

# HOUSE BILL No. 4899

September 7, 2011, Introduced by Reps. Tlaib, Switalski, Irwin, Townsend and Hovey-Wright and referred to the Committee on Regulatory Reform.

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.

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

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

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

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

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

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

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

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

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

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

26 (J) "DEPARTMENT" MEANS THE DEPARTMENT OF ENVIRONMENTAL  
27 QUALITY.

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

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

11           (M) "FUND" MEANS THE DIESEL EMISSIONS REDUCTION FUND CREATED  
12 IN SECTION 6910(1).

13           (N) "FUNDING PROGRAM" MEANS THE DIESEL EMISSIONS REDUCTION  
14 FUNDING PROGRAM CREATED PURSUANT TO SECTION 6912.

15           SEC. 6902. AS USED IN THIS PART:

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

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

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

27           (D) "LEVEL 2 CONTROL" MEANS A VERIFIED DIESEL EMISSION CONTROL

1 DEVICE THAT ACHIEVES A PM EMISSION REDUCTION OF 50% OR MORE FROM  
2 UNCONTROLLED ENGINE EMISSION LEVELS.

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

13 (F) "LOAD/UNLOAD LOCATION" MEANS A LOCATION WHERE VEHICLES  
14 LOAD OR UNLOAD.

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

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

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

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

23 (K) "NONROAD ENGINE" MEANS AN INTERNAL COMBUSTION ENGINE,  
24 INCLUDING THE FUEL SYSTEM, THAT IS NOT USED IN A MOTOR VEHICLE OR A  
25 VEHICLE USED SOLELY FOR COMPETITION AND THAT IS NOT A STATIONARY  
26 SOURCE. HOWEVER, NONROAD ENGINE INCLUDES AN INTERNAL COMBUSTION  
27 ENGINE USED TO POWER A GENERATOR, COMPRESSOR, OR SIMILAR EQUIPMENT

1 USED IN A CONSTRUCTION PROGRAM OR PROJECT.

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

9 SEC. 6903. AS USED IN THIS PART:

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

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

15 (C) "PM" MEANS PARTICULATE MATTER.

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

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

23 (F) "PUBLIC WORKS CONTRACT" MEANS A CONTRACT WITH A PUBLIC  
24 AGENCY FOR A PROGRAM OR PROJECT INVOLVING THE CONSTRUCTION,  
25 DEMOLITION, RESTORATION, REHABILITATION, REPAIR, RENOVATION, OR  
26 ABATEMENT OF ANY BUILDING, TUNNEL, EXCAVATION, ROADWAY, PARK,  
27 BRIDGE, OR OTHER STRUCTURE; A CONTRACT WITH A PUBLIC AGENCY

1 REGARDING THE PREPARATION FOR ANY SUCH PROGRAM OR PROJECT; OR A  
2 CONTRACT WITH A PUBLIC AGENCY FOR ANY FINAL WORK INVOLVED IN THE  
3 COMPLETION OF ANY SUCH PROGRAM OR PROJECT.

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

7 (i) COMMERCIAL AND TRANSIT BUSES.

8 (ii) GARBAGE TRUCKS.

9 (iii) SCHOOL BUSES.

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

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

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

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

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

23 (I) "SAE J1667" MEANS SOCIETY OF AUTOMOTIVE ENGINEERS (SAE)  
24 RECOMMENDED PRACTICE SAE J1667 "SNAP-ACCELERATION SMOKE TEST  
25 PROCEDURE FOR HEAVY-DUTY DIESEL POWERED VEHICLES", AS ISSUED  
26 FEBRUARY 1996 ("1996-02").

27 (J) "SIGNIFICANT EXPANSION" MEANS ANY MODIFICATION, OR SERIES

1 OF MODIFICATIONS OCCURRING WITHIN A CONSECUTIVE 10-YEAR PERIOD, TO  
2 A FREIGHT FACILITY OR OPERATIONS THEREOF, INCLUDING, BUT NOT  
3 LIMITED TO, PHYSICAL CHANGES TO THE FACILITY OR AN INCREASE IN THE  
4 HOURS OF OPERATION, THAT IS COMMENCED AFTER THE EFFECTIVE DATE OF  
5 THE AMENDATORY ACT THAT ADDED THIS SECTION AND THAT WOULD RESULT IN  
6 A MAXIMUM POTENTIAL NET INCREASE IN ANNUAL PM2.5 EMISSIONS OF 10  
7 TONS OR MORE FROM ALL ACTIVITIES ASSOCIATED WITH OPERATIONS OF THE  
8 FACILITY UNDER USUAL BUSINESS CONDITIONS. "SIGNIFICANTLY EXPAND"  
9 HAS A CORRESPONDING MEANING.

10 (K) "SOS" MEANS THE SECRETARY OF STATE.

11 SEC. 6904. AS USED IN THIS PART:

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

13 (B) "TRUCKSTOP" MEANS A ROADSIDE SERVICE STATION ESPECIALLY  
14 FOR TRUCKS.

