

STATE OF NEW YORK

9045

IN ASSEMBLY

February 5, 2024

Introduced by M. of A. ZACCARO -- read once and referred to the Committee on Transportation

AN ACT to amend the vehicle and traffic law, in relation to a feebate program for medium and heavy duty vehicles

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The vehicle and traffic law is amended by adding a new
2 article 17-D to read as follows:

ARTICLE 17-D

FEEBATE PROGRAM FOR MEDIUM AND HEAVY DUTY VEHICLES

3 Section 499-e. Purpose of article.

4 499-f. Definitions.

5 499-g. Application.

6 499-h. Creation of feebate program.

7 499-i. Public awareness campaign.

8 499-j. Annual report.

9 § 499-e. Purpose of article. There is hereby created a feebate program
10 in which all covered vehicles are subject to either an efficiency fee or
11 an efficiency rebate, based upon such covered vehicle's fuel economy.
12 Such program shall be designed to be revenue neutral and to respond
13 dynamically to market trends, zero emission or near zero emissions model
14 availability, actual and projected covered motor vehicle registration
15 data, and any other such factor the commissioner deems relevant.

16 § 499-f. Definitions. As used in this article, the following terms
17 shall have the following meanings:

18 1. "Covered vehicle" or "covered motor vehicle" shall mean all medium
19 and heavy duty vehicles with a gross vehicle weight rating of greater
20 than ten thousand pounds registered on or after the effective date of
21 this section.

22 2. "Efficiency fee" shall mean a fee levied upon the owner of a
23 covered vehicle based on such vehicle's fuel economy pursuant to subdi-
24 vision two of section four hundred ninety-nine-h of this article.

25 EXPLANATION--Matter in italics (underscored) is new; matter in brackets
26 [-] is old law to be omitted.

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1 3. "Efficiency rebate" shall mean a rebate given to the owner of a
 2 covered vehicle based on such vehicle's fuel economy pursuant to subdivi-
 3 vision three of section four hundred ninety-nine-h of this article.

4 4. "Feebate program" shall refer to the system of efficiency fees and
 5 efficiency rebates created in this article.

6 5. "Fuel economy" shall refer to the number of miles a covered vehicle
 7 can travel using a specific amount of fuel or a combination of fuels, as
 8 reflected in such vehicle's miles per gallon or miles per gallon equiv-
 9 alent.

10 6. "Gross vehicle weight rating" shall mean the weight of a vehicle
 11 consisting of the unladen weight and the maximum carrying capacity
 12 recommended by the manufacturer of such vehicle.

13 7. "Miles per gallon" or "MPG" shall refer to the measure of distance
 14 that a covered vehicle running on gasoline or diesel fuel can travel per
 15 gallon of such fuel as rated by the Environmental Protection Agency.

16 8. "Miles per gallon gasoline equivalent" or "MPGe" shall refer to the
 17 measure of distance that a covered vehicle running on non-liquid fuels
 18 can travel per unit of energy as rated by the Environmental Protection
 19 Agency.

20 9. "Revenue neutrality" or "revenue neutral" shall mean a goal that
 21 the efficiency fees described in subdivision two of section four hundred
 22 ninety-nine-h of this article cover the cost of the efficiency rebates
 23 described in subdivision three of such section.

24 10. "Near zero emissions" shall mean a vehicle that uses zero emission
 25 technologies or technologies that provide a pathway to zero emission
 26 operations or that incorporates other technologies that significantly
 27 reduce exhaust emissions of any greenhouse gas, criteria pollutant, or
 28 precursor pollutant under any and all possible operational modes and
 29 conditions.

30 11. "Zero emission" shall mean a vehicle powered by means of a battery
 31 or fuel cell or a combination thereof, or another source of power, that
 32 produces zero exhaust emissions of any greenhouse gas, criteria pollu-
 33 tant or precursor pollutant under any and all possible operational modes
 34 and conditions.

35 § 499-g. Application. This article shall apply to all covered vehicles
 36 registered on or after the effective date of this section.

37 § 499-h. Creation of feebate program. 1. The commissioner shall either
 38 levy an efficiency fee, at the dollar amount described in subdivision
 39 two of this section, or furnish an efficiency rebate, at the dollar
 40 amount described in subdivision three of this section, upon or to the
 41 owner of each covered vehicle required to register in this state pursu-
 42 ant to section four hundred one of this title at the time of such regis-
 43 tration.

