

JUNK VEHICLES: PROGRAM OVERVIEW AND ELECTRIC VEHICLE CONSIDERATIONS

TRANSPORTATION INTERIM COMMITTEE
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Montana's junk vehicle program was established to control and provide for recycling of junk vehicles throughout the state. The program involves a partnership among the Department of Environmental Quality, county junk vehicle programs, motor vehicle wrecking facilities, tow truck operators, and others. As electric vehicles eventually move towards the end of their life cycles, the question arises of how those vehicles might be incorporated into the current model and what funding will be needed to address any additional considerations needed to properly dispose of and recycle them. This paper will provide an overview of the current program, how the program is currently funded, and some specific elements of electric vehicle towing and recycling.

PROGRAM & PROCESS OVERVIEW

DEFINITIONS - THE WHAT

A helpful place to start is to have a good understanding of the definitions related to the program. Statute provides those under 75-10-501, MCA, including:

- **Junk Vehicle:** A motor vehicle which meets the following three criteria:
 - Is discarded, ruined, wrecked, or dismantled;
 - Is not lawfully and validly licensed or is permanently registered and meets the other junk vehicle criteria;
 - Remains inoperative or incapable of being driven.
- **Motor Vehicle Wrecking Facility:** A facility buying, selling, or dealing in four or more vehicles a year, of a type required to be licensed, for the purpose of wrecking, dismantling, disassembling, or substantially changing the form of the motor vehicle; or a facility that buys or sells component parts, in whole or in part, and deals in secondhand motor vehicle parts.
- **Motor Vehicle Graveyard:** A collection point established by a county for junk motor vehicles prior to their disposal.

Abandoned vehicles are covered primarily under Title 61, Chapter 8 and 12. Under 61-8-356, MCA, a vehicle may not be parked or left standing upon the right-of-way of a public highway for a period longer than 48 hours or upon a city street, or state, county, or city property for a period longer than 5 days. The statute goes on to clarify that the abandonment of a vehicle creates a *prima facie* presumption that the last-registered owner of the vehicle is responsible for the abandonment and is liable for the costs incurred in removing, storing, and disposing of the abandoned vehicle, less the amount realized if the vehicle is sold. The filing of a theft report relieves the last-registered owner's liability.

ENTITIES INVOLVED - THE WHO

There are many entities that are involved in various aspects of junk vehicle management and disposal or recycling, such as the following:

- **Montana Department of Environmental Quality (DEQ):** This is the primary state agency responsible for the junk vehicle program. Responsibilities assigned to the DEQ include:

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- Review and licensing of motor vehicle wrecking facilities and junk vehicle graveyards;
- Inspection of motor vehicle wrecking facilities and junk vehicle graveyards and provision of technical assistance to ensure compliance;
- Providing oversight of county junk vehicle collection programs and administering grants to fund the activities of the county programs; and
- Providing training and assistance for county junk vehicle program directors.
- **Counties:** Duties of Montana's counties pertaining to junk vehicles are outlined under 75-10-521, MCA. Counties are required to do the following:
 - Acquire, develop, and maintain property for free motor vehicle graveyards. The property may be acquired through purchase, lease, or otherwise. The counties are able to contract for the maintenance and operation of the graveyard with a licensed motor vehicle wrecking facility.
 - Submit to the DEQ for approval a plan for the collection of junk vehicles and the establishment and operation of the motor vehicle graveyard, as well as a proposed budget for the succeeding fiscal year.
 - When there is an accumulation of at least 200 junk vehicles in the graveyard, the county shall notify the DEQ for disposal purposes. Under 75-10-531, MCA, the DEQ must contract for final disposition of junk vehicles accumulated in motor vehicle graveyards.
 - Inspect each licensed motor vehicle wrecking facility within its boundaries.
 - Counties may sell junk vehicles from the motor vehicle graveyard to licensed motor vehicle wrecking facilities, provided those sales are conducted pursuant to approval of their plan by the DEQ.
 - In accordance with 75-10-532, MCA, funding from the sale of junk vehicles or from recycling of the materials must be remitted to the state. The funding must then be used for the control, collection, recycling, and disposal of junk vehicles and component parts and for the removal of abandoned vehicles, subject to legislative fund transfers.
- **Motor Vehicle Wrecking Facilities:** These facilities, as defined on page 1, are required to be licensed through the DEQ. They must apply for a license and then pay an annual fee of \$100 to the DEQ. Under 75-10-516, MCA, the process for the DEQ when an application is filed is outlined, including public notice requirements.
Additionally, they are required to keep detailed records on the junk vehicles obtained and are subject to inspection by both the DEQ and counties.