15 (C) "ULTRA-LOW SULFUR DIESEL FUEL" MEANS DIESEL FUEL THAT HAS  
16 A SULFUR CONTENT OF NO MORE THAN 15 PARTS PER 1,000,000.

17 (D) "USEPA" MEANS THE UNITED STATES ENVIRONMENTAL PROTECTION  
18 AGENCY.

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

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

25 (G) "VERIFIED DIESEL EMISSION CONTROL DEVICE" MEANS EITHER OF  
26 THE FOLLOWING:

27 (i) AN EMISSION CONTROL DEVICE OR STRATEGY THAT HAS BEEN

1 VERIFIED TO ACHIEVE A SPECIFIED DIESEL PARTICULATE MATTER REDUCTION  
2 BY USEPA OR CARB.

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

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

8 SEC. 6905. (1) SUBJECT TO SUBSECTIONS (2), (3), AND (4),  
9 BEGINNING JULY 1, 2014, A FLEET OWNER OR OPERATOR SHALL NOT OPERATE  
10 A REGULATED HIGHWAY DIESEL VEHICLE UNLESS AT LEAST 1/2 OF THE  
11 REGULATED HIGHWAY DIESEL VEHICLES IN THAT FLEET HAVE LEVEL 3  
12 CONTROLS INSTALLED, PROPERLY MAINTAINED, AND FUNCTIONING. EXCEPT AS  
13 PROVIDED IN SUBSECTIONS (2), (3), AND (4), BEGINNING JULY 1, 2015,  
14 A FLEET OWNER OR OPERATOR SHALL NOT OPERATE A REGULATED HIGHWAY  
15 DIESEL VEHICLE UNLESS THAT VEHICLE HAS LEVEL 3 CONTROL INSTALLED,  
16 PROPERLY MAINTAINED, AND FUNCTIONING.

17 (2) FOR THE PROPOSED OF SUBSECTION (1), BOTH OF THE FOLLOWING  
18 APPLY:

19 (A) UNTIL JULY 1, 2016, A REGULATED HIGHWAY DIESEL VEHICLE  
20 THAT HAS LEVEL 1 CONTROL INSTALLED AND FUNCTIONING BEFORE THE  
21 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION SHALL  
22 BE CONSIDERED TO HAVE LEVEL 3 CONTROLS INSTALLED, PROPERLY  
23 MAINTAINED, AND FUNCTIONING.

24 (B) UNTIL JULY 1, 2018, A REGULATED HIGHWAY DIESEL VEHICLE  
25 THAT HAS LEVEL 2 CONTROL INSTALLED AND FUNCTIONING BEFORE THE  
26 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION SHALL  
27 BE CONSIDERED TO HAVE LEVEL 3 CONTROLS INSTALLED, PROPERLY

1 MAINTAINED, AND FUNCTIONING.

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

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

12 (5) BEGINNING JULY 1, 2014, A PERSON SHALL NOT OWN OR OPERATE  
13 A REGULATED HIGHWAY DIESEL VEHICLE THAT VENTS CRANKCASE EMISSIONS.  
14 A VEHICLE WITH A CCV, OR OTHER EQUALLY EFFECTIVE MEANS OF  
15 PREVENTING CRANKCASE EMISSIONS PERMITTED BY RULES PROMULGATED UNDER  
16 SECTION 6920, COMPLIES WITH THIS SUBSECTION.

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

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

26 (8) BEGINNING JULY 1, 2015, THE OWNER OF ANY HEAVY-DUTY DIESEL  
27 VEHICLE THAT DOES NOT HAVE BEST AVAILABLE CONTROL TECHNOLOGY

1 INSTALLED, THAT IS REGISTERED TO OPERATE IN THIS STATE, AND THAT IS  
2 POWERED BY AN ENGINE 25 YEARS OR OLDER SHALL REBUILD OR REPLACE THE  
3 ENGINE WITH A CERTIFIED ENGINE CONFIGURATION MEETING BACT AND  
4 OBTAIN WRITTEN CERTIFICATION OF COMPLIANCE WITH THIS REQUIREMENT  
5 FROM THE DEPARTMENT.

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

22 SEC. 6906. (1) BEGINNING JULY 1, 2013, A PERSON SHALL NOT DO  
23 ANY OF THE FOLLOWING:

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

26 (B) OPERATE A NONROAD DIESEL ENGINE, A DIESEL LOCOMOTIVE, OR A  
27 DIESEL MARINE ENGINE CLASSIFIED BY USEPA AS A CATEGORY 1 OR

1 CATEGORY 2 MARINE ENGINE USING DIESEL FUEL OTHER THAN ULTRA-LOW  
2 SULFUR DIESEL FUEL.

3 (2) WHILE TRAVELING IN WATERS OF THIS STATE TO OR FROM ANY  
4 PORT IN THIS STATE, THE OPERATOR OF ANY OCEANGOING VESSEL POWERED  
5 BY A MARINE DIESEL ENGINE CLASSIFIED BY USEPA AS A CATEGORY 3  
6 ENGINE SHALL USE MARINE FUEL WITH A SULFUR CONTENT NO GREATER THAN  
7 0.5% (5,000 PARTS PER MILLION) FROM JULY 1, 2014 TO DECEMBER 31,  
8 2014, OR 0.1% (1,000 PARTS PER MILLION) BEGINNING JANUARY 1, 2015.

