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## Environment Committee

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### HB 2569

**Brief Description:** Reducing air pollution associated with diesel emissions.

**Sponsors:** Representatives Hargrove and Pollet.

#### Brief Summary of Bill

- Creates the diesel idle reduction account for issuing grants and low or no interest loans to governments and certain private organizations for diesel emission reduction projects.
- Requires that grant and loan recipients invest in diesel equipment and infrastructure projects that achieve a financial return on investment.
- Directs that public entities primarily receive grants with matching payment stipulations, while private entities primarily must receive low or no interest loans.

**Hearing Date:** 1/31/14

**Staff:** Jacob Lipson (786-7196).

#### Background:

Diesel exhaust is an air pollutant commonly emitted from a variety of vehicles, equipment, and power generation infrastructure. As part of an air quality program initiative to reduce diesel emissions, the Department of Ecology (DOE) makes grants to local governments and certain private entities for diesel emission reduction projects. Eligible diesel emission reduction projects include diesel engine retrofit or replacement projects, and projects which reduce emissions from diesel idling. Current grant program projects specifically targeted to reducing diesel idling include the electrification of parking spaces, truck stops, and port infrastructure, and the integration of automatic engine start/stop technologies into vehicles.

#### Summary of Bill:

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The diesel idle reduction account (account) is established. The DOE may use funds in the account to make grants or loans for diesel idle emission reduction projects. Grants may be issued to state and local governments that own diesel equipment or vehicles, as well as to certain private organizations that perform a public function. The DOE must prioritize grant and loan allocations based on the anticipated return on investment from projects, with additional consideration given to projects' environmental, human health, and greenhouse gas benefits.

Grants and loans may only be invested in equipment or vehicles that spend at least half of their operating time in Washington. Acceptable types of diesel emission reduction projects include the electrification of parking spaces and truck stops, power connection systems for vessels and locomotives, battery powered heating and air conditioning systems, and certain diesel engine retrofit and replacement projects.

The loans issued from the account must be low or no interest loans. Grants from the account must be accompanied by a matching payment back into the account by the recipient, a matching payment from the recipient directly towards the purchase of the equipment or infrastructure, or a commitment to a future repayment by the recipient. In general, at least 80 percent of money distributed to private entities must be in the form of loans, while 80 percent of money distributed to private entities must be in grant form. As a whole, the value of the grants and loans must equal account receipts over a long-term planning horizon.

The account may receive appropriations and receipts of loan repayments and matching payments associated with grants. Interest earned on funds in the account accrues to the account.

The DOE is given rule-making authority.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.