House Engrossed

State of Arizona House of Representatives Fifty-first Legislature Second Regular Session 2014

CHAPTER 89

HOUSE BILL 2226

AN ACT

AMENDING SECTIONS 49-541 AND 49-542, ARIZONA REVISED STATUTES; AMENDING SECTION 49-542, ARIZONA REVISED STATUTES, AS AMENDED BY THIS ACT; AMENDING SECTION 49-542.03, ARIZONA REVISED STATUTES; AMENDING SECTION 49-542.03, ARIZONA REVISED STATUTES, AS AMENDED BY THIS ACT; RELATING TO VEHICLE EMISSION INSPECTION; PROVIDING FOR CONDITIONAL ENACTMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona: 2 Section 1. Section 49-541, Arizona Revised Statutes, is amended to 3 read: 4 49-541. Definitions 5 In this article, unless the context otherwise requires: "Area A" means the area delineated as follows: 6 1. 7 (a) In Maricopa county: 8 Township 8 north, range 2 east and range 3 east 9 Township 7 north, range 2 west through range 5 east Township 6 north, range 5 west through range 6 east 10 11 Township 5 north, range 5 west through range 7 east 12 Township 4 north, range 5 west through range 8 east 13 Township 3 north, range 5 west through range 8 east Township 2 north, range 5 west through range 8 east 14 15 Township 1 north, range 5 west through range 7 east Township 1 south, range 5 west through range 7 east 16 17 Township 2 south, range 5 west through range 7 east 18 Township 3 south, range 5 west through range 1 east 19 Township 4 south, range 5 west through range 1 east 20 (b) In Pinal county: 21 Township 1 north, range 8 east and range 9 east Township 1 south, range 8 east and range 9 east 22 23 Township 2 south, range 8 east and range 9 east 24 Township 3 south, range 7 east through range 9 east 25 (c) In Yavapai county: 26 Township 7 north, range 1 east and range 1 west through range 2 west 27 Township 6 north, range 1 east and range 1 west 28 "Area B" means the area delineated in Pima county as township 11 2. 29 and 12 south, range 12 through 14 east; township 13 through 15 south, range 30 11 through 16 east; township 16 south, range 12 through 16 east, excluding 31 any portion of the Coronado national forest and the Saguaro national park. 32 3. "Certificate of inspection" means a serially numbered device or 33 symbol, as may be prescribed by the director, indicating that a vehicle has 34 been inspected pursuant to the provisions of section 49-546 and has passed 35 inspection. 36 4. "Certificate of waiver" means a uniquely numbered device or symbol, 37 as may be prescribed by the director, indicating that the requirement of 38 passing reinspection has been waived for a vehicle pursuant to the provisions 39 of this article. 40 5. "Conditioning mode" means either a fast idle test condition or a 41 loaded test condition.

6. "Curb idle test <u>condition</u>" means an exhaust emissions test conducted with the engine of a vehicle running at the manufacturer's specified idle speed plus or minus one hundred revolutions per minute but without pressure exerted on the accelerator. 1 7. "Emissions inspection station permit" means a certificate issued by 2 the director authorizing the holder to perform vehicular inspections pursuant 3 to this article.

8. "Fast idle test condition" means an exhaust emissions test 4 5 conducted with the engine of the vehicle running under an accelerated condition to an extent prescribed by the director. 6

7 9. "Fleet emissions inspection station" means any inspection facility 8 operated under a permit issued to a qualified fleet owner or lessee as 9 determined by the director.

10. "Golf cart" means a motor vehicle which has not less than three 10 11 wheels in contact with the ground, has an unladen weight of less than 12 thirteen hundred pounds, is designed to be and is operated at not more than 13 fifteen miles an hour and is designed to carry golf equipment and persons.

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11. "Gross weight" has the same meaning prescribed in section 28-5431.

15 12. "Independent contractor" means any person, business, firm, partnership or corporation with which the director may enter into an 16 17 agreement providing for the construction, equipment, maintenance, personnel, 18 management and operation of official emissions inspection stations pursuant 19 to section 49-545.

20 13. "Loaded test condition" means an exhaust emissions test conducted 21 at cruise or transient conditions as prescribed by the director.

22 14. "Official emissions inspection station" means an inspection 23 facility, other than a fleet emissions inspection station, whether placed in 24 a permanent structure or in a mobile unit for conveyance among various 25 locations within this state, for the purpose of conducting emissions 26 inspections of all vehicles required to be inspected pursuant to this 27 article.

