHARGE AUTHORIZED BY THIS

1 SUBSECTION AND SHALL DEPOSIT ALL SURCHARGES TO THE CREDIT OF THE
2 FUND.

3 (6) BEGINNING WITH THE 2014-2015 FISCAL YEAR, NOT LESS THAN
4 50% OF FUNDS EXPENDED ON AN ANNUAL BASIS FROM ACCOUNTS RELATED TO
5 THE CMAQ PROGRAM SHALL BE MADE AVAILABLE FOR THE PURPOSE OF FUNDING
6 ELIGIBLE DIESEL EMISSION REDUCTION MEASURES UNDER THE FUNDING
7 PROGRAM. NON-CMAQ-PROGRAM MONEY IN THE FUND MAY BE USED FOR
8 COMPLIANCE WITH THE 20% MATCH REQUIRED BY THE CMAQ PROGRAM.

9 SEC. 6911. (1) FOR THE PURPOSE OF FUNDING REVOLVING LOANS TO
10 FINANCE TRUCKSTOP ELECTRIFICATION FACILITIES AS REQUIRED BY SECTION
11 6909(7) AND OTHER DIESEL EMISSION REDUCTION MEASURES ELIGIBLE FOR
12 FUNDING UNDER THE FUNDING PROGRAM, THE DEPARTMENT MAY ISSUE REVENUE
13 BONDS PAYABLE FROM PRINCIPAL AND INTEREST PAYMENTS ON THE LOANS.
14 THE DEPARTMENT SHALL PROVIDE NOTICE TO THE APPROPRIATIONS
15 COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES AT LEAST
16 30 DAYS BEFORE BONDS ARE OFFERED FOR SALE. A REASONABLE ALLOWANCE
17 FOR LEGAL AND CONSULTANT SERVICES, COST OF PRINTING AND ISSUING OF
18 THE BONDS, INTEREST ON THE BONDS BECOMING DUE BEFORE COLLECTION OF
19 THE FIRST AVAILABLE LOAN PAYMENTS AND FOR A PERIOD OF 1 YEAR
20 THEREAFTER, AND OTHER INCIDENTAL EXPENSES MAY BE INCLUDED IN THE
21 COST FOR WHICH BONDS ARE TO BE ISSUED. THE BONDS SHALL BE
22 AUTHORIZED BY THE DIRECTOR AND MAY BE ISSUED IN 1 OR MORE SERIES AS
23 SHALL BE DETERMINED BY THE DIRECTOR.

24 (2) THE DEPARTMENT MAY DO 1 OR MORE OF THE FOLLOWING WITH
25 RESPECT TO BONDS UNDER SUBSECTION (1):

26 (A) SELL AND DELIVER AND RECEIVE PAYMENT FOR BONDS.

27 (B) APPROVE INTEREST RATES, PURCHASE PRICES, DISCOUNTS,

1 PREMIUMS, MATURITIES, PRINCIPAL AMOUNTS, INTEREST PAYMENT DATES,
2 REDEMPTION RIGHTS AT THE OPTION OF THE DEPARTMENT OR THE HOLDER,
3 AND THE PLACE AND TIME OF DELIVERY AND PAYMENT FOR THE BONDS.

4 (C) DELIVER BONDS TO REFUND PRIOR BONDS OR PARTLY TO REFUND
5 BONDS AND PARTLY FOR OTHER AUTHORIZED PURPOSES.

6 (D) SELECT WHICH OUTSTANDING BONDS WILL BE REFUNDED, IF ANY,
7 BY THE NEW ISSUE OF BONDS.

8 (E) ANY OTHER MATTERS AND PROCEDURES NECESSARY TO COMPLETE THE
9 ISSUANCE AND DELIVERY OF THE BONDS.

10 (3) AN ORDER OF THE DIRECTOR AUTHORIZING THE ISSUANCE OF BONDS
11 SHALL CONTAIN ALL OF THE FOLLOWING:

12 (A) A DESCRIPTION IN REASONABLE DETAIL OF THE TRUCKSTOP
13 ELECTRIFICATION PROGRAM AND OTHER DIESEL EMISSION REDUCTION
14 MEASURES, FOR WHICH THE BONDS ARE TO BE ISSUED.

15 (B) THE FORM OF THE BONDS AND ALL OF THE FOLLOWING:

16 (i) THE MATURITY DATE OR DATES FOR THE BONDS, WHICH SHALL NOT
17 BE LATER THAN 30 YEARS AFTER THE ISSUANCE OF THE BONDS.

18 (ii) THE PRINCIPAL AMOUNT OF AND PRINCIPAL PAYMENT DATES FOR
19 THE BONDS.

20 (iii) THE INTEREST RATE OR RATES FOR THE BONDS OR A PROVISION
21 THAT BONDS WILL NOT BEAR ANY INTEREST.

22 (iv) THE REDEMPTION PROVISIONS, WITH OR WITHOUT PREMIUM, FOR
23 THE BONDS, IF ANY.

24 (v) THE AUTHORIZED DENOMINATIONS FOR THE BONDS.

25 (vi) WHETHER THE BONDS MAY BE SOLD AT A DISCOUNT OR FOR A
26 PREMIUM.

27 (vii) THE MANNER IN WHICH THE BONDS WILL BE EXECUTED.

1 (viii) ANY OTHER PROVISION CONCERNING THE BONDS OR THE SECURITY
2 FOR THE BONDS THAT THE DIRECTOR CONSIDERS APPROPRIATE.

3 (C) A PROVISION THAT PAYMENTS ON LOANS FOR TRUCKSTOP
4 ELECTRIFICATION OR OTHER DIESEL EMISSION REDUCTION MEASURES SHALL
5 BE PLEDGED FOR THE PAYMENT OF THE BONDS.

6 (D) A COVENANT THAT THE TERMS OF NEW LOANS SHALL BE REVISED
7 FROM TIME TO TIME WITHIN THE LIMITS PERMITTED BY LAW WHEN NECESSARY
8 TO ENSURE THAT REVENUES TO BE DERIVED FROM THE LOANS ARE SUFFICIENT
9 TO PAY THE PRINCIPAL OF AND INTEREST ON BONDS ISSUED PURSUANT TO
10 THIS SECTION AND OTHER OBLIGATIONS OF THE DEPARTMENT IN CONNECTION
11 WITH THE ISSUANCE OF BONDS.

12 (E) A PROVISION REQUIRING THE FISCAL AGENT TO SET ASIDE MONEY
13 FROM THE DIESEL REVENUE BOND RECEIVING FUND ESTABLISHED UNDER
14 SUBSECTION (9) INTO A FUND TO BE DESIGNATED AS THE DIESEL DEBT
15 SERVICE FUND IN A SUM PROPORTIONATELY SUFFICIENT TO PROVIDE FOR THE
16 PAYMENT OF THE PRINCIPAL OF AND INTEREST UPON ALL BONDS PAYABLE
17 FROM THE DEBT SERVICE FUND AS AND WHEN THE PRINCIPAL AND INTEREST
18 BECOME DUE AND PAYABLE IN THE MANNER PRESCRIBED BY THE DIRECTOR. IN
19 ADDITION, THE ORDER SHALL AUTHORIZE THE DIRECTOR TO PROVIDE THAT A
20 REASONABLE EXCESS AMOUNT MAY BE SET ASIDE BY THE FISCAL AGENT FROM
21 TIME TO TIME AS DETERMINED BY THE DIRECTOR IN THE DIESEL DEBT
22 SERVICE FUND TO PRODUCE AND PROVIDE A RESERVE TO MEET A POSSIBLE
23 FUTURE DEFICIENCY IN THE DIESEL DEBT SERVICE FUND. THE ORDER SHALL
24 FURTHER PROVIDE THAT OUT OF THE REVENUES REMAINING EACH QUARTER,
25 AFTER HAVING FIRST MET THE REQUIREMENTS OF THE DEBT SERVICE FUND,
26 INCLUDING THE RESERVE FOR THE FUND, THE DIRECTOR MAY BY DIRECTION
27 TO THE FISCAL AGENT SET ASIDE ADDITIONAL MONEY IN THE DEBT SERVICE

1 FUND FOR THE PURPOSE OF CALLING BONDS FOR REDEMPTION, SUBJECT TO
2 APPROVAL BY THE STATE ADMINISTRATIVE BOARD. THE RESOLUTION SHALL
3 ALSO CONTAIN A PROVISION FOR THE INVESTMENT OF FUNDS HELD BY THE
4 FISCAL AGENT.