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

16 (4) EXCEPT AS PROVIDED IN SUBSECTION (5), ON AND AFTER JANUARY  
17 1, 2017, ANY PUBLIC AGENCY THAT OWNS, OPERATES, OR LEASES ANY  
18 DIESEL NONROAD VEHICLE SHALL INSTALL AND OPERATE LEVEL 3 CONTROLS  
19 ON THE NONROAD VEHICLE. THE PUBLIC AGENCY SHALL OPERATE, MAINTAIN,  
20 AND SERVICE THE EMISSIONS CONTROL TECHNOLOGY AS RECOMMENDED BY THE  
21 MANUFACTURER. FAILURE BY A PUBLIC AGENCY TO MEET THIS CONDITION  
22 SHALL SUBJECT THE AGENCY TO A REDUCTION OF STATE FUNDING OR A  
23 DENIAL OF INCREASED STATE FUNDING IN ACCORDANCE WITH RULES TO BE  
24 PROMULGATED BY THE DEPARTMENT OF TREASURY, IN CONSULTATION WITH THE  
25 DEPARTMENT OF ENVIRONMENTAL QUALITY, PURSUANT TO THE ADMINISTRATIVE  
26 PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.201 TO 24.328.

27 (5) SUBSECTION (4) DOES NOT APPLY TO A DIESEL NONROAD VEHICLE

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

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

18 SEC. 6907. (1) BEGINNING SEPTEMBER 1, 2015, ANY SOLICITATION  
19 FOR A PUBLIC WORKS CONTRACT, AND ANY PUBLIC WORKS CONTRACT, SHALL  
20 INCLUDE THE FOLLOWING PROVISIONS AND ALL CONTRACTORS SHALL COMPLY  
21 WITH THE PROVISIONS IN THE PERFORMANCE OF THE CONTRACT:

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

25 (B) CONTRACTORS SHALL NOT VENT CRANKCASE EMISSIONS FROM DIESEL  
26 NONROAD VEHICLES AND HEAVY-DUTY DIESEL VEHICLES. A VEHICLE WITH A  
27 CCV, OR OTHER EQUALLY EFFECTIVE MEANS OF PREVENTING CRANKCASE

1 EMISSIONS PERMITTED BY RULES PROMULGATED UNDER SECTION 6920,  
2 COMPLIES WITH THIS SUBSECTION.

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

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

9 (i) A MINIMUM OF LEVEL 1 CONTROLS BY JANUARY 1, 2016.

10 (ii) FOR ENGINES WITH A RATING OF 25 OR MORE BUT LESS THAN 75  
11 HORSEPOWER, LEVEL 2 CONTROLS BY JULY 1, 2019.

12 (iii) FOR ENGINES WITH A RATING OF 75 HORSEPOWER OR MORE, LEVEL  
13 3 CONTROLS BY JULY 1, 2019.

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

17 (i) A MINIMUM OF LEVEL 1 CONTROLS BY JANUARY 1, 2016.

18 (ii) LEVEL 3 CONTROLS BY JULY 1, 2016.

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

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

25 (2) A PUBLIC WORKS CONTRACT SHALL PROVIDE FULL OR PARTIAL  
26 REIMBURSEMENT FROM THE PUBLIC WORKS PROJECT FUNDS FOR INCREMENTAL  
27 COSTS INCURRED BY CONTRACTORS THAT ARE NECESSARY TO BRING DIESEL

1 NONROAD VEHICLES AND HEAVY-DUTY DIESEL VEHICLES USED ON THAT  
2 SPECIFIC PROJECT INTO COMPLIANCE WITH THE REQUIREMENTS OF  
3 SUBSECTION (1) (D) (ii) AND (iii) AND (E) (ii) FOR THAT SPECIFIC PROJECT.  
4 HOWEVER, REIMBURSEMENT SHALL NOT BE PROVIDED FOR COSTS INCURRED  
5 AFTER 6 MONTHS FOLLOWING THE APPLICABLE COMPLIANCE DATE. EACH  
6 RELEVANT AGENCY SHALL ESTABLISH ANNUALLY THE REIMBURSEMENT  
7 PERCENTAGE TO BE APPLIED TO ALL OF ITS PUBLIC WORKS CONTRACTS FOR  
8 EACH CALENDAR YEAR FROM 2015 THROUGH 2019. ELIGIBLE CONTRACTORS  
9 APPLYING FOR SUCH REIMBURSEMENT SHALL PROVIDE SUCH INFORMATION AS  
10 REQUIRED BY THE PUBLIC AGENCY. ONLY 1 REIMBURSEMENT SHALL BE  
11 PROVIDED FOR EACH DIESEL NONROAD VEHICLE OR HEAVY-DUTY DIESEL  
12 VEHICLE. EXPENDITURES ARE NOT ELIGIBLE FOR REIMBURSEMENT UNDER THIS  
13 SUBSECTION TO THE EXTENT THAT THEY WERE INCURRED TO BRING A VEHICLE  
14 INTO COMPLIANCE WITH A DIFFERENT PROVISION OF THIS ACT OR ANY OTHER  
15 FEDERAL OR STATE LAW OR REGULATION, OR IF SUCH EXPENDITURES HAVE  
16 BEEN PREVIOUSLY REIMBURSED USING FUNDS FROM ANY OTHER PUBLIC WORKS  
17 CONTRACT OR ANY OTHER PUBLIC AGENCY. EACH APPLICATION FOR  
18 REIMBURSEMENT SHALL INCLUDE APPROPRIATE CONTRACTOR CERTIFICATIONS  
19 CONCERNING THESE ELIGIBILITY PROHIBITIONS.

