

SB 26-021 - Authorizing Scrappage and Replacement of Old, High-Emitting Diesel Trucks with Low-Emitting Units through the Clean Fleet Enterprise

Senate Sponsors:

- Sen. Kyle Mullica (D)
- Sen. Cleave Simpson

House Sponsors:

- Rep. Carlos Barron (R)
- Rep. Amy Paschal (D)

What Would SB 21 do and Why is It Important?

While pre-2010 trucks represent only 25% of all the heavier diesel vehicles traveling on Colorado roadways, they emit 75% of on-highway emissions. Removing one pre-2010 truck from our highways is the equivalent of 10 to 60 post-2017 trucks due to enhanced emission and fuel technologies. SB 21 would provide an option and opportunity within the Clean Fleet Enterprise (CFE) to remove these high-emitting vehicles and replace them with much cleaner vehicles. In addition to enhancing air quality, the scrappage/replacement program would enhance safety as many of these older trucks do not possess these newer safety technologies. Furthermore, SB 21 would preserve a valuable clean vehicle option of natural gas trucks powered by recovered methane, which has led to a major reduction in diesel emissions in the state.

Who Owns These Old Diesel (pre-2010) Vehicles?

Most of these older diesels are owned by small trucking operators, many of whom are MBE/DBE companies. An EV truck costs twice as much as a new low-emitting diesel and for many of these small operators it is neither practical for their use nor affordable. Most operators do not operate over a fixed route but move from job to job throughout the region where in many cases an adequate charging infrastructure may not exist. Cargo capacity and weight are also critical as those operators generally transport aggregate and agricultural products. An EV truck tractor weighs 6,000 pounds more than conventional diesel, which translates into a 10% to 15% reduction in cargo, making a small company uncompetitive in a tough market.

How Would the Program Work and What Would It Do?

The proposal creates a program whereby companies or businesses with a pre-2010 medium or heavy-duty truck that is 16,001 pounds or greater could voluntarily turn that vehicle in for scrappage and receive a grant to obtain a 2018 or newer cleaner diesel or alternative fuel/powered vehicle. A similar program in California led to the voluntary scrappage/replacement of 68,696 vehicles, resulting in a reduction of 198,417 tons of NOx.

Cost and Funding

There are no new fees nor any fiscal note. The bill would merely allow the CFE to award up to 20% of CFE's annual revenues, approximately \$4 million dollars that can be used for the scrappage/replacement program.

Benefits

- **Removes highest emitting vehicles from our highways and replaces them with ones up to 60 times cleaner.**
- **Broadens opportunities for cleaner vehicles and improved air quality by allowing more fleets and areas of the state to participate** - Issues such as infrastructure, range, type of application, and cost keep fleets in many areas of the State from participating. The scrappage/replacement program would allow these areas to improve air quality by removing some of the oldest, highest-emitting and least safe vehicles in their areas.
- **Improves Safety** –Over the past 15 years there have been many changes to trucks which greatly improve safety and this program would build on those advances.
- **Helps Small Businesses** – The majority of these older trucks are owned by small companies, many of whom are MBEs/DBEs, who do not have the financial means to acquire a newer, cleaner truck.

For additional information or questions:

Jay Hicks- 720-350-8226 | Jay@lobbyco.com- CWPMA/Sami Davis-970-980-5122 | Sami@sewaldhanfling.com- CMCA



Re: **SB26-021 Clean Fleet Enterprise Replace Aging Diesel**
CREC Requests Amendments

To: Senate Sponsors Kyle Mullica, Cleave Simpson
House Sponsors Carlos Barron, Amy Paschal
Senate Transportation & Energy Committee Members:
Senators Lisa Cutter, Matt Ball, Mark Baisley, Marc Catlin, Tony Exum,
William Lindstedt, Kyle Mullica, Byron Pelton, Tom Sullivan

Date: February 17, 2026

Dear Members of the Senate Transportation and Energy Committee:

The Colorado Renewable Energy Society (CREC) usually concerns itself with matters of climate by addressing deployment of clean renewable energy in place of dirty and dangerous fossil fuels. At times we advocate on behalf of reduction of the emissions of climate change-causing fossil fuels in transportation, which lags in transitioning to renewables.

CREC appreciates that the TLRC is working to reduce emissions in Colorado's transportation sector. We ask that the Senate Transportation and Energy committee use SB 021 to keep the Clean Fleet Enterprise focused on achieving Colorado's climate goals, and on reducing pollutants that harm public health, especially in near-highway disproportionately impacted communities. **The main outcome of this new program should be emissions reductions.**

We would prefer that heavy-duty trucks electrify as the main strategy for avoiding pollution. But CREC recognizes that state-of-design for large scale heavy-truck electrification is not yet mature, so incremental removal of emissions from the dirtiest heavy trucks seems a worthy interim strategy that we support in principle.