5 (F) A PROVISION THAT MONEY ON DEPOSIT IN THE DIESEL REVENUE
6 BOND RECEIVING FUND AFTER SETTING ASIDE THE AMOUNTS FOR THE DIESEL
7 DEBT SERVICE FUND IS SURPLUS MONEY AND SHALL BE DEPOSITED QUARTERLY
8 BY THE FISCAL AGENT UPON THE ORDER OF THE DIRECTOR IN THE STATE
9 TREASURY IN THE DIESEL EMISSIONS REDUCTION FUND.

10 (G) THE TERMS AND CONDITIONS UNDER WHICH ADDITIONAL BONDS,
11 PAYABLE FROM PAYMENTS ON LOANS FOR TRUCKSTOP ELECTRIFICATION AND
12 OTHER DIESEL EMISSION REDUCTION MEASURES AND OF EQUAL STANDING WITH
13 A PRIOR ISSUE OF BONDS, MAY BE ISSUED.

14 (H) A PROVISION FOR DEPOSIT AND EXPENDITURE OF THE PROCEEDS OF
15 SALE OF THE BONDS AND FOR INVESTMENT OF THE PROCEEDS OF SALE OF THE
16 BONDS AND OF OTHER FUNDS OF THE DEPARTMENT RELATING TO BONDS
17 AUTHORIZED BY THIS PART.

18 (I) A PROVISION THAT IN THE EVENT OF A DEFAULT IN THE PAYMENT
19 OF PRINCIPAL OF OR INTEREST ON THE BONDS, OR IN THE PERFORMANCE OF
20 AN AGREEMENT OR COVENANT CONTAINED IN THE RESOLUTION, THE HOLDERS
21 OF A SPECIFIED PERCENTAGE OF THE OUTSTANDING BONDS MAY INSTITUTE 1
22 OR MORE OF THE FOLLOWING FOR THE EQUAL BENEFIT OF THE HOLDERS OF
23 ALL OF THE BONDS:

24 (i) AN ACTION OF MANDAMUS OR ANY OTHER SUIT, ACTION, OR
25 PROCEEDING TO ENFORCE THE RIGHTS OF THE HOLDERS OF THE BONDS.

26 (ii) AN ACTION UPON THE DEFAULTED BONDS OR COUPONS.

27 (iii) ANY OTHER ACTION AS MAY BE PROVIDED BY LAW.

1 (4) ANY BOND ISSUED UNDER THIS SECTION SHALL STATE THAT IT IS
2 NOT A GENERAL OBLIGATION OF THIS STATE, BUT IS A REVENUE BOND
3 PAYABLE ONLY FROM REPAYMENT OF LOANS FOR TRUCKSTOP ELECTRIFICATION
4 AND OTHER DIESEL EMISSION REDUCTION MEASURES. THIS PART DOES NOT
5 AUTHORIZE THIS STATE TO INCUR DEBT CONTRARY TO THE STATE
6 CONSTITUTION OF 1963 OR THE LAWS OF THIS STATE. THE HOLDERS OF THE
7 BONDS SHALL NOT HAVE ANY LIEN, MORTGAGE, OR OTHER ENCUMBRANCES UPON
8 ANY PROPERTY OF THIS STATE, REAL, PERSONAL, OR MIXED. BONDS SHALL
9 BE NEGOTIABLE INSTRUMENTS AS DEFINED IN SECTION 3104 OF THE UNIFORM
10 COMMERCIAL CODE, 1962 PA 174, MCL 440.3104.

11 (5) THE DIRECTOR MAY ISSUE BONDS FOR THE PURPOSE OF REFUNDING
12 ANY OBLIGATIONS ISSUED UNDER THIS PART OR MAY AUTHORIZE A SINGLE
13 ISSUE OF BONDS IN PART FOR THE PURPOSE OF REFUNDING SUCH
14 OBLIGATIONS. BONDS ISSUED UNDER THIS SUBSECTION MAY BE SOLD IN THE
15 MANNER OTHERWISE PROVIDED FOR THE SALE OF BONDS IN THIS SECTION. IF
16 SOLD, THAT PORTION OF THE PROCEEDS REPRESENTING THE REFUNDING
17 PORTION MAY BE EITHER APPLIED TO THE PAYMENT OF THE OBLIGATIONS
18 REFUNDED OR DEPOSITED IN ESCROW FOR THEIR RETIREMENT.

19 (6) THE MAXIMUM RATE OF INTEREST ON BONDS ISSUED UNDER THIS
20 SECTION SHALL BE THAT SET FORTH FOR BONDS IN THE REVISED MUNICIPAL
21 FINANCE ACT, 2001 PA 34, MCL 141.2101 TO 141.2821. THE SALE AND
22 AWARD OF BONDS SHALL BE CONDUCTED AND MADE BY THE DIRECTOR AT A
23 PUBLIC OR PRIVATE SALE. IF A PUBLIC SALE IS HELD, THE BONDS SHALL
24 BE ADVERTISED FOR SALE ONCE NOT LESS THAN 7 DAYS BEFORE SALE IN A
25 PUBLICATION WITH STATEWIDE CIRCULATION THAT CARRIES AS A PART OF
26 ITS REGULAR SERVICE NOTICES OF THE SALES OF MUNICIPAL BONDS AND
27 THAT HAS BEEN DESIGNATED IN THE RESOLUTION AS A PUBLICATION

1 COMPLYING WITH THESE QUALIFICATIONS. THE NOTICE OF SALE SHALL BE IN
2 THE FORM DESIGNATED BY THE DIRECTOR.

3 (7) EXCEPT AS PROVIDED IN SUBSECTION (6), BONDS ISSUED UNDER
4 THIS SECTION ARE NOT SUBJECT TO THE REVISED MUNICIPAL FINANCE ACT,
5 2001 PA 34, MCL 141.2101 TO 141.2821.

6 (8) THE ISSUANCE OF BONDS UNDER THIS SECTION IS SUBJECT TO THE
7 AGENCY FINANCING REPORTING ACT, 2002 PA 470, MCL 129.171 TO
8 129.177.

9 (9) ALL PAYMENTS ON LOANS FOR TRUCKSTOP ELECTRIFICATION OR
10 OTHER DIESEL EMISSION REDUCTION MEASURES SHALL BE DEPOSITED WITH
11 THE STATE TREASURER, WHO SHALL ACT AS THE FISCAL AGENT FOR THE
12 DEPARTMENT. THE STATE TREASURER SHALL ESTABLISH A SPECIAL
13 DEPOSITARY ACCOUNT TO BE DESIGNATED "DIESEL REVENUE BOND RECEIVING
14 FUND". THE NECESSARY EXPENSES OF THE FISCAL AGENT INCURRED BY
15 REASON OF HIS OR HER DUTIES UNDER THIS PART SHALL BE PAID FROM THE
16 DIESEL REVENUE BOND RECEIVING FUND. THE DIRECTOR MAY DESIGNATE
17 BANKS OR TRUST COMPANIES TO ACT AS PAYING AGENTS FOR BONDS ISSUED
18 PURSUANT TO THIS SECTION. THE PAYING AGENT SHALL BE PAID FROM THE
19 DIESEL DEBT SERVICE FUND.