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

23 (4) A PUBLIC AGENCY ENTERING INTO A PUBLIC WORKS CONTRACT MAY  
24 PROVIDE REIMBURSEMENT FOR RETROFITS OF PROJECT DIESEL NONROAD  
25 VEHICLES AND HEAVY-DUTY DIESEL VEHICLES AUTHORIZED UNDER SUBSECTION  
26 (2) IN THE FORM OF REBATES IF THE DEPARTMENT PROMULGATES RULES  
27 UNDER SECTION 6920 GOVERNING SUCH REBATES. ANY SUCH RULES SHALL

1 ESTABLISH THE AMOUNTS OF REBATES FOR PARTICULAR TYPES OF VEHICLES  
2 AND REBATE POLICIES, PROCEDURES, AND SAFEGUARDS THAT ARE  
3 SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 6914.

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

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

24 SEC. 6908. (1) A FREIGHT FACILITY SHALL NOT COMMENCE OR  
25 OPERATE A SIGNIFICANT EXPANSION WITHOUT A PERMIT ISSUED BY THE  
26 DEPARTMENT UNDER THIS SECTION. AN APPLICATION FOR A PERMIT SHALL BE  
27 SUBMITTED ON A FORM PROVIDED BY THE DEPARTMENT AND SHALL INCLUDE OR

1 BE ACCOMPANIED BY ALL OF THE FOLLOWING:

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

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

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

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

24 (2) THE DEPARTMENT SHALL ISSUE OR DENY A PERMIT BY NOT MORE  
25 THAN 180 DAYS AFTER SUBMISSION OF AN ADMINISTRATIVELY COMPLETE  
26 APPLICATION UNDER SUBSECTION (1). THE DEPARTMENT SHALL ISSUE THE  
27 PERMIT IF THE PLAN UNDER SUBSECTION (1) (C) IS ADEQUATE TO LIMIT PM

1 EMISSIONS TO THE LEVEL SPECIFIED IN SUBSECTION (1) (C) .

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

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

19 (5) A FREIGHT FACILITY THAT DOES NOT HAVE A FULLY APPROVED  
20 REPORT UNDER SUBSECTION (4) BY SEPTEMBER 1 OF ANY YEAR WITH RESPECT  
21 TO PM EMISSIONS FOR THE PRIOR YEAR MAY BE ORDERED TO PAY A CIVIL  
22 FINE OF NOT MORE THAN \$5,000.00 PER DAY OF NONCOMPLIANCE.

23 (6) BEGINNING 2 YEARS FOLLOWING ISSUANCE BY THE DEPARTMENT OF  
24 A FACILITY EXPANSION PERMIT UNDER SUBSECTION (2) , IF ANNUAL  
25 AGGREGATE PM EMISSIONS FROM THE FREIGHT FACILITY, AS SHOWN IN THE  
26 MOST RECENT ANNUAL REPORT UNDER SUBSECTION (4) AS APPROVED BY THE  
27 DEPARTMENT, EXCEED THE BASELINE INVENTORY ESTABLISHED PURSUANT TO

1 THIS SECTION BY MORE THAN 10 TONS PER YEAR, THE FREIGHT FACILITY  
2 SHALL BE ORDERED TO PAY A CIVIL FINE IN AN AMOUNT EQUAL TO 125% OF  
3 THE COST OF REDUCING AGGREGATE FACILITY PM EMISSIONS TO NOT MORE  
4 THAN 10 TONS PER YEAR OVER THE BASELINE INVENTORY AS ESTIMATED BY  
5 THE DEPARTMENT.

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

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

11 SEC. 6909. (1) THE OWNER OF A LOAD/UNLOAD LOCATION SHALL NOT  
12 CAUSE A MEDIUM-DUTY OR HEAVY-DUTY DIESEL MOTOR VEHICLE TO IDLE FOR  
13 A PERIOD GREATER THAN 30 MINUTES WHILE WAITING TO LOAD OR UNLOAD AT  
14 THE LOCATION.

15 (2) THE OWNER OR OPERATOR OF A MEDIUM-DUTY OR HEAVY-DUTY  
16 DIESEL MOTOR VEHICLE SHALL NOT CAUSE OR PERMIT THE VEHICLE TO IDLE  
17 FOR MORE THAN 5 MINUTES IN ANY 60-MINUTE PERIOD EXCEPT AS PROVIDED  
18 IN SUBSECTION (1), (3), OR (4).