28 "Tampering" means removing, defeating or altering an emissions 15. 29 control device which was installed at the time a vehicle was manufactured.

16. 30 "Vehicle" means any automobile, truck, truck tractor, motor bus or 31 self-propelled or motor-driven vehicle registered or to be registered in this 32 state and used upon the public highways of this state for the purpose of 33 transporting persons or property, except implements of husbandry, road 34 rollers or road machinery temporarily operated upon the highway.

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17. "Vehicle emissions control area" means area A or area B.

Sec. 2. Section 49-542, Arizona Revised Statutes, is amended to read: 49-542. Emissions inspection program; powers and duties of director; administration; periodic inspection; minimum standards and rules; exceptions; definition

40 A. The director shall administer a comprehensive annual or biennial 41 emissions inspection program which THAT shall require the inspection of 42 vehicles in this state pursuant to this article and applicable administrative 43 rules. Such inspection is required FOR VEHICLES THAT ARE REGISTERED in area 44 A and area B, for those vehicles owned by a person who is subject to section 45 15-1444 or 15-1627 and for those vehicles registered outside of area A or area B but used to commute to the driver's principal place of employment 46

1 located within area A or area B. Inspection in other counties of the state 2 shall commence upon ON THE DIRECTOR'S APPROVAL OF AN application by a county 3 board of supervisors for participation in such inspection program, subject to 4 approval by the director. In all counties with a population of three hundred 5 fifty thousand or fewer persons according to the most recent United States 6 decennial census, except for the portion of counties that contain any portion 7 of area A, the director shall as conditions dictate provide for testing to 8 determine the effect of vehicle related pollution on ambient air quality in 9 all communities with a metropolitan area population of twenty thousand 10 persons or more according to the most recent United States decennial census. 11 If such testing detects the violation of state ambient air quality standards 12 by vehicle related pollution, the director shall forward a full report of such violation to the president of the senate, the speaker of the house of 13 14 representatives and the governor.

15 B. The state's annual or biennial emissions inspection program shall 16 provide for vehicle inspections at official emissions inspection stations or 17 at fleet emissions inspection stations. Each inspection station in area A 18 shall employ at least one mechanic TECHNICAL ASSISTANT who is available 19 during the station's hours of operation to provide technical advice and 20 assistance for persons who fail the emissions test. The director may enter 21 into agreements with the department of transportation or with county 22 assessors for the use of official emissions inspection stations for the 23 purpose of conducting vehicle registrations. An official or fleet emissions 24 inspection station permit shall not be sold, assigned, transferred, conveyed 25 or removed to another location except on such terms and conditions as the 26 director may prescribe.

27 С. Vehicles required to be inspected and registered in this state, 28 except those provided for in section 49-546, shall be inspected, for the 29 purpose of complying with the registration or reregistration requirement 30 pursuant to subsection D of this section, in accordance with the provisions 31 of this article no more than ninety days prior to each reregistration 32 **REGISTRATION** expiration date. A vehicle may be submitted voluntarily for 33 inspection more than ninety days before the reregistration REGISTRATION 34 expiration date on payment of the prescribed inspection fee. Such voluntary 35 inspection shall not be considered as compliance with the registration or 36 reregistration requirement pursuant to subsection D of this section.

37 D. A vehicle shall not be registered or reregistered until such 38 vehicle has passed the emissions inspection, AND the tampering inspection 39 prescribed in subsection G of this section and the liquid fuel leak 40 inspection prescribed in subsection Z of this section or has been issued a 41 certificate of waiver. A certificate of waiver shall only be issued one time 42 to a vehicle after January 1, 1997. If any vehicle to be registered or 43 reregistered is being sold by a dealer licensed to sell motor vehicles 44 pursuant to title 28, the cost of any inspection and any repairs necessary to 45 pass the inspection shall be borne by the dealer. A dealer who is licensed 46 to sell motor vehicles pursuant to title 28 and whose place of business is

1 located in area A or area B shall not deliver any vehicle to the retail 2 purchaser until the vehicle passes any inspection required by this article or 3 the vehicle is exempt under subsection J of this section.