20 SEC. 6912. (1) NOT MORE THAN 1 YEAR OF THE EFFECTIVE DATE OF
21 THE AMENDATORY ACT THAT ADDED THIS SECTION, THE DEPARTMENT, IN
22 CONSULTATION WITH THE STATE TREASURER, SHALL ESTABLISH BY RULE A
23 DIESEL EMISSIONS REDUCTION FUNDING PROGRAM.

24 (2) THE FUNDING PROGRAM SHALL CONSIST OF A GRANT/LOAN PROGRAM
25 OR A REBATE PROGRAM, OR BOTH, AS DETERMINED BY THE DEPARTMENT IN
26 ITS SOLE DISCRETION. UNDER A GRANT/LOAN PROGRAM, THE DEPARTMENT
27 SHALL PROVIDE GRANTS AND LOW-COST REVOLVING LOANS FROM THE FUND, ON

1 A COMPETITIVE BASIS, FOR ELIGIBLE MEASURES TO ACHIEVE SIGNIFICANT
2 REDUCTIONS OF DIESEL PM EMISSIONS OR PROVIDED UNDER SECTION 6913.
3 UNDER A REBATE PROGRAM, THE DEPARTMENT SHALL PROVIDE REBATES FROM
4 THE FUND OR PROVIDED UNDER SECTION 6914.

5 (3) IN ADMINISTERING THE FUNDING PROGRAM, THE DEPARTMENT SHALL
6 DO ALL OF THE FOLLOWING:

7 (A) MANAGE FUNDING PROGRAM FUNDS AND OVERSEE THE FUNDING
8 PROGRAM.

9 (B) PRODUCE GUIDELINES, PROTOCOLS, AND CRITERIA FOR ELIGIBLE
10 EMISSION REDUCTION MEASURES.

11 (C) DEVELOP METHODOLOGIES FOR EVALUATING EMISSION REDUCTION
12 MEASURE BENEFITS AND COST-EFFECTIVENESS.

13 (D) DEVELOP PROCEDURES FOR MONITORING WHETHER THE EMISSIONS
14 REDUCTIONS PROJECTED FOR GRANTS OR LOANS AWARDED FOR EMISSION
15 REDUCTION MEASURES ARE ACTUALLY ACHIEVED.

16 (E) PREPARE REPORTS REGARDING THE PROGRESS AND EFFECTIVENESS
17 OF THE FUNDING PROGRAM.

18 (F) TAKE ALL APPROPRIATE AND NECESSARY ACTIONS SO THAT
19 EMISSIONS REDUCTIONS ACHIEVED THROUGH THE FUNDING PROGRAM MAY BE
20 CREDITED BY USEPA TO THE APPROPRIATE EMISSIONS REDUCTION OBJECTIVES
21 IN THE STATE IMPLEMENTATION PLAN.

22 SEC. 6913. (1) A GRANT/LOAN PROGRAM ESTABLISHED UNDER SECTION
23 6912 SHALL BE IMPLEMENTED AS PROVIDED IN THIS SECTION.

24 (2) SUBJECT TO LEGISLATIVE APPROPRIATIONS, THE DEPARTMENT
25 SHALL ANNUALLY ALLOCATE AT ITS DISCRETION SOME OR ALL OF THE MONEY
26 AVAILABLE IN THE FUND TO THE GRANT/LOAN PROGRAM. SUBJECT TO
27 LEGISLATIVE APPROPRIATIONS AND SECTION 6910(3), GRANT/LOAN PROGRAM

1 FUNDS NOT EXPENDED IN A GIVEN YEAR MAY BE TRANSFERRED TO THE
2 GRANT/LOAN PROGRAM OR ANY REBATE PROGRAM ESTABLISHED UNDER SECTION
3 6912 FOR THE FOLLOWING YEAR AT THE DEPARTMENT'S DISCRETION.

4 (3) SUBJECT TO SECTION 6910(3), THE DEPARTMENT SHALL
5 DISTRIBUTE FUNDS ALLOCATED FOR EACH FISCAL YEAR FOR ELIGIBLE
6 EMISSION REDUCTION MEASURES UNDER THE GRANT/LOAN PROGRAM IN
7 ACCORDANCE WITH THE FOLLOWING PRIORITY:

8 (A) FIRST, TO DIESEL FLEETS OWNED AND OPERATED BY A PUBLIC
9 AGENCY.

10 (B) IF FUNDS ARE REMAINING AFTER ALL ELIGIBLE EMISSION
11 REDUCTION MEASURES HAVE BEEN FUNDED UNDER SUBDIVISION (A), THEN TO
12 PRIVATELY OWNED DIESEL FLEETS OPERATED FOR THE BENEFIT OF THE
13 PUBLIC PURSUANT TO A CONTRACT WITH A PUBLIC AGENCY.

14 (C) IF FUNDS ARE REMAINING AFTER ALL ELIGIBLE EMISSION
15 REDUCTION MEASURES HAVE BEEN FUNDED UNDER SUBDIVISION (B), THEN TO
16 PRIVATELY OWNED DIESEL FLEETS OPERATING ON PRIVATE BUSINESS.

17 (4) TO RECEIVE A GRANT OR LOAN UNDER THE GRANT/LOAN PROGRAM,
18 THE APPLICANT SHALL SUBMIT TO THE DEPARTMENT AN APPLICATION AT A
19 TIME REQUIRED BY THE DEPARTMENT AND ON A FORM PROVIDED BY THE
20 DEPARTMENT. AN APPLICATION UNDER THIS SUBSECTION SHALL INCLUDE ALL
21 OF THE FOLLOWING:

22 (A) A DESCRIPTION OF THE AIR QUALITY OF THE AREA IN WHICH THE
23 EMISSION REDUCTION MEASURE FLEETS WILL OPERATE.

24 (B) A DESCRIPTION OF THE EMISSION REDUCTION MEASURE PROPOSED
25 BY THE APPLICANT, INCLUDING ANY CERTIFIED ENGINE CONFIGURATION OR
26 VERIFIED TECHNOLOGY PROPOSED TO BE USED OR FUNDED IN THE EMISSION
27 REDUCTION MEASURE AND THE MEANS BY WHICH THE EMISSION REDUCTION

1 MEASURE WILL ACHIEVE A SIGNIFICANT REDUCTION IN DIESEL EMISSIONS.

2 (C) AN EVALUATION USING METHODOLOGY APPROVED BY THE DEPARTMENT
3 OF THE QUANTIFIABLE AND UNQUANTIFIABLE BENEFITS OF THE EMISSIONS
4 REDUCTIONS OF THE PROPOSED EMISSION REDUCTION MEASURE.

5 (D) AN ESTIMATE OF THE COST OF THE PROPOSED EMISSION REDUCTION
6 MEASURE.

7 (E) A DESCRIPTION OF THE AGE AND EXPECTED EFFECTIVE LIFETIME
8 OF THE EQUIPMENT TO BE USED OR FUNDED IN THE PROPOSED EMISSION
9 REDUCTION MEASURE.

10 (F) A DESCRIPTION OF THE DIESEL FUEL AVAILABLE IN THE AREAS TO
11 BE SERVED BY THE PROPOSED EMISSION REDUCTION MEASURE, INCLUDING THE
12 SULFUR CONTENT OF THE FUEL.

13 (G) PROVISIONS FOR THE MONITORING AND VERIFICATION OF THE
14 EMISSION REDUCTION MEASURE.

15 (H) ANY OTHER RELEVANT INFORMATION REQUIRED BY THE DEPARTMENT.