OVERVIEW OF THE PROCESSS - THE HOW

When there is junk vehicle or an abandoned vehicle, the city or county is notified, usually by citizens or by law enforcement. For abandoned vehicles, there is a specific process as far as marking the vehicle for a certain amount of time, identifying owners and recovering costs; DEQ has created a flow chart, including statutory references, outlining the entities and their responsibilities for the removal and storage or sale of abandoned vehicles:

<https://deq.mt.gov/files/Land/JunkVehicles/Documents/IV%20Abandoned%20Vehicle%20Flow.pdf>

The vehicle is then towed either to a county junk vehicle graveyard or a private motor vehicle wrecking facility. Once the junk vehicles arrive at the county junk vehicle graveyard, the county may then either stow the vehicle, or depending on the ownership and condition, may try to sell the vehicle or take it to a motor vehicle wrecking facility to recycle and/or dispose of the vehicle.

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The DEQ, as noted in the previous section, works with the counties and the wrecking facilities on licensing, inspection, and technical assistance.

FUNDING

There are a couple of different revenue sources for the junk vehicle program. These include:

1. Title and Registration Fees – The counties collect the fees for motor vehicle titling and registration, which are then remitted to the state into the general fund. In accordance with 15-1-122(2)(a), 1.48% of the motor vehicle revenue is transferred each fiscal year to the DEQ's motor vehicle recycling and disposal program state special revenue fund. Of that allocation, 9.48% must be used for the purpose of reimbursing the hired removal of abandoned vehicles. The remainder of the allocation must be used in accordance with 75-10-532, MCA.
2. Revenue from the Sale of Junk Vehicles – Counties that sell junk vehicles must return to the state the funding equal to the salvage value of each vehicle sold, as outlined in 75-10-534, MCA.
3. Motor Vehicle Wrecking Facility License Fees – As mentioned previously, each motor vehicle wrecking facility must pay an annual fee of \$100 to the DEQ.

According to the Legislative Fiscal Division, in FY 2023, the state special revenue account received a total of \$2.1 million, including \$1.8 million from the general fund transfer (title/registration fees), \$220,000 from the recycling and sale of junk vehicles, and \$13,000 for wrecking facility license fees. Expenditures from the fund totaled \$1.9 million, of which \$1.5 million or 78.9% was expended as grants to the counties. The Legislative Fiscal Division has [a report](#) available, providing detail about the funding for the program.

ELECTRIC VEHICLE CONSIDERATIONS

In discussion with some of the counties, they have not yet encountered junk electric vehicles. The junk vehicles they typically collect are older and in poor condition; however, with the growing number of electric vehicles, this may come up for them in the future. DEQ is currently developing a plan to ensure the proper infrastructure is in place to ensure safe acceptance of these vehicles when the need arises. The plan will include guidance, training, and potential regulatory changes.

There are some considerations unique to electric vehicles that should be noted:

1. **Towing** – Because of how the batteries operate, electric vehicles typically need to be towed with all four wheels off the ground, specifically by using a flatbed tow truck. In towing with two wheels on the ground, such as with a chain and hook tow truck, the spinning wheels can induce a current in the motor, potentially damaging the vehicle and causing the motor to overheat. Having to use a flatbed tow truck may be an additional cost that will need to be considered in the future for electric junk or abandoned vehicles.
2. **Lithium-Ion Battery Recycling** – Because of lithium-ion batteries' potential ignitability and reactivity, it's important for those dealing with electric vehicles at the end of their life cycle to understand what steps are needed as far as recycling and disposal. The DEQ has drafted guidance, specifically encouraging counties to not accept these vehicles. Instead, they encourage electric vehicle owners to contact the vehicle manufacturer for take back.

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In May of 2023, the U.S. Environmental Protection Agency issued a memo concerning lithium-ion batteries and electric vehicles that provides additional details on federal regulation and recommendations for recycling of batteries.¹

3. **Safety and Storage** – The DEQ's guidance document identifies elements that they are considering in terms of regulations that will have to be met for county junk vehicle programs to accept electric vehicles. The elements primarily center around safety and storage, specifically: equipment needs; fire prevention measures; building requirements; hazardous waste generation identification, labeling, and storage time limits; and necessary training. As this guidance is developed, consideration may be needed as to cost for counties and impacts to funding.

SUMMARY

In conclusion, Montana has a well-developed program for the recycling and disposal of junk and abandoned vehicles in the state. Electric vehicle adoption is predicted to grow in the state, and as these vehicles move toward the end of their life cycle, it will be important to safely incorporate them into the program, as well as to account for any additional funding that may be needed to accommodate them.

¹ <https://rcrapublic.epa.gov/files/14957.pdf>