4 E. On the registration or reregistration of a vehicle which THAT has 5 complied with the minimum emissions standards pursuant to this section or is otherwise exempt under this section, the registering officer shall issue an 6 7 air quality compliance sticker to the registered owner which THAT shall be 8 placed on the vehicle as prescribed by rule adopted by the department of 9 transportation or issue a modified year validating tab as prescribed by rule adopted by the department of transportation. Those persons who reside 10 11 outside of area A or area B but who elect to test their vehicle or are 12 required to test their vehicle pursuant to this section and who comply with 13 the minimum emissions standards pursuant to this section or are otherwise 14 exempt under this section shall remit a compliance form, as prescribed by the 15 department of transportation, and proof of compliance issued at an official 16 emissions inspection station to the department of transportation along with 17 the appropriate fees. The department of transportation shall then issue the 18 person an air quality compliance sticker which shall be placed on the vehicle 19 as prescribed by rule adopted by the department of transportation. The 20 registering officer or the department of transportation shall collect an air 21 quality compliance fee of twenty-five cents. The registering officer or the department of transportation shall deposit, pursuant to sections 35-146 and 22 23 35–147, the air quality compliance fee in the state highway fund established 24 by section 28-6991. The department of transportation shall deposit, pursuant 25 to sections 35-146 and 35-147, any emissions inspection fee in the emissions 26 inspection fund. The provisions of this subsection do not apply to those 27 vehicles registered pursuant to title 28, chapter 7, article 7 or 8, the sale 28 of vehicles between motor vehicle dealers or vehicles leased to a person 29 residing outside of area A or area B by a leasing company whose place of 30 business is in area A or area B.

F. The director shall adopt minimum emissions standards pursuant to section 49-447 with which the various classes of vehicles shall be required to comply as follows:

For the purpose of determining compliance with minimum emissions
 standards in area B:

36 (a) A motor vehicle manufactured in or before the 1980 model year, 37 other than a diesel powered vehicle, shall be required to take and pass the 38 curb idle test condition. A diesel powered vehicle is subject to only a 39 loaded test condition. The conditioning mode shall, at the option of the 40 vehicle owner or owner's agent, SHALL be administered only after the vehicle 41 has failed the curb idle test condition. Upon ON completion of such 42 conditioning mode, a vehicle that has failed the curb idle test condition may 43 be retested in the curb idle test condition. If the vehicle passes such 44 retest, it shall be deemed in compliance with minimum emissions standards 45 unless the vehicle fails the tampering inspection pursuant to subsection G of

1 this section or the liquid fuel leak inspection pursuant to subsection Z of 2 this section.

3 (b) A motor vehicle manufactured in or after the 1981 model year, 4 other than a diesel powered vehicle, shall be required to take and pass the 5 curb idle test condition and the loaded test condition or an onboard 6 diagnostic check as may be required pursuant to title II of the clean air 7 act.

8 2. For THE purposes of determining compliance with minimum emissions 9 standards and functional tests in area A:

10 (a) Motor vehicles manufactured in or after model year 1981 with a 11 gross vehicle weight rating of eighty-five hundred pounds or less, other than 12 diesel powered vehicles, shall be required to take and pass a transient 13 loaded emissions test or an onboard diagnostic check as may be required 14 pursuant to title II of the clean air act.

15 (b) Motor vehicles other than those prescribed by subdivision (a) of 16 this paragraph and other than diesel powered vehicles shall be required to 17 take and pass a steady state loaded test and a curb idle emissions test.

18 (c) A diesel powered motor vehicle applying for registration or 19 reregistration in area A shall be required to take and pass an annual 20 emissions test conducted at an official emissions inspection station or a 21 fleet emissions inspection station as follows:

(i) A loaded, transient or any other form of test as provided for in
rules adopted by the director for vehicles with a gross vehicle weight rating
of eight thousand five hundred pounds or less.

(ii) A test that conforms with the society for automotive engineers
standard J1667 for vehicles with a gross vehicle weight rating of more than
eight thousand five hundred pounds.

(d) Motor vehicles by specific class or model year shall be required
 to take and pass any of the following tests:

30 31 (i) An evaporative system purge test.(ii) An evaporative system integrity test.

32 (e) An onboard diagnostic check may be required pursuant to title II 33 of the clean air act.

34 3. Any constant four-wheel drive vehicle shall be required to take and 35 pass a curb idle emissions test or an onboard diagnostic check as required 36 pursuant to title II of the clean air act.