16 (5) THE DEPARTMENT SHALL DETERMINE WHICH EMISSION REDUCTION
17 MEASURES ARE ELIGIBLE FOR GRANTS AND LOANS, FROM THE FOLLOWING
18 LIST:

19 (A) INSTALLATION OF A RETROFIT TECHNOLOGY, INCLUDING ANY
20 INCREMENTAL COSTS OF A REPOWERED OR NEW DIESEL ENGINE, THAT
21 SIGNIFICANTLY REDUCES PM EMISSIONS THROUGH DEVELOPMENT AND
22 IMPLEMENTATION OF A CERTIFIED ENGINE CONFIGURATION OR A VERIFIED
23 DIESEL EMISSION CONTROL DEVICE FOR A MEDIUM-DUTY OR HEAVY-DUTY
24 DIESEL MOTOR VEHICLE, A DIESEL NONROAD VEHICLE, A COMMERCIAL MARINE
25 ENGINE, OR A LOCOMOTIVE.

26 (B) INSTALLATION OF A CCV ON A VEHICLE OR EQUIPMENT DESCRIBED
27 IN SUBDIVISION (A).

1 (C) PROGRAMS OR EMISSION REDUCTION MEASURES TO REDUCE LONG-
2 DURATION IDLING USING VERIFIED TECHNOLOGY INVOLVING A VEHICLE
3 DESCRIBED IN SUBDIVISION (A). TRUCKSTOP ELECTRIFICATION FACILITIES
4 ARE ELIGIBLE FOR LOW-COST REVOLVING LOANS BUT NOT ELIGIBLE FOR
5 GRANTS.

6 (6) IN PROVIDING A GRANT OR LOAN UNDER THE GRANT/LOAN PROGRAM,
7 AND SUBJECT TO SUBSECTION (3), THE DEPARTMENT SHALL GIVE PRIORITY
8 TO OTHERWISE ELIGIBLE EMISSION REDUCTION MEASURES WITHIN EACH OF
9 THE 3 PRIORITY CATEGORIES DESCRIBED IN SUBSECTION (3) THAT, AS
10 DETERMINED BY THE DEPARTMENT, MEET ALL OF THE FOLLOWING
11 REQUIREMENTS:

12 (A) MAXIMIZE PUBLIC HEALTH BENEFITS.

13 (B) ARE COST-EFFECTIVE.

14 (C) SERVE AREAS THAT MEET 1 OR MORE OF THE FOLLOWING
15 REQUIREMENTS:

16 (i) HAVE THE HIGHEST POPULATION DENSITY.

17 (ii) ARE POOR AIR QUALITY AREAS, INCLUDING AREAS IDENTIFIED BY
18 THE DEPARTMENT AS IN NONATTAINMENT OR MAINTENANCE OF NATIONAL
19 AMBIENT AIR QUALITY STANDARDS FOR A CRITERIA POLLUTANT, FEDERAL
20 CLASS I AREAS, OR AREAS WITH TOXIC AIR POLLUTANT CONCERNS.

21 (iii) RECEIVE A DISPROPORTIONATE QUANTITY OF AIR POLLUTION FROM
22 DIESEL FLEETS, INCLUDING TRUCKSTOPS, PORTS, RAIL YARDS, TERMINALS,
23 AND DISTRIBUTION CENTERS.

24 (iv) USE A COMMUNITY-BASED COLLABORATIVE PROCESS INVOLVING
25 MULTIPLE INTERESTED PARTIES TO REDUCE TOXIC EMISSIONS.

26 (D) INCLUDE A CERTIFIED ENGINE CONFIGURATION OR VERIFIED
27 TECHNOLOGY THAT HAS A LONG EXPECTED USEFUL LIFE.

1 (E) WILL MAXIMIZE THE USEFUL LIFE OF ANY CERTIFIED ENGINE
2 CONFIGURATION OR VERIFIED TECHNOLOGY USED OR FUNDED BY THE PROJECT.

3 (F) CONSERVE DIESEL FUEL.

4 (G) USE ULTRA-LOW SULFUR DIESEL FUEL.

5 (7) EXCEPT FOR A MEASURE INVOLVING A MARINE VESSEL OR ENGINE,
6 NOT LESS THAN 75% OF VEHICLE MILES TRAVELED OR HOURS OF OPERATION
7 PROJECTED FOR A VEHICLE FOR THE 5 YEARS IMMEDIATELY FOLLOWING THE
8 AWARD OF A GRANT FOR THAT VEHICLE MUST BE PROJECTED TO TAKE PLACE
9 IN THIS STATE. FOR A PROPOSED EMISSION REDUCTION MEASURE INVOLVING
10 A MARINE VESSEL OR ENGINE, THE VESSEL OR ENGINE MUST BE OPERATED IN
11 THE WATERS OF THIS STATE FOR A SUFFICIENT AMOUNT OF TIME OVER THE
12 LIFETIME OF THE MEASURE, AS DETERMINED BY THE DEPARTMENT, TO MEET
13 THE COST-EFFECTIVENESS REQUIREMENTS OF SUBSECTIONS (8) TO (10). THE
14 OWNER OF ANY VEHICLE RECEIVING FUNDING FOR AN EMISSION REDUCTION
15 MEASURE THAT FAILS AFTER THE AWARD OF THE GRANT OR LOAN TO MEET THE
16 GEOGRAPHICAL REQUIREMENTS OF THIS SUBSECTION SHALL PAY A CIVIL FINE
17 TO THE DEPARTMENT EQUAL TO A PORTION OF THE GRANT OR LOAN FUNDS
18 REQUIRED BY THE DEPARTMENT PURSUANT TO RULES PROMULGATED UNDER
19 SECTION 6920 IN EFFECT AT THE TIME OF THE FAILURE. CIVIL FINES PAID
20 UNDER THIS SUBSECTION SHALL BE DEPOSITED IN THE FUND.

21 (8) FOR A PROPOSED EMISSION REDUCTION MEASURE BASED ON THE USE
22 OF A CERTIFIED ENGINE CONFIGURATION OR VERIFIED TECHNOLOGY, A GRANT
23 OR LOAN APPLICANT SHALL DOCUMENT, IN A MANNER ACCEPTABLE TO THE
24 DEPARTMENT, A REDUCTION IN PM EMISSIONS OF AT LEAST 50%, COMPARED
25 WITH THE BASELINE EMISSIONS ADOPTED BY THE DEPARTMENT FOR THE
26 RELEVANT ENGINE YEAR AND APPLICATION TO THE EXTENT NOT PROVIDED
27 PURSUANT TO THE RELEVANT CARB OR USEPA VERIFICATION PROCESS. AFTER

1 STUDY OF AVAILABLE EMISSIONS REDUCTION TECHNOLOGIES AND PUBLIC
2 NOTICE AND COMMENT, THE DEPARTMENT MAY REVISE THE MINIMUM
3 PERCENTAGE REDUCTION IN PM EMISSIONS REQUIRED BY THIS SUBPARAGRAPH
4 TO IMPROVE THE ABILITY OF THE FUNDING PROGRAM TO ACHIEVE ITS GOALS.

5 (9) THE DEPARTMENT SHALL ESTABLISH REASONABLE METHODOLOGIES
6 FOR EVALUATING EMISSION REDUCTION MEASURE COST-EFFECTIVENESS. IN
7 CALCULATING COST-EFFECTIVENESS, 1-TIME GRANTS OF MONEY AT THE
8 BEGINNING OF A PROJECT SHALL BE ANNUALIZED USING A TIME VALUE OF
9 PUBLIC FUNDS OR DISCOUNT RATE DETERMINED FOR EACH PROJECT BY THE
10 DEPARTMENT, TAKING INTO ACCOUNT THE INTEREST RATE ON BONDS,
11 INTEREST EARNED BY STATE FUNDS, AND OTHER FACTORS THE DEPARTMENT
12 CONSIDERS APPROPRIATE.