However, CREC declines to support SB 021 at present, pending sponsors' addressing our concerns about the bill, by **adopting important amendments.**

1. The bill should guarantee air quality benefits by requiring applications which detail sourced and credible estimates of pollution avoided, genuine additionality beyond business-as-usual fleet turnover, and Enterprise auditing and enforcement authority.
2. The bill currently lacks mechanisms to direct and assist the Enterprise in maximizing the air quality benefits of awards. The bill should require the Enterprise to grant awards

based on optimizing air quality benefits.

3. The bill should direct a right-sized program targeting trucks **2006** or older, rather than targeting the enormous pool of 2009 or older trucks, many of which already comply with more strict NOx and particulates standards that were in place when the *older* aging trucks were put into service.
4. The bill needs to be drafted more clearly to exclude replacement of diesel trucks with other diesel trucks. CNG with recovered methane seems a reasonable fossil-fueled compromise to reduce emissions, but diesel-for-diesel is a bridge too far. Require the Enterprise to rank funding applications in this order (1) zero emission trucks (2) non-zero emission trucks. Recipients should also be required to submit a fleet ZEV readiness plan that includes a charging infrastructure roadmap and an interconnection assessment timeline.
5. The bill should create new funding for this new mission of the Enterprise, perhaps from heavy-duty truck registrations. The Enterprise is already showing itself to be helpful in creating clean vehicle markets, but the fund needs to grow to become an important means of contributing to true market transformation.
6. The bill should include a requirement that the Enterprise report annually on the results of the program, so the state can track and improve it, and the public can be properly informed of the air quality benefits to its residents.

CRES agrees with the considerably more detailed input sponsors are receiving from our colleagues at the Southwest Energy Efficiency Project (SWEET). Please contact us or SWEET to discuss any of the suggested amendments.

Sincerely,

Vince Calvano, Chair, CRES Policy Committee
Becky English

About CRES:

CRES is a Colorado nonprofit corporation established in 1996. CRES creates environmental, social, and economic benefits for Colorado by promoting energy efficiency and renewable energy of all types. CRES advocates for a carbon-neutral Colorado powered by 100% renewable energy, and is engaged in promoting energy efficiency, demand side management, beneficial electrification, and the full breadth of renewable energy development in Colorado. CRES also advocates for ways to achieve Colorado's emissions reduction targets. CRES educates and assists the state's consumers, businesses and communities to advance renewable energy and energy efficiency in a manner that supports the economy and the environment.

CRES membership includes approximately 350 individual and business members interested in

renewable energy and energy efficiency. The organization reaches more than 6,000 email subscribers and sponsors educational programs attended by hundreds, both in-person and online.

CRES works on behalf of consumers, small businesses, and communities throughout the state to promote the expeditious transition from fossil fuels to renewable energy.

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Re: Support for SB26-021 – Clean Fleet Enterprise Replace Aging Diesel Trucks

February 12, 2026

To Whom It May Concern,

Love's Alternative Energy writes in strong support of SB26-021, Clean Fleet Enterprise Replace Aging Diesel Trucks, which authorizes the Clean Fleet Enterprise to accelerate the replacement of aging, high-emitting diesel trucks with cleaner, lower-emitting alternatives in Colorado fleets.

State led incentive programs such as the Clean Fleet Enterprise play a critical role in increasing customer adoption of alternative fuel technologies. By reducing upfront capital barriers and providing predictable program structures, these initiatives enable fleets to transition to proven technologies like compressed natural gas (CNG) while maintaining operational reliability and controlling total cost of ownership. In our experience, well-designed state programs are among the most effective drivers of voluntary fleet participation and long-term emissions reductions.

Importantly, maintaining flexibility in program design, including a no scrappage requirement for CNG trucks will help ensure broad fleet participation. Allowing fleets to retain existing CNG assets rather than mandating scrappage removes a significant participation barrier, protects prior investments in clean technology, and increases the likelihood that fleets will subscribe to and fully engage with the program's objectives. This approach supports faster adoption while still advancing Colorado's clean air and emissions reduction goals.

As a retailer of CNG in Colorado, Love's Alternative Energy appreciates the General Assembly's leadership in advancing pragmatic, market-ready solutions for heavy-duty transportation. We respectfully encourage continued support for SB26-021 and program structures that maximize fleet participation, customer adoption, and measurable environmental benefits.

Should you have any questions or wish to discuss Love's Alternative Energy's role in the alternative fuel marketplace, please contact me directly at (630) 746-6313 or marc.rowe@loves.com . More information on our company is available on our website as well, [Love's Alternative Energy](http://www.loves.com).