Fleet operators in area B must comply with this section, except
that used vehicles sold by a motor vehicle dealer who is a fleet operator and
who has been issued a permit under section 49-546 shall be tested as follows:

40 (a) A motor vehicle manufactured in or before the 1980 model year
41 shall take and pass only the curb idle test condition, except that a diesel
42 powered vehicle is subject to only a loaded test condition.

43 (b) A motor vehicle manufactured in or after the 1981 model year shall
44 take and pass the curb idle test condition and a twenty-five hundred
45 revolutions per minute unloaded test condition.

5. Vehicles owned or operated by the United States, this state or a political subdivision of this state shall comply with this subsection without regard to whether those vehicles are required to be registered in this state, except that alternative fuel vehicles of a school district that is located in area A shall be required to take and pass the curb idle test condition the loaded test condition.

6. Fleet operators in area A shall comply with this section, except that used vehicles sold by a motor vehicle dealer who is a fleet operator and who has been issued a permit pursuant to section 49-546 for THE purposes of determining compliance with minimum emission standards in area A shall be tested as follows:

(a) A motor vehicle manufactured in or before the 1980 model year
shall take and pass the curb idle test condition, except that a diesel
powered vehicle is subject to only a loaded test condition.

15 (b) A motor vehicle manufactured in or after the 1981 model year shall 16 take and pass the curb idle test condition and a two thousand five hundred 17 revolutions per minute unloaded test condition.

18 7. Beginning on January 1, 2004 and Except for any registered owner or 19 lessee of a fleet of less than twenty-five vehicles, a diesel powered motor 20 vehicle with a gross vehicle weight of more than twenty-six thousand pounds 21 and for which gross weight fees are paid pursuant to title 28, chapter 15, 22 article 2 in area A shall not be allowed to operate in area A unless it was 23 manufactured in or after the 1988 model year or is powered by an engine that 24 is certified to meet or surpass emissions standards contained in 40 Code of 25 Federal Regulations section 86.088-11 IN EFFECT ON JULY 1, 1995. This 26 paragraph does not apply to vehicles that are registered pursuant to title 27 28, chapter 7, article 7 or 8.

28 8. Beginning on January 1, 2006 For any registered owner or lessee of 29 a fleet of less than twenty-five vehicles, a diesel powered motor vehicle 30 with a gross vehicle weight of more than twenty-six thousand pounds and for 31 which gross weight fees are paid pursuant to title 28, chapter 15, article 2 32 in area A shall not be allowed to operate in area A unless it was 33 manufactured in or after the 1988 model year or is powered by an engine that 34 is certified to meet or surpass emissions standards contained in 40 Code of 35 Federal Regulations section 86.088-11 IN EFFECT ON JULY 1, 1995. This 36 paragraph does not apply to vehicles that are registered pursuant to title 37 28, chapter 7, article 7 or 8.

38 G. In addition to an emissions inspection, a vehicle is subject to a 39 tampering inspection on at least a biennial basis AS PRESCRIBED BY RULES 40 ADOPTED BY THE DIRECTOR if the vehicle was manufactured after the 1974 model 41 year. and the vehicle is not subject to a transient loaded emissions test or 42 an onboard diagnostic check as required pursuant to title II of the clean air 43 act. The director shall adopt vehicle configuration guidelines for the 44 tampering inspection which shall be based on the original configuration of 45 the vehicle when manufactured. The tampering inspection shall consist of the 46 following:

1 1. A visual check to determine the presence of properly installed 2 catalytic converters.

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2. An examination to determine the presence of an operational air pump.

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3. In area A, if the vehicle was manufactured after the 1974 model year and is not subject to a transient loaded emissions test or an onboard 6 7 diagnostic check as required pursuant to title II of the clean air act, a 8 visual inspection for the presence or malfunction of the positive crankcase 9 ventilation system and the evaporative control system.

10 H. Vehicles required to be inspected shall undergo a functional test 11 of the gas cap to determine if the cap holds pressure within limits 12 prescribed by the director, except for any vehicle that is subject to an 13 evaporative system integrity test.

14 I. Motor vehicles failing the initial or subsequent test are not 15 subject to a penalty fee for late registration renewal if the original 16 testing was accomplished before the expiration date and if the registration 17 renewal is received by the motor vehicle division or the county assessor 18 within thirty days of the original test.