13 (10) EXCEPT AS PROVIDED BY SUBSECTION (12), AND EXCEPT FOR
14 INSTALLATION OF CCVS UNDER SUBSECTION (5) (B), THE DEPARTMENT SHALL
15 NOT AWARD A GRANT OR LOAN FOR A PROPOSED EMISSION REDUCTION MEASURE
16 UNDER THE GRANT/LOAN PROGRAM THE COST-EFFECTIVENESS OF WHICH,
17 CALCULATED IN ACCORDANCE WITH SUBSECTION (9) AND METHODOLOGIES
18 ESTABLISHED THEREUNDER, EXCEEDS \$135,000.00 PER TON OF PM10
19 EMISSIONS. THIS SUBSECTION DOES NOT RESTRICT ANY AUTHORITY OF THE
20 DEPARTMENT UNDER OTHER LAW TO REQUIRE EMISSIONS REDUCTIONS WITH A
21 COST-EFFECTIVENESS THAT EXCEEDS \$135,000.00 PER TON.

22 (11) THE DEPARTMENT SHALL NOT AWARD A GRANT OR LOAN THAT, NET
23 OF TAXES, PROVIDES AN AMOUNT THAT EXCEEDS THE INCREMENTAL COST OF
24 THE PROPOSED EMISSION REDUCTION MEASURE. THE DEPARTMENT SHALL
25 CONSIDER THE INCREMENTAL COST OF A PROPOSED NEW PURCHASE, RETROFIT,
26 REPOWER, OR ADD-ON EQUIPMENT EMISSION REDUCTION MEASURE TO BE
27 REDUCED BY THE VALUE OF ANY EXISTING FINANCIAL INCENTIVE THAT

1 DIRECTLY REDUCES THE COST OF THE PROPOSED MEASURE, INCLUDING TAX
2 CREDITS OR DEDUCTIONS, OTHER GRANTS, LOANS, REBATES, OR ANY OTHER
3 PUBLIC FINANCIAL ASSISTANCE.

4 (12) BASED UPON A STUDY OF AVAILABLE EMISSIONS REDUCTION
5 TECHNOLOGIES AND COSTS AND AFTER PUBLIC NOTICE AND COMMENT, THE
6 DEPARTMENT MAY CHANGE THE VALUES OF THE MAXIMUM GRANT OR LOAN AWARD
7 CRITERIA ESTABLISHED IN SUBSECTION (10) TO ACCOUNT FOR INFLATION OR
8 TO IMPROVE THE ABILITY OF THE GRANT/LOAN PROGRAM TO ACHIEVE ITS
9 GOALS.

10 SEC. 6914. (1) A REBATE PROGRAM ESTABLISHED BY THE DEPARTMENT
11 UNDER SECTION 6912 SHALL BE IMPLEMENTED AS PROVIDED IN THIS
12 SECTION.

13 (2) SUBJECT TO LEGISLATIVE APPROPRIATIONS AND SECTION 6910(3),
14 THE DEPARTMENT SHALL ANNUALLY ALLOCATE AT ITS DISCRETION SOME OR
15 ALL OF THE MONEY AVAILABLE IN THE FUND TO THE REBATE PROGRAM.
16 SUBJECT TO LEGISLATIVE APPROPRIATIONS, REBATE PROGRAM FUNDS NOT
17 EXPENDED IN A GIVEN YEAR MAY BE TRANSFERRED BY THE DEPARTMENT TO
18 THE REBATE PROGRAM OR ANY GRANT/LOAN PROGRAM ESTABLISHED UNDER
19 SECTION 6912 FOR THE FOLLOWING YEAR.

20 (3) A RETROFIT VENDOR OR OWNER OF AN ELIGIBLE VEHICLE WHO
21 MEETS THE REQUIREMENTS OF THIS SECTION IS ELIGIBLE TO RECEIVE A
22 REBATE UNDER THE REBATE PROGRAM. FOR PURPOSES OF THIS SUBSECTION,
23 "ELIGIBLE VEHICLE" MEANS A VEHICLE THAT MEETS THE REQUIREMENTS OF
24 THIS SECTION, THAT IS DESCRIBED IN SECTION 6913(5)(A), AND TO WHICH
25 1 OF THE FOLLOWING APPLIES:

26 (A) THE VEHICLE IS DESCRIBED IN SECTION 6913(3)(A).

27 (B) BEGINNING 2 YEARS AFTER THE EFFECTIVE DATE OF THE

1 AMENDATORY ACT THAT ADDED THIS SECTION, THE VEHICLE IS DESCRIBED IN
2 SECTION 6913(3)(B).

3 (C) BEGINNING 4 YEARS AFTER THE EFFECTIVE DATE OF THE
4 AMENDATORY ACT THAT ADDED THIS SECTION, THE VEHICLE IS DESCRIBED IN
5 SECTION 6913(3)(C).

6 (4) MONEY FROM THE FUND SHALL BE PROVIDED IN THE REBATE AMOUNT
7 TO DEFRAY THE COST OF PURCHASE AND INSTALLATION TO RETROFIT AN
8 ELIGIBLE VEHICLE WITH A LEVEL 3 CONTROL IN COMBINATION WITH A CCV.

9 (5) THE DEPARTMENT SHALL ESTABLISH THE INITIAL REBATE AMOUNT
10 FOR RETROFITS OF VARIOUS TYPES OF ELIGIBLE VEHICLES. THE DEPARTMENT
11 SHALL THEREAFTER REVIEW THE APPROPRIATENESS OF THE AMOUNT AT LEAST
12 ANNUALLY AND MAY CHANGE THE REBATE AMOUNT TO IMPROVE THE ABILITY OF
13 THE REBATE PROGRAM TO ACHIEVE ITS GOALS.

14 (6) IN ORDER TO RECEIVE A REBATE, AN ELIGIBLE VEHICLE OWNER OR
15 RETROFIT VENDOR SHALL DO ALL OF THE FOLLOWING:

16 (A) SUBMIT TO THE DEPARTMENT A COMPLETED REBATE RESERVATION AT
17 A TIME REQUIRED BY THE DEPARTMENT AND ON A FORM PROVIDED BY THE
18 DEPARTMENT.

19 (B) WITHIN 120 DAYS OF SUBMISSION OF A REBATE RESERVATION
20 FORM, COMPLETE THE RETROFIT PERTAINING TO THE REBATE RESERVATION
21 FORM AND SUBMIT TO THE DEPARTMENT ON A FORM PROVIDED BY THE
22 DEPARTMENT A COMPLETED REIMBURSEMENT REQUEST. THE REQUEST SHALL
23 INCLUDE CERTIFICATION OF RETROFIT COMPLETION AND COMPLIANCE WITH
24 ALL REQUIREMENTS OF THIS SUBSECTION AND SHALL CONTAIN ANY OTHER
25 RELEVANT INFORMATION REQUIRED BY THE DEPARTMENT.

26 (7) REBATES SHALL BE PROVIDED ON A FIRST-COME, FIRST-SERVED
27 BASIS, WITH PRIORITY ESTABLISHED BASED UPON THE DATE OF THE

1 DEPARTMENT RECEIPT OF A COMPLETED RESERVATION FORM PURSUANT TO
2 SUBSECTION (6) (A). HOWEVER, IF THE RETROFITS ARE NOT COMPLETED AND
3 THE REIMBURSEMENT REQUEST FORM IS NOT SUBMITTED TO THE DEPARTMENT
4 WITHIN THE 120-DAY PERIOD AS REQUIRED BY SUBSECTION (6) (B), THE
5 DEPARTMENT MAY REDUCE THE AMOUNT OF THE REBATE OR TAKE OTHER ACTION
6 AS PROVIDED FOR BY RULE.

