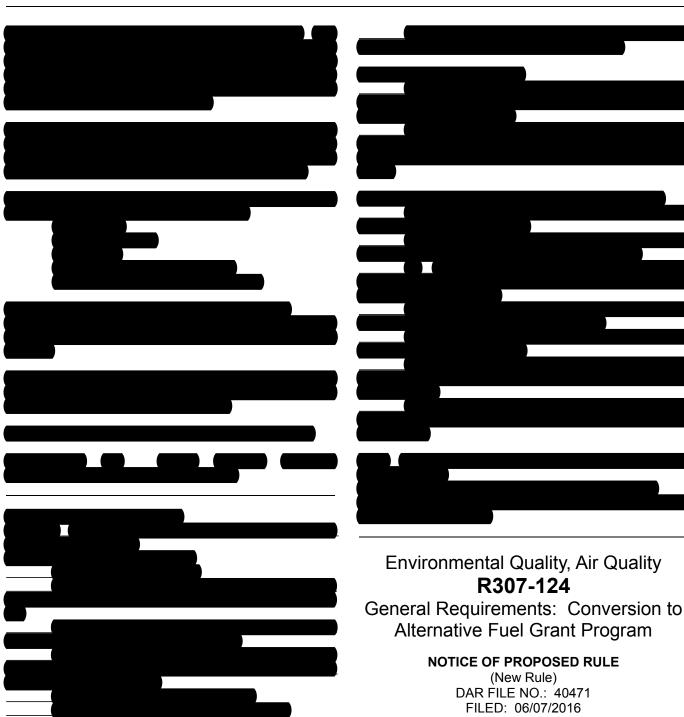
NOTICES OF PROPOSED RULES DAR File No. 40518



RULE ANALYSIS

PURPOSE OF THE RULE OR REASON FOR THE CHANGE: During the 2015 General Session, the Legislature passed H.B. 15, which authorized the Department of Environmental Quality to issue grants to a person who does a conversion on a motor vehicle to run on natural gas, propane, or electricity and pass this savings on the conversion to the

owner of the converted vehicle. H.B. 15 gave authority to the Air Quality Board to make rules specifying the requirements and procedures for the Alternative Fuel Grant Program. While H.B. 15 authorized the program funding, was not made available until the Legislature passed H.B. 87 during the 2016 General Session. Over the last year, in anticipation that the program would receive funding, the Division of Air Quality staff worked closely with stakeholders to develop Rule R307-124, which fully implements both H.B. 15 (2015) and H.B. 87 (2016).

SUMMARY OF THE RULE OR CHANGE: This new rule, R307-124, outlines the process for reserving and receiving an Alternative Fuel Grant.

STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS RULE: Section 19-1-403.3 and Sections 19-2-301 through 19-2-305

ANTICIPATED COST OR SAVINGS TO:

- ♦ THE STATE BUDGET: The Legislature considered cost when it passed H.B. 87 (2015) and put a limit on the amount of Alternative Fuel Grants that can be awarded at \$150,000. This rule does not add any additional costs to what was already included in the bill's fiscal note.
- ♦ LOCAL GOVERNMENTS: No costs are anticipated for local governments; however, a local government that had a vehicle converted to run on an alternative fuel that qualifies for an Alternative Fuel Grant would see a savings of up to \$2,500
- ♦ SMALL BUSINESSES: No costs are anticipated for small businesses; however, a small business that had a vehicle converted to run on an alternative fuel that qualifies for an Alternative Fuel Grant would see a savings of up to \$2,500.
- ♦ PERSONS OTHER THAN SMALL BUSINESSES, BUSINESSES, OR LOCAL GOVERNMENTAL ENTITIES: No costs are expected for affected persons; however, an affected person that has a vehicle converted to run on an alternative fuel that qualifies for an Alternative Fuel Grant would see a savings of up to \$2,500.

COMPLIANCE COSTS FOR AFFECTED PERSONS: This is an optional program, and there is no requirement for anyone to apply; therefore, there are no compliance costs for affected persons.

COMMENTS BY THE DEPARTMENT HEAD ON THE FISCAL IMPACT THE RULE MAY HAVE ON BUSINESSES: Businesses who choose to apply for the grant will see some savings; however, because we do not know how many businesses will apply for the grant, the fiscal impact is unknown.

THE FULL TEXT OF THIS RULE MAY BE INSPECTED, DURING REGULAR BUSINESS HOURS, AT:

ENVIRONMENTAL QUALITY AIR QUALITY FOURTH FLOOR 195 N 1950 W SALT LAKE CITY, UT 84116-3085 or at the Office of Administrative Rules.

DIRECT QUESTIONS REGARDING THIS RULE TO:

♦ Mat Carlile by phone at 801-536-4116, by FAX at 801-536-4136, or by Internet E-mail at mcarlile@utah.gov

INTERESTED PERSONS MAY PRESENT THEIR VIEWS ON THIS RULE BY SUBMITTING WRITTEN COMMENTS NO LATER THAN AT 5:00 PM ON 08/01/2016

THIS RULE MAY BECOME EFFECTIVE ON: 08/08/2016

AUTHORIZED BY: Bryce Bird, Director