19 J. The director may adopt rules for purposes of implementation, 20 administration, regulation and enforcement of the provisions of this article 21 including:

22 1. The submission of records relating to the emissions inspection of 23 vehicles inspected by another jurisdiction in accordance with another 24 inspection law and the acceptance of such inspection for compliance with the 25 provisions of this article.

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2. The exemption from inspection of:

27 (a) Except as otherwise provided in this subdivision, a motor vehicle 28 manufactured in or before the 1966 model year. If the United States 29 environmental protection agency issues a vehicle emissions testing exemption 30 for motor vehicles manufactured in or before the 1974 model year for purposes 31 of the state implementation or maintenance plan for air quality, a motor 32 vehicle manufactured in or before the 1974 model year is exempt from 33 inspection.

34 (b) New vehicles originally registered at the time of initial retail 35 sale and titling in this state pursuant to section 28-2153 or 28-2154.

36 (c) Vehicles registered pursuant to title 28, chapter 7, article 7 37 or 8.

38 (d) New vehicles before the sixth registration year after initial 39 purchase or lease.

40 (e) Vehicles which will not be available within the state during the 41 ninety days prior to THAT ARE OUTSIDE OF THIS STATE AT THE TIME OF 42 registration, EXCEPT THE DIRECTOR BY RULE MAY REQUIRE TESTING OF THOSE 43 VEHICLES WITHIN A REASONABLE PERIOD OF TIME AFTER THOSE VEHICLES RETURN TO 44 THIS STATE.

(f) Golf carts.

(q) Electrically-powered vehicles.

1 (h) Vehicles with an engine displacement of less than ninety cubic 2 centimeters.

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(i) The sale of vehicles between motor vehicle dealers.

- 4 (j) Vehicles leased to a person residing outside of area A or area B 5 by a leasing company whose place of business is in area A or area B.
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(k) Collectible vehicles.(l) Motorcycles.

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8 3. Compiling and maintaining records of emissions test results after 9 servicing.

A procedure which THAT shall allow the vehicle service and repair
 industry to compare the calibration accuracy of its emissions testing
 equipment with the department's calibration standards.

5. Training requirements for automotive repair personnel using
 emissions measuring equipment whose calibration accuracy has been compared
 with the department's calibration standards.

16 6. Any other rule which THAT may be required to accomplish the 17 provisions of this article.

18 K. The director, after consultation with automobile manufacturers and 19 the vehicle service and repair industry, shall establish by rule a definition 20 of "low emissions tune-up" "VEHICLE MAINTENANCE AND REPAIRS" for motor 21 vehicles subject to inspection under this article. The definition shall 22 specify repair procedures which THAT, when implemented, will reduce vehicle 23 emissions.

24 L. The director shall adopt rules which THAT specify that the 25 estimated retail cost of all recommended maintenance and repairs shall not 26 exceed the amounts prescribed in this subsection, except that if a vehicle 27 fails a tampering inspection there is no limit on the cost of recommended 28 maintenance and repairs. The director shall issue a certificate of waiver 29 for a vehicle which has failed reinspection, if the director has determined 30 that all recommended maintenance and repairs have been performed AND THAT THE 31 VEHICLE HAS FAILED ANY REINSPECTION THAT MAY BE REQUIRED BY RULE. If, after reinspection, the director has determined that the vehicle is in compliance 32 33 with minimum emissions standards or that all recommended maintenance and repairs for compliance with minimum emissions standards have been performed, 34 35 but that tampering discovered at a tampering inspection has not been repaired, the director may issue a certificate of waiver if the owner of the 36 37 vehicle provides to the director a written statement from an automobile parts 38 or repair business that an emissions control device which THAT is necessary 39 to repair the tampering is not available and cannot be obtained from any 40 usual source of supply before the vehicle's current registration expires. 41 Rules adopted by the director for the purpose of establishing the estimated 42 retail cost of all recommended maintenance and repairs pursuant to this 43 subsection shall specify that:

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1. In area A the cost shall not exceed:

45 (a) Five hundred dollars for a diesel powered vehicle with a gross46 weight in excess of twenty-six thousand pounds.