Sincerely,

Marc Rowe

Marc Rowe
Director of Sales



AMEND: SB26-021 – Clean Fleet Enterprise Replace Aging Diesel Trucks

Testimony by Kathy Harris, Director, Clean Vehicles, NRDC (Natural Resources Defense Council)

Dear Senate Transportation & Energy Committee,

Thank you for the opportunity to submit testimony on SB26-021. As drafted, we are concerned about this bill redirecting limited state resources to put more fossil fuel trucks on the road and we urge the committee to adopt amendments to maximize the effectiveness of state funds.

Our understanding is that this bill would allow up to 20% of annual Clean Fleet Enterprise income to be used to incentivize the purchase of new heavy-duty diesel trucks. We **strongly oppose diversion of funds from the current program**, which has awarded more than \$20M to incentivize the replacement of older internal combustion medium and heavy-duty vehicles with battery electric vehicles (BEV). These investments have provided pollution reduction for Colorado and importantly for disproportionately impacted communities where these vehicles frequently operate. Allowing diversion of Clean Fleet Enterprise funds for the purchase of diesel trucks would amount to replacing a new battery electric truck with a diesel truck that will operate on our roads for many years to come.

We also believe it's important to remove the oldest, most polluting heavy-duty trucks from the road. Model Year 2006 and earlier trucks are by far the most polluting vehicles on our roadways. And while they are still sources of PM2.5 and NOx, MY2027 and newer trucks emit far less pollution than the oldest trucks and significantly less than MY2010-2026 trucks. We support amending the bill to **target trucks older than model year 2006** (instead of 2009 as drafted).

We believe that it is possible to design a **separately funded, time-limited** program that incentivizes the replacement of MY2006 and older heavy-duty diesel trucks with MY2027 diesel trucks that would provide additional pollution reductions for Coloradans.

NRDC recommends the following amendments:

- Establish a funding source that doesn't divert funds from the existing Clean Fleets Enterprise incentives for battery electric vehicles
- Apply only to the replacement of MY 2006 and older heavy-duty vehicles with new diesel vehicles
- Require that retired vehicles must travel at least 29,000 miles annually
- Require that replacement internal combustion engine vehicles must be MY 2027 or newer
- Sunset the diesel purchase incentives at the end of 2030 when we expect that there will be significantly more BEV alternatives for the heavy-duty truck market
- Remove the strike out in 25-7.5-103.(9)(b)(1) lines 16-2 to maintain the requirement that enterprises determine there isn't a zero-emission vehicle option for the replacement

Thank you,

Kathy Harris
Director, Clean Vehicles, Climate & Energy
NRDC (Natural Resources Defense Council)

Re: **SB26-021 Clean Fleet Enterprise Replace Aging Diesel** – February 17, 2026

To: Senate Sponsors Kyle Mullica, Cleave Simpson
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Senate Transportation & Energy Committee Members:
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Thank you for the good work towards reducing the pollution in our communities and towards meeting emission goals to reduce climate change impacts on our neighbors.

I advocate for the reduction of emissions that are causing our communities to be polluted in the vast Denver/Front Range Severe Ozone Pollution Area, and for the reduction of emissions from burning fossil fuels that cause climate change and contribute to the Severe Ozone Pollution.

Background on the Severe Ozone Pollution - Denver/Front Range Non-Attainment area:

- The pollution is getting worse – in 2022 the bad air we breathe went from ‘serious to ‘severe’ according to the EPA and the State Air Quality Control Commission (AQCC).
- About 4 million people live and breathe the pollution in the Severe Ozone non-attainment area – about 80% of states population - 9 counties including: Denver, Arapahoe, Jefferson, Adams, Douglas, Boulder, Broomfield, Larimer, Weld.
- Severe pollution causes our community members breathing problems, asthma, lung damage, cardiac issues, heart attacks, and premature deaths, and represents a terrible cost to our communities.
 - Colorado Fiscal Institute (CFI) in the 2023 Clearing the Air Report estimated additional health related costs and lost workdays in Colorado to range \$480 million-\$1 billion per year.
 - CFI in the 2026 Colorado Climate Damages and Adaptation Cost Report estimated historical Colorado costs attributable to excess heat (1999-2024) to be about \$200 million per year and estimated future expected heat related climate attributable death costs to range from \$730 million to \$830 million per year.
 - CFI in their 2026 report estimated that future Colorado expected climate related costs to be roughly \$1.3 billion per year.

As a private citizen I urge you to amend SB26-021 with 2 improvements:

1. I agree with CRES that the bill should be amended to direct a right-sized program targeting trucks **2006** or older, rather than targeting the enormous pool of 2009 or older trucks, many of which already comply with more strict NOx and particulates standards.
2. I believe the bill should be amended to allow the removal of a 2006 and older large diesel truck for a large electric truck – and/or the removal of a 2006 and older large diesel truck for a smaller electric vehicle - such as an electric van.

Sincerely,

Ted Wells
President ClimateUnified.org
4926 Coal Bank Drive