19 (3) SUBSECTION (2) DOES NOT APPLY UNDER ANY OF THE FOLLOWING  
20 CIRCUMSTANCES:

21 (A) A MEDIUM-DUTY OR HEAVY-DUTY DIESEL MOTOR VEHICLE IDLES  
22 WHILE FORCED TO REMAIN MOTIONLESS BECAUSE OF ON-HIGHWAY TRAFFIC OR  
23 AN OFFICIAL TRAFFIC CONTROL DEVICE OR SIGNAL OR AT THE DIRECTION OF  
24 A LAW ENFORCEMENT OFFICIAL.

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

27 (C) ANY OF THE FOLLOWING APPLY:

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

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

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

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

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

18 (G) AN ARMORED VEHICLE IDLES WHEN A PERSON REMAINS INSIDE THE  
19 VEHICLE TO GUARD THE CONTENTS OR WHILE THE VEHICLE IS BEING LOADED  
20 OR UNLOADED.

21 (4) SUBSECTIONS (1) AND (2) DO NOT PROHIBIT OPERATING AN  
22 AUXILIARY POWER UNIT AS AN ALTERNATIVE TO IDLING THE VEHICLE'S  
23 PRIMARY PROPULSION ENGINE IF ALL OF THE FOLLOWING APPLY:

24 (A) THE VEHICLE IS EQUIPPED WITH A MODEL YEAR 2006 OR OLDER  
25 ENGINE.

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

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

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

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

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

16           (6) HALF OF THE PROCEEDS OF FINES COLLECTED UNDER SUBSECTION  
17 (5) SHALL BE DEPOSITED IN THE FUND. THE REMAINING 1/2 OF THE  
18 PROCEEDS OF SUCH FINES SHALL BE FORWARDED AS FOLLOWS:

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

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

25           (7) BY 3 YEARS AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT  
26 THAT ADDED THIS SECTION, EACH TRUCKSTOP HAVING A CAPACITY OF 25 OR  
27 MORE TRUCKS SHALL INSTALL TRUCKSTOP ELECTRIFICATION FACILITIES

1 COVERING AT LEAST 80% OF ITS PARKING SPACES THAT ALLOW DIESEL  
2 TRUCKS TO CONNECT TO THE ELECTRICAL GRID TO OBTAIN POWER FOR ON-  
3 BOARD COMPONENTS OR STATIONARY COMPONENTS FOR HEATING, COOLING, AND  
4 OTHER NEEDS THAT OTHERWISE WOULD BE MET BY IDLING THE PROPULSION  
5 ENGINES OF THE DIESEL TRUCKS.

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

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

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

26 (11) HALF OF THE PROCEEDS OF FINES COLLECTED UNDER SUBSECTION  
27 (10) SHALL BE DEPOSITED IN THE FUND. THE REMAINING 1/2 OF THE

1 PROCEEDS OF SUCH FINES SHALL BE FORWARDED AS FOLLOWS:

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

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

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

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

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

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

19 (2) THE FUND CONSISTS OF THE FUNDS, CONTRIBUTIONS, FEES, AND  
20 SURCHARGES UNDER SUBSECTIONS (4), (5), AND (6) AND SECTION 6911 AND  
21 FINES AND FEES DEPOSITED IN THE FUND PURSUANT TO SECTIONS 6905,  
22 6906, 6908, 6909, 6913(7), 6914(11), AND 6916. THE STATE TREASURER  
23 MAY RECEIVE MONEY OR OTHER ASSETS FROM ANY OTHER SOURCE FOR DEPOSIT  
24 INTO THE FUND. THE STATE TREASURER SHALL DIRECT THE INVESTMENT OF  
25 THE FUND. THE STATE TREASURER SHALL CREDIT TO THE FUND INTEREST AND  
26 EARNINGS FROM FUND INVESTMENTS. MONEY IN THE FUND AT THE CLOSE OF  
27 THE FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT LAPSE TO THE

1 GENERAL FUND. THE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENT  
2 SHALL BE THE ADMINISTRATOR OF THE FUND FOR AUDITING 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 2012-2013 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 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 THE REVENUES TO BE DERIVED FROM THE FEES SHALL BE  
9 SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON BONDS ISSUED  
10 PURSUANT TO THIS SECTION AND OTHER OBLIGATIONS OF THE DEPARTMENT IN  
11 CONNECTION 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. NOTHING IN THIS PART  
5 AUTHORIZES THIS STATE TO INCUR DEBT CONTRARY TO THE STATE  
6 CONSTITUTION OF 1963 OR 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 FULLY NEGOTIABLE WITHIN THE MEANING OF THE NEGOTIABLE  
10 INSTRUMENTS LAW OF THIS STATE.