44 2. Efficiency fees. The commissioner shall levy an efficiency fee on
 45 every covered vehicle that receives less than 10 MPG or MPGe in accord-
 46 ance with the following table:

<u>Fuel economy in MPG or MPGe:</u>	<u>Dollar amount of efficiency fee:</u>
<u>Fewer than 3</u>	<u>\$45,000</u>
<u>At least 3 but less than 5</u>	<u>\$30,000</u>
<u>At least 5 but less than 7</u>	<u>\$20,000</u>
<u>At least 7 but less than 10</u>	<u>\$10,000</u>

52 3. Efficiency rebates. The commissioner shall furnish an efficiency
 53 rebate to every covered vehicle that receives at least 10 MPG or MPGe in
 54 accordance with the following table:

<u>Fuel economy in MPG or MPGe:</u>	<u>Dollar amount of efficiency rebate:</u>
<u>At least 10 but less than 20</u>	<u>\$45,000</u>
<u>At least 20 but less than 30</u>	<u>\$100,000</u>
<u>At least 30</u>	<u>\$150,000</u>

4. (a) The commissioner, in consultation with the commissioner of environmental conservation and the president of the New York state energy research and development authority, shall annually review and recommend adjustments to the efficiency fees and rebates provided in subdivisions two and three of this section, respectively, as needed, to the legislature with the goal of maintaining revenue neutrality for the program.

(b) The commissioner may examine actual covered motor vehicle registration data for the prior fiscal year, market availability and price points of covered vehicles which are zero emission or near zero emissions models, actual and projected fuel economies of covered vehicles, and any other factors the commissioner deems relevant for the adjustment of the dollar amounts of the efficiency fees and rebates set forth in this subdivision.

(c) Notwithstanding the provisions of paragraph (a) of this subdivision, the commissioner may use the revenues collected from the efficiency fees described in subdivision two of this section to cover the costs of administration of the feebate program and may incorporate such administrative costs into the design of the program when recommending adjustments to the efficiency fee and rebate dollar amounts.

5. (a) The commissioner shall prominently display the dollar amounts of efficiency fees and efficiency rebates and corresponding fuel economies described in this article on the department's website and shall post a clear and conspicuous notice whenever such dollar amounts or fuel economies are changed.

(b) The commissioner shall require that all dealers required to register with the department under the provisions of section four hundred fifteen of this title prominently display the dollar amounts of efficiency fees and efficiency rebates and corresponding fuel economies described herein at such dealers' places of business and on such dealers' websites and shall promulgate regulations to effectuate the same.

§ 499-i. Public awareness campaign. The commissioner shall conduct an educational campaign to make covered vehicle manufacturers, dealers, fleet purchasers, and the general public aware of the provisions of this article. Such campaign may include public service announcements, advertisements, media campaigns, mass mailings, conferences, presentations, informational materials in print, electronic, or other media, or any other strategy the commissioner deems fit to inform the public of the feebate program created by this article. Such campaign must include assistance by a natural person by phone and/or email in order to field inquiries about such program.

§ 499-j. Annual report. 1. No later than one year after the effective date of this section, and annually thereafter, the commissioner shall prepare a report on the feebate program established by this article. Such report shall include:

(a) the dollar amounts and thresholds of the efficiency fees and efficiency rebates of the prior year;

(b) the amount of revenues collected by the department from efficiency fees;

(c) the costs of complying with the provisions of this article;

1 (d) the amount of efficiency rebates disbursed to owners of covered
2 vehicles after accounting for the costs described in paragraph (c) of
3 this subdivision;

4 (e) an aggregate description of the number and types of registrations
5 of covered vehicles and the fuel economies in MPG or MPGe of such vehi-
6 cles;

7 (f) recommendations for any legislative changes to this article; and

8 (g) any other information the commissioner deems necessary to include
9 as a description and review of the feebate program.

10 2. Such report shall be delivered to the temporary president of the
11 senate, the speaker of the assembly, and the governor. Such report
12 shall also be posted for public review in a clear and conspicuous manner
13 on the department's website.

14 § 2. This act shall take effect immediately; provided that sections
15 499-e, 499-f, 499-g, 499-h and 499-j of the vehicle and traffic law, as
16 added by section one of this act shall take effect three years after
17 they shall have become a law. Effective immediately, the addition,
18 amendment and/or repeal of any rule or regulation necessary for the
19 implementation of this act on its effective date are authorized to be
20 made and completed on or before such effective date.