7 (8) SUBJECT TO SUBSECTION (7), TO THE EXTENT OF AVAILABLE
8 FUNDS ALLOCATED TO THE REBATE PROGRAM, THE DEPARTMENT SHALL PAY THE
9 OWNER OR VENDOR THE REBATE WITHIN 60 DAYS OF RECEIPT OF A COMPLETE
10 AND ACCURATE REIMBURSEMENT FORM.

11 (9) THE OWNER OF AN ELIGIBLE VEHICLE FOR WHICH A REBATE IS
12 PAID SHALL DO ALL OF THE FOLLOWING:

13 (A) MEET THE REQUIREMENTS OF SECTION 6913(7).

14 (B) FUEL THE VEHICLE WITH ULTRA-LOW SULFUR DIESEL FUEL.

15 (C) MAINTAIN THE VEHICLE AND LEVEL 3 CONTROLS ACCORDING TO
16 MANUFACTURER SPECIFICATIONS.

17 (10) THE RETROFIT VENDOR TO ELIGIBLE VEHICLES FOR WHICH
18 REBATES ARE PROVIDED SHALL HONOR ALL WARRANTY PROVISIONS ACCORDING
19 TO THEIR VERIFICATION.

20 (11) A PERSON WHO RECEIVES A REBATE AND FAILS TO MEET ALL THE
21 REQUIREMENTS OF THIS SECTION SHALL BE ORDERED TO PAY A CIVIL FINE
22 TO THE DEPARTMENT IN THE FULL AMOUNT OF THE REBATE, PLUS INTEREST
23 AT THE RATE DETERMINED UNDER SECTION 23 OF 1941 PA 122, MCL 205.23.
24 FINES AND INTEREST PAID UNDER THIS SUBSECTION SHALL BE DEPOSITED IN
25 THE FUND.

26 SEC. 6915. (1) AN EMISSION REDUCTION MEASURE FUNDED UNDER THE
27 FUNDING PROGRAM MAY NOT BE USED FOR CREDIT UNDER ANY STATE OR

1 FEDERAL EMISSIONS REDUCTION CREDIT AVERAGING, BANKING, OR TRADING
2 PROGRAM. AN EMISSIONS REDUCTION GENERATED BY AN EMISSION REDUCTION
3 MEASURE FUNDED UNDER THE FUNDING PROGRAM SHALL NOT BE USED AS A
4 MARKETABLE EMISSIONS REDUCTION CREDIT OR TO OFFSET ANY EMISSIONS
5 REDUCTION OBLIGATION BUT MAY BE USED TO DEMONSTRATE CONFORMITY WITH
6 THE STATE IMPLEMENTATION PLAN. AN EMISSION REDUCTION MEASURE
7 INVOLVING A NEW MEASURE THAT WOULD OTHERWISE GENERATE MARKETABLE
8 CREDITS UNDER STATE OR FEDERAL EMISSIONS REDUCTION CREDIT
9 AVERAGING, BANKING, OR TRADING PROGRAMS IS NOT ELIGIBLE FOR FUNDING
10 UNDER THE FUNDING PROGRAM ESTABLISHED UNDER THIS SECTION UNLESS
11 BOTH OF THE FOLLOWING APPLY:

12 (A) THE MEASURE INCLUDES THE TRANSFER OF THE REDUCTIONS THAT
13 WOULD OTHERWISE BE MARKETABLE CREDITS TO THE STATE IMPLEMENTATION
14 PLAN.

15 (B) THE REDUCTIONS ARE PERMANENTLY RETIRED.

16 (2) AS PART OF THE BIENNIAL REPORT REQUIRED UNDER SECTION
17 6918, THE DEPARTMENT SHALL INCLUDE A REPORT ON THE FUNDING PROGRAM.
18 THE REPORT SHALL INCLUDE ALL OF THE FOLLOWING:

19 (A) A REVIEW OF EACH EMISSION REDUCTION MEASURE FUNDED UNDER
20 ANY GRANT/LOAN PROGRAM, THE AMOUNT GRANTED OR LOANED FOR THE
21 EMISSION REDUCTION MEASURE, THE EMISSIONS REDUCTIONS ATTRIBUTABLE
22 TO THE MEASURE, AND THE COST-EFFECTIVENESS OF THE MEASURE.

23 (B) A REVIEW OF ANY REBATE PROGRAM, INCLUDING THE TOTAL
24 REBATES PAID, THE TOTAL RETROFITS INSTALLED, AND THE AGGREGATE
25 EMISSION REDUCTIONS ATTRIBUTABLE TO THOSE RETROFITS.

26 (C) A SUMMARY OF THE DEPARTMENT'S FUNDING PROGRAM
27 IMPLEMENTATION ACTIVITIES.

1 (D) AN ACCOUNTING FOR MONEY RECEIVED, MONEY DISBURSED AS
2 GRANTS, MONEY DISBURSED AS LOANS, MONEY RESERVED FOR GRANTS BASED
3 ON PROJECT APPROVALS, MONEY RESERVED FOR LOANS BASED ON PROJECT
4 APPROVALS, MONEY DISBURSED AS REBATES, AND ANY RECOMMENDED TRANSFER
5 OF MONEY BETWEEN ALLOCATIONS.

6 (E) AN ESTIMATE FUTURE DEMAND FOR GRANT AND REBATE FUNDS UNDER
7 THE FUNDING PROGRAM.

8 (F) A DESCRIPTION OF THE OVERALL EFFECTIVENESS OF THE FUNDING
9 PROGRAM IN ACHIEVING PM EMISSIONS REDUCTIONS AND OTHER EMISSION
10 REDUCTIONS AS CO-BENEFITS.

11 (G) AN EVALUATION OF THE EFFECTIVENESS OF THE FUNDING PROGRAM
12 IN SOLICITING AND EVALUATING PROJECT APPLICATIONS, PROVIDING AWARDS
13 IN A TIMELY MANNER, AND MONITORING PROJECT IMPLEMENTATION.

14 (H) A DESCRIPTION OF CHANGES MADE TO PROJECT SELECTION
15 CRITERIA AND RECOMMENDATIONS FOR ANY FURTHER NEEDED CHANGES TO THE
16 GRANT/LOAN PROGRAM, INCLUDING CHANGES IN GRANT OR LOAN AWARD
17 CRITERIA, ADMINISTRATIVE PROCEDURES, OR STATUTORY PROVISIONS THAT
18 WOULD ENHANCE THE FUNDING PROGRAM'S EFFECTIVENESS AND EFFICIENCY.

19 (I) A DESCRIPTION OF ANY ADJUSTMENTS MADE TO THE MAXIMUM COST-
20 EFFECTIVENESS AMOUNT AND AWARD AMOUNT.

21 (J) AN EVALUATION OF THE BENEFITS OF ADDRESSING ADDITIONAL
22 POLLUTANTS AS PART OF THE FUNDING PROGRAM.

23 (K) AN INCLUSION OF LEGISLATIVE RECOMMENDATIONS NECESSARY TO
24 IMPROVE THE EFFECTIVENESS OF THE FUNDING PROGRAM.

25 SEC. 6916. (1) A MEDIUM-DUTY OR HEAVY-DUTY DIESEL VEHICLE
26 POWERED BY AN ENGINE MANUFACTURED DURING THE FOLLOWING TIME PERIOD
27 SHALL NOT EXCEED THE FOLLOWING PERCENTAGE SMOKE OPACITY WHEN TESTED

1 IN ACCORDANCE WITH THIS SECTION UNLESS ITS ENGINE IS EXEMPTED UNDER
2 SUBSECTION (2):

3 (A) BEFORE 1990, 40%.

4 (B) FROM 1990 TO 1996, 30%.