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 EITHER A GRANT  
25 PROGRAM OR A REBATE PROGRAM, OR BOTH, AS DETERMINED BY THE  
26 DEPARTMENT IN ITS SOLE DISCRETION. UNDER A GRANT PROGRAM, THE  
27 DEPARTMENT SHALL PROVIDE GRANTS AND LOW-COST REVOLVING LOANS FROM

1 THE FUND, ON A COMPETITIVE BASIS, FOR ELIGIBLE MEASURES TO ACHIEVE  
2 SIGNIFICANT REDUCTIONS OF DIESEL PM EMISSIONS IN ACCORDANCE WITH  
3 SECTION 6913. UNDER A REBATE PROGRAM, THE DEPARTMENT SHALL PROVIDE  
4 REBATES FROM THE FUND IN ACCORDANCE WITH 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 AWARDED FOR EMISSION REDUCTION  
15 MEASURES UNDER THIS CHAPTER 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 PROGRAM ESTABLISHED UNDER SECTION 6912  
23 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 PROGRAM. SUBJECT TO LEGISLATIVE  
27 APPROPRIATIONS, GRANT PROGRAM FUNDS NOT EXPENDED IN A GIVEN YEAR

1 MAY BE TRANSFERRED TO THE GRANT PROGRAM OR ANY REBATE PROGRAM  
2 ESTABLISHED UNDER SECTION 6912 FOR THE FOLLOWING YEAR AT THE  
3 DEPARTMENT'S DISCRETION.

4 (3) SUBJECT TO SECTION 6910(3), THE DEPARTMENT SHALL  
5 DISTRIBUTE FUNDS AVAILABLE FOR EACH FISCAL YEAR FOR ELIGIBLE  
6 EMISSION REDUCTION MEASURES UNDER THE GRANT PROGRAM IN ACCORDANCE  
7 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 PROGRAM, THE  
18 APPLICANT SHALL SUBMIT TO THE DEPARTMENT AN APPLICATION AT A TIME  
19 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) SUCH OTHER INFORMATION AS MAY BE REQUIRED BY THE  
16 DEPARTMENT.

17 (5) THE DEPARTMENT SHALL DETERMINE WHICH EMISSION REDUCTION  
18 MEASURES ARE ELIGIBLE FOR GRANTS, FROM THE FOLLOWING 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 PROGRAM, AND  
7 SUBJECT TO SUBSECTION (3), THE DEPARTMENT SHALL GIVE PRIORITY TO  
8 OTHERWISE ELIGIBLE EMISSION REDUCTION MEASURES WITHIN EACH OF THE 3  
9 PRIORITY CATEGORIES DESCRIBED IN SUBSECTION (3) THAT, AS DETERMINED  
10 BY THE DEPARTMENT, MEET ALL OF THE FOLLOWING REQUIREMENTS:

11 (A) MAXIMIZE PUBLIC HEALTH BENEFITS.

12 (B) ARE COST-EFFECTIVE.

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

15 (i) HAVE THE HIGHEST POPULATION DENSITY.

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

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

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

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

27 (E) WILL MAXIMIZE THE USEFUL LIFE OF ANY CERTIFIED ENGINE

1 CONFIGURATION OR VERIFIED TECHNOLOGY USED OR FUNDED BY THE PROJECT.

2 (F) CONSERVE DIESEL FUEL.

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

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

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

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

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

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

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

1 OTHER GRANTS, LOANS, REBATES, OR ANY OTHER PUBLIC FINANCIAL  
2 ASSISTANCE.

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

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

11 (2) SUBJECT TO LEGISLATIVE APPROPRIATIONS, THE DEPARTMENT  
12 SHALL ANNUALLY ALLOCATE SOME OR ALL OF THE MONEY AVAILABLE IN THE  
13 FUND TO THE REBATE PROGRAM. SUBJECT TO LEGISLATIVE APPROPRIATIONS,  
14 REBATE PROGRAM FUNDS NOT EXPENDED IN A GIVEN YEAR MAY BE  
15 TRANSFERRED BY THE DEPARTMENT TO THE REBATE PROGRAM OR ANY GRANT  
16 PROGRAM ESTABLISHED UNDER SECTION 6912 FOR THE FOLLOWING YEAR.

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

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

24 (B) BEGINNING 2 YEARS AFTER THE EFFECTIVE DATE OF THE  
25 AMENDATORY ACT THAT ADDED THIS SECTION, THE VEHICLE IS DESCRIBED IN  
26 SECTION 6913(3)(B).

27 (C) BEGINNING 4 YEARS AFTER THE EFFECTIVE DATE OF THE

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

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

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

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

13 (A) SUBMIT TO THE DEPARTMENT A COMPLETED REBATE RESERVATION AT  
14 A TIME REQUIRED BY THE DEPARTMENT AND ON A FORM PROVIDED BY THE  
15 DEPARTMENT.

16 (B) WITHIN 120 DAYS OF SUBMISSION OF A REBATE RESERVATION  
17 FORM, THE OWNER OR VENDOR SHALL COMPLETE THE RETROFIT PERTAINING TO  
18 THE REBATE RESERVATION FORM, AND SHALL SUBMIT TO THE DEPARTMENT ON  
19 A FORM PROVIDED BY THE DEPARTMENT A COMPLETED REIMBURSEMENT  
20 REQUEST, INCLUDING CERTIFICATION OF RETROFIT COMPLETION AND  
21 COMPLIANCE WITH ALL REQUIREMENTS OF THIS SUBSECTION AND CONTAINING  
22 SUCH OTHER INFORMATION AND SUCH OTHER CONDITIONS AS THE DEPARTMENT  
23 MAY REQUIRE.