1 (b) Five hundred dollars for a diesel powered vehicle with tandem 2 axles. 3 (c) For a vehicle other than a diesel powered vehicle with a gross 4 weight in excess of twenty-six thousand pounds and other than a diesel 5 powered vehicle with tandem axles: (i) Two hundred dollars for such a vehicle manufactured in or before 6 7 the 1974 model year. 8 (ii) Three hundred dollars for such a vehicle manufactured in the 1975 9 through 1979 model years. (iii) Four hundred fifty dollars for such a vehicle manufactured in or 10 11 after the 1980 model year. 12 2. In area B the cost shall not exceed: 13 (a) Three hundred dollars for a diesel powered vehicle with a gross 14 weight in excess of twenty-six thousand pounds. 15 (b) Three hundred dollars for a diesel powered vehicle with tandem 16 axles. 17 3. For a vehicle other than a diesel powered vehicle with a gross 18 weight in excess of twenty-six thousand pounds and other than a diesel 19 powered vehicle with tandem axles: 20 (a) Fifty dollars for such a vehicle manufactured in or before the 21 1974 model year. 22 (b) Two hundred dollars for such a vehicle manufactured in the 1975 23 through 1979 model years. 24 (c) Three hundred dollars for such a vehicle manufactured in or after 25 the 1980 model year. 26 M. Each person whose vehicle has failed an emissions inspection shall 27 be provided a list of those general recommended tune up REPAIR AND 28 MAINTENANCE procedures for vehicles which THAT are designed to reduce vehicle 29 emissions levels. The list shall include the following notice: "This test 30 is the result of federal law. You may wish to contact your representative in 31 the United States Congress." 32 N. Notwithstanding any other provisions of this article, the director 33 may adopt rules allowing exemptions from the requirement that all vehicles 34 must meet the minimum standards for registration or reregistration. 35 0. The director of environmental quality shall establish, in cooperation with the assistant director for the motor vehicle division of the 36 37 department of transportation: 38 1. An adequate method for identifying bona fide residents residing 39 outside of area A or area B to ensure that such residents are exempt from 40 compliance with the inspection program established by this article and rules 41 adopted under this article. 42 2. A written notice that shall accompany the vehicle registration 43 application forms that are sent to vehicle owners pursuant to section 28-2151 44 and that shall accompany or be included as part of the vehicle emissions test 45 results that are provided to vehicle owners at the time of the vehicle emissions test. This written notice shall describe at least the following: 46

1 (a) The restriction of the waiver program to one time per vehicle and 2 a brief description of the implications of this limit.

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(b) The availability and a brief description of the vehicle repair and retrofit program established pursuant to section 49-474.03.

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5 (c) Notice that many vehicles carry extended warranties for vehicle 6 emissions systems, and those warranties are described in the vehicle's 7 owner's manual or other literature.

8 (d) A description of the catalytic converter replacement program 9 established pursuant to section 49-474.03.

P. Notwithstanding any other law, if area A or area B is reclassified as an attainment area, emissions testing conducted pursuant to this article shall continue for vehicles registered inside that reclassified area, vehicles owned by a person who is subject to section 15-1444 or 15-1627 and vehicles registered outside of that reclassified area but used to commute to the driver's principal place of employment located within that reclassified area.

Q. A fleet operator who is issued a permit pursuant to section 49-546 may electronically transmit emissions inspection data to the department of transportation pursuant to rules adopted by the director of the department of transportation in consultation with the director of environmental quality.

21 R. The director shall prohibit a certificate of waiver pursuant to 22 subsection L of this section for any vehicle which has failed inspection in 23 area A OR AREA B due to the catalytic converter system.

24 S. The director shall establish provisions for rapid testing of 25 certain vehicles and to allow fleet operators, singly or in combination, to 26 contract directly for vehicle emissions testing.

T. Each vehicle emissions control INSPECTION station in area A shall have a sign posted to be visible to persons who are having their vehicles tested. This sign shall state that enhanced testing procedures are a direct result of federal law.

U. The initial adoption of rules pursuant to this section shall be deemed emergency rules pursuant to section 41-1026.

V. The director of environmental quality and the director of the department of transportation shall implement a system to exchange information relating to the waiver program, including information relating to vehicle emissions test results and vehicle registration information.

W. Any person who sells a vehicle that has been issued a certificate of waiver pursuant to this section after January 1, 1997 and who knows that a certificate of waiver has been issued after January 1, 1997 for that vehicle shall disclose to the buyer before completion of the sale that a certificate of waiver has been issued for that vehicle.

