



# Environmental Fact Sheet

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## Accelerated Vehicle Retirement Programs

*Accelerated vehicle retirement programs offer incentives for voluntary retirement of high-emitting vehicles, leading to the earlier reductions in air pollution than would otherwise occur.*

### What is Accelerated Vehicle Retirement or Scrappage?

In many cities across the country, the personal automobile is the single greatest polluter, as emissions from all the vehicles on the road add up. Old automobiles with no or few emission controls are typically a source of high emissions. Newer vehicles possessing emission controls which have been tampered with, maintained improperly, or have otherwise been rendered ineffective are also significant contributors of emissions. While normal attrition of the vehicle fleet helps, some high emitting vehicles remain in operation and contribute to the problem for long periods of time.

Accelerated vehicle retirement (scrappage) programs, through rebates and other incentives, encourage vehicle owners to voluntarily retire their vehicle sooner than they would have otherwise. These programs are entirely voluntary, and vehicle owners decide whether or not the compensation is sufficient to induce them to turn in their vehicles.

## **EPA's Role**

Scrappage programs are not mandatory, and are not run by the EPA. These programs are part of an overall U.S. Environmental Protection Agency initiative to give state and local governments and industry flexibility in meeting Clean Air Act emission reduction requirements in the most efficient and effective manner possible. A program can be run by a state or local government as part of their overall strategy to reduce emissions in its air quality plan (state implementation plan or SIP) or by a private company, with approval from the state to satisfy existing or new stationary source-specific requirements for industry.

In February, 1993, EPA released a guidance document entitled *Guidance for the Implementation of Accelerated Retirement of Vehicles Programs*. The guidance document is intended to assist state, municipal or industry program sponsors in the design and implementation of scrappage programs.

## **How Do Scrappage Programs Impact the Supply of Older, Antique Vehicles, and the Availability of Parts for These Vehicles?**

EPA encourages the maintenance and upkeep of older vehicles. Scrappage programs are aimed at highly polluting cars, rather than indiscriminately targeting old cars in general. In addition, since vehicle owners are always compensated for scrapping their vehicles, they would turn in their vehicles only if the level of the compensation is greater than the value of vehicle.

EPA has also taken several steps to ensure that scrappage programs do not diminish the supply of parts for older vehicles. Programs are allowed to strip vehicles for parts prior to scrappage, thus providing a source of parts to keep other old clean cars running and used parts suppliers and repair shops in business. Non-emission producing parts can be recycled directly while emission producing parts must be dismantled and rebuilt.

## **How Extensively Has Scrappage Been Used?**

Several areas have implemented scrappage programs which range in size and contain various design features. In addition, a few areas have devel-

oped legislation setting up rules for the implementation of scrappage programs.

## **For Further Information**

For more information on accelerated vehicle retirement programs, please contact John Hall at:

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The 1993 EPA guidance on accelerated vehicle retirement programs can be found on EPA's Internet World Wide Web (WWW) site at:

<http://www.epa.gov/oms/market.htm>

EPA's Directory of Air Quality Economic Incentive Programs, also located at this site, has additional information on state and local scrap-page programs and legislation. The directory includes descriptions of a number of programs, as well as contact names and phone numbers for more information.