24 (7) REBATES SHALL BE PROVIDED ON A FIRST-COME, FIRST-SERVED  
25 BASIS, WITH PRIORITY ESTABLISHED BASED UPON THE DATE OF THE  
26 DEPARTMENT RECEIPT OF A COMPLETED RESERVATION FORM PURSUANT TO  
27 SUBSECTION (6)(A). HOWEVER, IF THE RETROFITS ARE NOT COMPLETED AND

1 THE REIMBURSEMENT REQUEST FORM IS NOT SUBMITTED TO THE DEPARTMENT  
2 WITHIN THE 120-DAY PERIOD AS REQUIRED BY SUBSECTION (6) (B), THE  
3 DEPARTMENT MAY REDUCE THE AMOUNT OF THE REBATE OR TAKE SUCH OTHER  
4 ACTION AS PROVIDED FOR BY RULE.

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

9 (9) OWNERS OF ELIGIBLE VEHICLES FOR WHICH REBATES ARE PAID  
10 SHALL DO ALL OF THE FOLLOWING:

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

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

13 (C) MAINTAIN THE VEHICLE AND LEVEL 3 CONTROLS ACCORDING TO  
14 MANUFACTURER SPECIFICATIONS.

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

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

23 SEC. 6915. (1) AN EMISSION REDUCTION MEASURE FUNDED UNDER THE  
24 FUNDING PROGRAM MAY NOT BE USED FOR CREDIT UNDER ANY STATE OR  
25 FEDERAL EMISSIONS REDUCTION CREDIT AVERAGING, BANKING, OR TRADING  
26 PROGRAM. AN EMISSIONS REDUCTION GENERATED BY AN EMISSION REDUCTION  
27 MEASURE FUNDED UNDER THE FUNDING PROGRAM SHALL NOT BE USED AS A

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

9 (A) THE MEASURE INCLUDES THE TRANSFER OF THE REDUCTIONS THAT  
10 WOULD OTHERWISE BE MARKETABLE CREDITS TO THE STATE IMPLEMENTATION  
11 PLAN.

12 (B) THE REDUCTIONS ARE PERMANENTLY RETIRED.

13 (2) AS PART OF THE BIENNIAL REPORT REQUIRED UNDER SECTION  
14 6918, THE DEPARTMENT SHALL INCLUDE A REPORT ON THE FUNDING PROGRAM.  
15 THE REPORT SHALL INCLUDE ALL OF THE FOLLOWING:

16 (A) A REVIEW OF EACH EMISSION REDUCTION MEASURE FUNDED UNDER  
17 ANY GRANT PROGRAM, THE AMOUNT GRANTED FOR THE EMISSION REDUCTION  
18 MEASURE, THE EMISSIONS REDUCTIONS ATTRIBUTABLE TO THE MEASURE, AND  
19 THE COST-EFFECTIVENESS OF THE MEASURE.

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

23 (C) A SUMMARY OF THE DEPARTMENT'S FUNDING PROGRAM  
24 IMPLEMENTATION ACTIVITIES.

25 (D) AN ACCOUNTING FOR MONEY RECEIVED, MONEY DISBURSED AS  
26 GRANTS, MONEY RESERVED FOR GRANTS BASED ON PROJECT APPROVALS, MONEY  
27 DISBURSED AS REBATES, AND ANY RECOMMENDED TRANSFER OF MONEY BETWEEN

1 ALLOCATIONS.

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

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

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

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

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

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

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

21 SEC. 6916. (1) A MEDIUM-DUTY OR HEAVY-DUTY DIESEL VEHICLE  
22 POWERED BY AN ENGINE MANUFACTURED DURING THE FOLLOWING TIME PERIOD  
23 SHALL NOT EXCEED THE FOLLOWING PERCENTAGE SMOKE OPACITY WHEN TESTED  
24 IN ACCORDANCE WITH THIS SECTION UNLESS ITS ENGINE IS EXEMPTED UNDER  
25 SUBSECTION (2):

26 (A) BEFORE 1990, 40%.

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

1 (C) AFTER 1996, 20%.

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

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

26 (A) INSPECTION PROCEDURES FOR BOTH PERIODIC AND RANDOM  
27 ROADSIDE INSPECTIONS. SMOKE OPACITY SHALL BE DETERMINED IN

1 ACCORDANCE WITH SAE J1667 OR ANOTHER EQUALLY EFFECTIVE AND RELIABLE  
2 METHOD ADOPTED BY THE DEPARTMENT.

3 (B) PERIODIC INSPECTION FREQUENCY, WHICH SHALL BE AT LEAST  
4 ANNUAL.

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

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

16 (A) INSPECTION PROCEDURE.

17 (B) PERIODIC INSPECTION FREQUENCY, WHICH SHALL BE AT LEAST  
18 ANNUAL.