42 X. Vehicles that fail the emissions test at emission levels higher 43 than twice the standard established for that vehicle class by the department 44 pursuant to section 49-447 are not eligible for a certificate of waiver 45 pursuant to this section unless the vehicle is repaired sufficiently to

1 achieve an emissions level below twice the standard for that class of 2 vehicle. 3 If an insurer notifies the department of transportation of the Υ. 4 cancellation or nonrenewal of collectible vehicle or classic automobile 5 insurance coverage for a collectible vehicle, the department of transportation shall cancel the registration of the vehicle and the vehicle's 6 7 exemption from emissions testing pursuant to this section unless evidence of 8 coverage is presented to the department of transportation within sixty days. 9 Z. In addition to an emissions inspection, a vehicle is subject to a 10 liquid fuel leak inspection on at least a biennial basis if the vehicle was 11 manufactured after the 1974 model year and is not a diesel vehicle. The 12 director shall adopt rules prescribing procedures and standards for the 13 liquid fuel leak inspection. 14 AA. Z. For the purposes of this section, "collectible vehicle" means 15 a vehicle that complies with both of the following: 16 1. Either: 17 (a) Bears a model year date of original manufacture that is at least 18 fifteen years old. 19 (b) Is of unique or rare design, of limited production and an object 20 of curiosity. 21 2. Meets both of the following criteria: 22 (a) Is maintained primarily for use in car club activities, 23 exhibitions, parades or other functions of public interest or for a private 24 collection and is used only infrequently for other purposes. 25 (b) Has a collectible vehicle or classic automobile insurance coverage 26 that restricts the collectible vehicle mileage or use, or both, and requires 27 the owner to have another vehicle for personal use. 28 Sec. 3. Section 49-542, Arizona Revised Statutes, as amended by 29 section 2 of this act, is amended to read: 30 49-542. Emissions inspection program: powers and duties of 31 <u>director: administration: periodic inspection:</u> 32 minimum standards and rules: exceptions: definition 33 The director shall administer a comprehensive annual or biennial Α. 34 emissions inspection program that shall require the inspection of vehicles in 35 this state pursuant to this article and applicable administrative rules. Such inspection is required for vehicles that are registered in area A and 36 37 area B, for those vehicles owned by a person who is subject to section 38 15-1444 or 15-1627 and for those vehicles registered outside of area A or 39 area B but used to commute to the driver's principal place of employment 40 located within area A or area B. Inspection in other counties of the state 41 shall commence on the director's approval of an application by a county board 42 of supervisors for participation in such inspection program. In all counties 43 with a population of three hundred fifty thousand or fewer persons, except 44 for the portion of counties that contain any portion of area A, the director 45 shall as conditions dictate provide for testing to determine the effect of 46 vehicle related pollution on ambient air quality in all communities with a

metropolitan area population of twenty thousand persons or more. If such testing detects the violation of state ambient air quality standards by vehicle related pollution, the director shall forward a full report of such violation to the president of the senate, the speaker of the house of representatives and the governor.

The state's annual or biennial emissions inspection program shall 6 Β. 7 provide for vehicle inspections at official emissions inspection stations or 8 at fleet emissions inspection stations. Each inspection station in area A 9 shall employ at least one technical assistant who is available during the 10 station's hours of operation to provide assistance for persons who fail the 11 emissions test. An official or fleet emissions inspection station permit 12 shall not be sold, assigned, transferred, conveyed or removed to another 13 location except on such terms and conditions as the director may prescribe.

14 C. Vehicles required to be inspected and registered in this state, 15 except those provided for in section 49-546, shall be inspected, for the 16 purpose of complying with the registration requirement pursuant to subsection 17 D of this section, in accordance with the provisions of this article no more 18 than ninety days prior to each registration expiration date. A vehicle may 19 be submitted voluntarily for inspection more than ninety days before the 20 registration expiration date on payment of the prescribed inspection fee. 21 Such voluntary inspection shall not be considered as compliance with the 22 registration requirement pursuant to subsection D of this section.

23 D. A vehicle shall not be registered until such vehicle has passed the 24 emissions inspection and the tampering inspection prescribed in subsection G 25 of this section or has been issued a certificate of waiver. A certificate of 26 waiver shall only be issued one time to a vehicle after January 1, 1997. If 27 any vehicle to be registered is being sold by a dealer licensed to sell motor 28 vehicles pursuant to title 28, the cost of any inspection and any repairs 29 necessary to pass the inspection shall be borne by the dealer. A dealer who 30 is licensed to sell motor vehicles pursuant to title 28 and whose place of 31 business is located in area A or area B shall not deliver any vehicle to the 32 retail purchaser until the vehicle passes any inspection required by this 33 article or the vehicle is exempt under subsection J of this section.