5 (C) AFTER 1996, 20%.

6 (2) THE DEPARTMENT SHALL EXEMPT FROM THE REQUIREMENTS OF
7 SUBSECTION (1) (A), (B), OR (C), AS APPLICABLE, ANY ENGINE FAMILY
8 THAT IS FOUND BY THE DEPARTMENT TO EXHIBIT SMOKE OPACITY GREATER
9 THAN THE LIMITS IN SUBSECTION (1) (A), (B), OR (C), AS APPLICABLE,
10 WHEN IN GOOD OPERATING CONDITION AND ADJUSTED TO THE MANUFACTURER'S
11 SPECIFICATIONS. SUCH AN ENGINE FAMILY SHALL COMPLY WITH ANY
12 TECHNOLOGICALLY APPROPRIATE, LESS STRINGENT OPACITY STANDARD
13 IDENTIFIED BY THE DEPARTMENT BASED ON A REVIEW OF THE DATA OBTAINED
14 FROM ENGINES IN GOOD OPERATING CONDITIONS AND ADJUSTED TO THE
15 MANUFACTURER'S SPECIFICATIONS. A MANUFACTURER SEEKING AN EXEMPTION
16 UNDER THIS SUBSECTION SHALL PROVIDE THE DEPARTMENT WITH THE ENGINE
17 EMISSIONS DATA NEEDED TO EXEMPT THE ENGINE FAMILY AND DETERMINE
18 TECHNOLOGICALLY APPROPRIATE, LESS STRINGENT OPACITY STANDARDS.

19 (3) WITHIN 1 YEAR AND 120 DAYS AFTER THE EFFECTIVE DATE OF THE
20 AMENDATORY ACT THAT ADDED THIS SECTION, THE DEPARTMENT, IN
21 CONSULTATION WITH MDOT AND THE DEPARTMENT OF STATE POLICE, SHALL
22 PROMULGATE RULES UNDER SECTION 6920 REQUIRING OWNERS OR OPERATORS
23 OF MEDIUM-DUTY AND HEAVY-DUTY DIESEL VEHICLES TO SUBMIT TO REGULAR
24 INSPECTIONS OF THEIR VEHICLES FOR SMOKE OPACITY LEVELS AND SHALL
25 CREATE AND IMPLEMENT A PROGRAM OF RANDOM ROAD OPACITY INSPECTIONS
26 OF MEDIUM-DUTY AND HEAVY-DUTY DIESEL VEHICLES OPERATING ON HIGHWAYS
27 OF THIS STATE. THE RULES SHALL SPECIFY AT LEAST ALL OF THE

1 FOLLOWING:

2 (A) INSPECTION PROCEDURES FOR BOTH PERIODIC AND RANDOM
3 ROADSIDE INSPECTIONS. SMOKE OPACITY SHALL BE DETERMINED IN
4 ACCORDANCE WITH SAE J1667 OR ANOTHER EQUALLY EFFECTIVE AND RELIABLE
5 METHOD ADOPTED BY THE DEPARTMENT.

6 (B) PERIODIC INSPECTION FREQUENCY, WHICH SHALL BE AT LEAST
7 ANNUAL.

8 (C) ACTION THE OWNER OR OPERATOR IS REQUIRED TO TAKE TO REMEDY
9 ANY EXCEEDANCES OF THE OPACITY STANDARDS IN SUBSECTION (1).

10 (4) A MEDIUM-DUTY OR HEAVY-DUTY DIESEL VEHICLE SHALL NOT BE
11 OPERATED WITH TAMPERED, NONCONFORMING, OR DEFECTIVE EMISSION
12 CONTROL COMPONENTS. WITHIN 1 YEAR AFTER THE EFFECTIVE DATE OF THE
13 AMENDATORY ACT THAT ADDED THIS SECTION, THE DEPARTMENT, IN
14 CONSULTATION WITH MDOT, SHALL PROMULGATE RULES UNDER SECTION 6920
15 TO CREATE AND IMPLEMENT A PROGRAM OF INSPECTION OF MEDIUM-DUTY AND
16 HEAVY-DUTY DIESEL VEHICLES TO DETERMINE WHETHER EMISSION CONTROL
17 COMPONENTS ARE TAMPERED, NONCONFORMING, OR DEFECTIVE. THE RULES
18 SHALL SPECIFY AT LEAST ALL OF THE FOLLOWING:

19 (A) INSPECTION PROCEDURE.

20 (B) PERIODIC INSPECTION FREQUENCY, WHICH SHALL BE AT LEAST
21 ANNUAL.

22 (C) ACTION THE OWNER OR OPERATOR IS REQUIRED TO TAKE TO REMEDY
23 ANY DEFECTIVE, NONCONFORMING, OR TAMPERED EMISSION CONTROL
24 COMPONENTS.

25 (5) THE FOLLOWING SANCTIONS APPLY TO VIOLATIONS OF THIS
26 SECTION OR RULES PROMULGATED TO IMPLEMENT THIS SECTION:

27 (A) THE OWNER OF A MEDIUM-DUTY OR HEAVY-DUTY DIESEL VEHICLE

1 THAT IS CITED FOR THE FIRST TIME FOR FAILING AN OPACITY TEST OR FOR
2 TAMPERED, NONCONFORMING, OR DEFECTIVE EMISSION CONTROL COMPONENTS
3 IS RESPONSIBLE FOR A STATE CIVIL INFRACTION AND SHALL BE ORDERED TO
4 PAY A CIVIL FINE OF \$750.00. HOWEVER, IF THE OWNER CORRECTS THE
5 VIOLATION AND PAYS THE FINE WITHIN 45 DAYS OF RECEIPT OF THE
6 CITATION, THE FINE SHALL BE REDUCED TO \$250.00.

7 (B) THE OWNER OF A MEDIUM-DUTY OR HEAVY-DUTY DIESEL VEHICLE
8 THAT IS CITED FOR A SECOND OR SUBSEQUENT TIME FOLLOWING EXPIRATION
9 OF THE 45-DAY COMPLIANCE PERIOD SET FORTH IN SUBDIVISION (A) AND
10 WITHIN A 12-MONTH PERIOD OF THE ORIGINAL CITATION FOR FAILING AN
11 OPACITY TEST OR FOR TAMPERED, NONCONFORMING, OR DEFECTIVE EMISSION
12 CONTROL COMPONENTS FOR THE SAME VEHICLE IS RESPONSIBLE FOR A STATE
13 CIVIL INFRACTION AND SHALL BE ORDERED TO PAY A CIVIL FINE OF
14 \$1,500.00 AND SHALL CORRECT THE FAILURE WITHIN 45 DAYS OF THE
15 RECEIPT OF THE CITATION.

16 (C) THE OWNER OF A MEDIUM-DUTY OR HEAVY-DUTY DIESEL VEHICLE
17 THAT FAILS TO HAVE A REQUIRED OPACITY OR EMISSIONS CONTROL
18 INSPECTION IS RESPONSIBLE FOR A STATE CIVIL INFRACTION AND SHALL BE
19 ORDERED TO PAY A CIVIL FINE OF \$750.00 FOR A FIRST VIOLATION AND
20 \$1,750.00 FOR A SECOND OR SUBSEQUENT VIOLATION.

21 (6) CIVIL FINES PAID UNDER THIS SECTION SHALL BE DEPOSITED IN
22 THE FUND. HOWEVER, 1/2 OF THE PROCEEDS OF FINES COLLECTED AS A
23 RESULT OF A RANDOM OPACITY INSPECTION UNDER RULES DESCRIBED IN
24 SUBSECTION (3) SHALL BE FORWARDED AS FOLLOWS:

25 (A) IF THE LAW ENFORCEMENT OFFICER ISSUING THE CIVIL
26 INFRACTION CITATION IS EMPLOYED BY THIS STATE, TO THE STATE
27 TREASURER FOR DEPOSIT IN THE GENERAL FUND.