19 (C) ACTION THE OWNER OR OPERATOR IS REQUIRED TO TAKE TO REMEDY  
20 ANY DEFECTIVE, NONCONFORMING, OR TAMPERED EMISSION CONTROL  
21 COMPONENTS.

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

24 (A) THE OWNER OF A MEDIUM-DUTY OR HEAVY-DUTY DIESEL VEHICLE  
25 THAT IS CITED FOR THE FIRST TIME FOR FAILING AN OPACITY TEST OR FOR  
26 TAMPERED, NONCONFORMING, OR DEFECTIVE EMISSION CONTROL COMPONENTS  
27 IS RESPONSIBLE FOR A STATE CIVIL INFRACTION AND SHALL BE ORDERED TO

1 PAY A CIVIL FINE OF \$750.00. HOWEVER, IF THE OWNER CORRECTS THE  
2 VIOLATION AND PAYS THE FINE WITHIN 45 DAYS OF RECEIPT OF THE  
3 CITATION, THE FINE SHALL BE REDUCED TO \$250.00.

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

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

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

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

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

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

5           SEC. 6917. (1) THE DEPARTMENT SHALL CONDUCT A STUDY OF  
6 INVENTORIES OF DIESEL MOTOR VEHICLES AND DIESEL NONROAD VEHICLES IN  
7 THIS STATE, IN CONSULTATION WITH MDOT, SOS, USEPA, AND OTHER STATE  
8 AND FEDERAL AGENCIES AS THE DEPARTMENT CONSIDERS APPROPRIATE. THE  
9 STUDY SHALL INCLUDE, BUT NOT BE LIMITED TO, SURVEYS OF DIESEL MOTOR  
10 VEHICLE AND DIESEL NONROAD VEHICLE OWNERS. THE DEPARTMENT SHALL  
11 COMPLETE THE STUDY AND REPORT THE RESULTS, ALONG WITH ANY  
12 RECOMMENDATIONS RESULTING FROM THAT INVENTORY, AS PART OF THE  
13 DECEMBER 1, 2015 REPORT REQUIRED BY SECTION 6918. THE DEPARTMENT  
14 SHALL PROVIDE UPDATED INFORMATION REGARDING THE DIESEL INVENTORY IN  
15 SUBSEQUENT BIENNIAL REPORTS REQUIRED BY SECTION 6918.

16           (2) THE SECRETARY OF STATE SHALL, IN CONSULTATION WITH THE  
17 DEPARTMENT, REVIEW THE INFORMATION OBTAINED THROUGH THE  
18 REGISTRATION OF DIESEL MOTOR VEHICLES. AFTER SUCH REVIEW, AND NO  
19 LATER THAN 1 YEAR AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT  
20 THAT ADDED THIS SECTION, SOS SHALL REQUIRE SUCH ADDITIONAL  
21 INFORMATION UPON THE REGISTRATION OF A DIESEL MOTOR VEHICLE THAT IS  
22 APPROPRIATE TO SUPPORT A RELIABLE AND COMPLETE INVENTORY OF DIESEL  
23 MOTOR VEHICLES IN THIS STATE. THE INFORMATION SHALL INCLUDE, BUT  
24 NOT BE LIMITED TO, THE TYPE OF FUEL FOR WHICH THE VEHICLE IS  
25 DESIGNED, THE GROSS VEHICLE WEIGHT RATING, THE ENGINE CLASS,  
26 INCLUDING WHETHER THE ENGINE IS ELECTRONICALLY CONTROLLED, THE USE  
27 FOR WHICH THE VEHICLE IS DESIGNED, AND ANY INSTALLED EMISSION

1 CONTROLS. SOS SHALL, IN CONSULTATION WITH THE DEPARTMENT, PROVIDE  
2 SUCH INFORMATION TO THE DEPARTMENT IN A FORM THAT WILL SUPPORT A  
3 RELIABLE AND COMPLETE INVENTORY OF DIESEL MOTOR VEHICLES IN THIS  
4 STATE.

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

15 SEC. 6918. (1) NOT LATER THAN DECEMBER 1, 2015, AND EVERY ODD-  
16 NUMBERED YEAR THEREAFTER, THE DEPARTMENT SHALL SUBMIT TO THE  
17 LEGISLATURE, MAKE AVAILABLE TO THE PUBLIC, AND POST ON THE  
18 DEPARTMENT WEBSITE A REPORT OF THE IMPLEMENTATION OF THE PROVISIONS  
19 OF THIS ACT, INCLUDING, BUT NOT LIMITED TO, ALL OF THE FOLLOWING:

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

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

24 (C) A DESCRIPTION OF PROBLEMS ENCOUNTERED, IDENTIFICATION OF  
25 OPPORTUNITIES FOR ADDITIONAL REDUCTIONS IN DIESEL EMISSIONS, AND  
26 RECOMMENDATIONS FOR ANY STATUTORY CHANGES.

27 (D) THE REVIEW OF THE FUNDING PROGRAM AS REQUIRED IN SECTION

1 6915(2) AND INFORMATION REGARDING THE DIESEL INVENTORY AS REQUIRED  
2 IN SECTION 6917(1).

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

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.