1 (B) IF THE LAW ENFORCEMENT OFFICER IS EMPLOYED BY A POLITICAL
2 SUBDIVISION, TO THE TREASURER OF THAT POLITICAL SUBDIVISION FOR
3 DEPOSIT IN ITS GENERAL FUND.

4 (7) THE OWNER OF A MEDIUM-DUTY OR HEAVY-DUTY DIESEL VEHICLE
5 INSPECTED UNDER RULES DESCRIBED IN SUBSECTION (3) OR (4) SHALL PAY
6 THE DEPARTMENT A \$40.00 FEE FOR THE INSPECTION. THE DEPARTMENT
7 SHALL DEPOSIT INSPECTION FEES IN THE FUND.

8 SEC. 6917. (1) THE DEPARTMENT SHALL CONDUCT A STUDY OF
9 INVENTORIES OF DIESEL MOTOR VEHICLES AND DIESEL NONROAD VEHICLES IN
10 THIS STATE, IN CONSULTATION WITH MDOT, THE SOS, USEPA, AND OTHER
11 STATE AND FEDERAL AGENCIES AS THE DEPARTMENT CONSIDERS APPROPRIATE.
12 THE STUDY SHALL INCLUDE, BUT NOT BE LIMITED TO, SURVEYS OF DIESEL
13 MOTOR VEHICLE AND DIESEL NONROAD VEHICLE OWNERS. THE DEPARTMENT
14 SHALL COMPLETE THE STUDY AND REPORT THE RESULTS, ALONG WITH ANY
15 RECOMMENDATIONS RESULTING FROM THAT INVENTORY, AS PART OF THE FIRST
16 REPORT REQUIRED BY SECTION 6918. THE DEPARTMENT SHALL PROVIDE
17 UPDATED INFORMATION REGARDING THE DIESEL INVENTORY IN SUBSEQUENT
18 BIENNIAL REPORTS REQUIRED BY SECTION 6918.

19 (2) THE SOS SHALL, IN CONSULTATION WITH THE DEPARTMENT, REVIEW
20 THE INFORMATION OBTAINED THROUGH THE REGISTRATION OF DIESEL MOTOR
21 VEHICLES. AFTER THE REVIEW, AND NOT LATER THAN 1 YEAR AFTER THE
22 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION, THE
23 SOS SHALL REQUIRE SUCH ADDITIONAL INFORMATION UPON THE REGISTRATION
24 OF A DIESEL MOTOR VEHICLE THAT IS APPROPRIATE TO SUPPORT A RELIABLE
25 AND COMPLETE INVENTORY OF DIESEL MOTOR VEHICLES IN THIS STATE. THE
26 INFORMATION SHALL INCLUDE, BUT NEED NOT BE LIMITED TO, THE TYPE OF
27 FUEL FOR WHICH THE VEHICLE IS DESIGNED, THE GROSS VEHICLE WEIGHT

1 RATING, THE ENGINE CLASS, INCLUDING WHETHER THE ENGINE IS
2 ELECTRONICALLY CONTROLLED, THE USE FOR WHICH THE VEHICLE IS
3 DESIGNED, AND ANY INSTALLED EMISSION CONTROLS. THE SOS SHALL, IN
4 CONSULTATION WITH THE DEPARTMENT, PROVIDE THE INFORMATION TO THE
5 DEPARTMENT IN A FORM THAT WILL SUPPORT A RELIABLE AND COMPLETE
6 INVENTORY OF DIESEL MOTOR VEHICLES IN THIS STATE.

7 (3) WITHIN 1 YEAR AFTER THE EFFECTIVE DATE OF THE AMENDATORY
8 ACT THAT ADDED THIS SECTION, THE SOS, IN CONSULTATION WITH MDOT AND
9 THE DEPARTMENT, SHALL PROMULGATE RULES PURSUANT TO THE
10 ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO
11 24.328, TO DEVELOP A PROGRAM FOR REGISTRATION OF DIESEL NONROAD
12 VEHICLES, LOCOMOTIVES, AND DIESEL MARINE VESSELS AND SHALL
13 IMPLEMENT THE PROGRAM BEGINNING 180 DAYS AFTER THE RULE
14 PROMULGATION DEADLINE. THE PROGRAM SHALL BE DESIGNED, AMONG OTHER
15 THINGS, TO SUPPORT A RELIABLE AND COMPLETE INVENTORY OF DIESEL
16 NONROAD VEHICLES IN THIS STATE.

17 SEC. 6918. (1) NOT LATER THAN DECEMBER 1, 2017, AND EVERY ODD-
18 NUMBERED YEAR THEREAFTER, THE DEPARTMENT SHALL SUBMIT TO THE
19 LEGISLATURE, MAKE AVAILABLE TO THE PUBLIC, AND POST ON THE
20 DEPARTMENT WEBSITE A REPORT OF THE IMPLEMENTATION OF THIS PART,
21 INCLUDING, BUT NOT LIMITED TO, ALL OF THE FOLLOWING:

22 (A) A DESCRIPTION OF ACTIVITIES OF THE DEPARTMENT AND OTHER
23 STATE AGENCIES TO IMPLEMENT THIS PART.

24 (B) AN ESTIMATE OF RESULTING DIESEL EMISSION REDUCTIONS AND
25 OTHER APPROPRIATE MEASURES OF PROGRESS.

26 (C) A DESCRIPTION OF PROBLEMS ENCOUNTERED, IDENTIFICATION OF
27 OPPORTUNITIES FOR ADDITIONAL REDUCTIONS IN DIESEL EMISSIONS, AND

1 RECOMMENDATIONS FOR ANY STATUTORY CHANGES.

2 (D) THE REVIEW OF THE FUNDING PROGRAM AS REQUIRED IN SECTION
3 6915(2) AND INFORMATION REGARDING THE DIESEL INVENTORY AS REQUIRED
4 IN SECTION 6917(1).

5 (2) BEFORE PREPARING A FINAL BIENNIAL REPORT, THE DEPARTMENT
6 SHALL PREPARE A DRAFT BIENNIAL REPORT AND PROVIDE NOTICE AND AN
7 OPPORTUNITY FOR A PUBLIC HEARING AND COMMENT ON THE DRAFT BIENNIAL
8 REPORT. IN PRODUCING A FINAL BIENNIAL REPORT, THE DEPARTMENT SHALL
9 CONSIDER AND RESPOND TO ALL SIGNIFICANT COMMENTS RECEIVED.

10 SEC. 6919. (1) PERSONS SUBJECT TO THIS PART, INCLUDING OWNERS
11 AND OPERATORS OF DIESEL MOTOR VEHICLES, DIESEL NONROAD VEHICLES,
12 LOCOMOTIVES, AND DIESEL MARINE VESSELS, SHALL PROVIDE SUCH
13 INFORMATION, REPORTING, AND MONITORING AS THE DEPARTMENT MAY
14 REQUIRE BY RULE FOR THE PURPOSE OF IMPLEMENTING THIS PART.

15 (2) IN ADDITION TO OTHER REMEDIES PROVIDED IN THIS PART, THE
16 DEPARTMENT MAY SEEK INJUNCTIVE RELIEF IN ANY COURT OF COMPETENT
17 JURISDICTION TO ENFORCE ANY PROVISION OF THIS PART.

18 SEC. 6920. WITHIN 1 YEAR AFTER THE EFFECTIVE DATE OF THE
19 AMENDATORY ACT THAT ADDED THIS SECTION, THE DEPARTMENT SHALL
20 PROMULGATE RULES TO IMPLEMENT THIS PART PURSUANT TO THE
21 ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO
22 24.328.