34 E. On the registration of a vehicle that has complied with the minimum 35 emissions standards pursuant to this section or is otherwise exempt under this section, the registering officer shall issue an air quality compliance 36 37 sticker to the registered owner that shall be placed on the vehicle as 38 prescribed by rule adopted by the department of transportation or issue a 39 modified year validating tab as prescribed by rule adopted by the department 40 of transportation. Those persons who reside outside of area A or area B but 41 who elect to test their vehicle or are required to test their vehicle 42 pursuant to this section and who comply with the minimum emissions standards 43 pursuant to this section or are otherwise exempt under this section shall 44 remit a compliance form, as prescribed by the department of transportation, 45 and proof of compliance issued at an official emissions inspection station to 46 the department of transportation along with the appropriate fees. The

1 department of transportation shall then issue the person an air quality 2 compliance sticker which shall be placed on the vehicle as prescribed by rule 3 adopted by the department of transportation. The registering officer or the 4 department of transportation shall collect an air quality compliance fee of 5 twenty-five cents. The registering officer or the department of 6 transportation shall deposit, pursuant to sections 35-146 and 35-147, the air 7 quality compliance fee in the state highway fund established by section 8 28-6991. The department of transportation shall deposit, pursuant to 9 sections 35-146 and 35-147, any emissions inspection fee in the emissions 10 inspection fund. The provisions of this subsection do not apply to those 11 vehicles registered pursuant to title 28, chapter 7, article 7 or 8, the sale 12 of vehicles between motor vehicle dealers or vehicles leased to a person 13 residing outside of area A or area B by a leasing company whose place of 14 business is in area A or area B.

15 F. The director shall adopt minimum emissions standards pursuant to 16 section 49-447 with which the various classes of vehicles shall be required 17 to comply as follows:

For the purpose of determining compliance with minimum emissions
 standards in area B FOR MOTOR VEHICLES OTHER THAN DIESEL POWERED VEHICLES OR
 CONSTANT FOUR-WHEEL DRIVE VEHICLES:

21 (a) A motor vehicle manufactured in or before the 1980 model year, 22 other than a diesel powered vehicle, shall be required to take and pass the 23 curb idle test. A diesel powered vehicle is subject to only a loaded test. 24 The conditioning mode, at the option of the vehicle owner or owner's agent, shall be administered only after the vehicle has failed the curb idle test. 25 26 On completion of such conditioning mode, a vehicle that has failed the curb 27 idle test may be retested in the curb idle test. If the vehicle passes such 28 retest, it shall be deemed in compliance with minimum emissions standards 29 unless the vehicle fails the tampering inspection pursuant to subsection G of 30 this section.

31 (b) A motor vehicle manufactured in or after the 1981 model year, 32 other than a diesel powered vehicle, shall be required to take and pass the 33 curb idle test and the loaded test or an onboard diagnostic check as may be 34 required pursuant to title II of the clean air act.

35 (a) A MOTOR VEHICLE THAT IS EQUIPPED WITH AN ONBOARD DIAGNOSTIC SYSTEM
 36 REQUIRED BY SECTION 202(m) OF THE CLEAN AIR ACT SHALL BE REQUIRED TO TAKE AND
 37 PASS AN ONBOARD DIAGNOSTIC TEST.

38 (b) A MOTOR VEHICLE WITH A MODEL YEAR OF 1981 OR LATER, OTHER THAN A
39 VEHICLE COVERED BY SUBDIVISION (a) OF THIS PARAGRAPH, SHALL BE REQUIRED TO
40 TAKE AND PASS A STEADY STATE LOADED TEST AND CURB IDLE TEST.

41 (c) A MOTOR VEHICLE, OTHER THAN A VEHICLE COVERED BY SUBDIVISION (a) 42 OR (b) OF THIS PARAGRAPH, SHALL BE REQUIRED TO TAKE AND PASS A CURB IDLE 43 TEST.

44 2. For the purposes of determining compliance with minimum emissions
45 standards and functional tests in area A FOR MOTOR VEHICLES OTHER THAN DIESEL
46 POWERED VEHICLES OR CONSTANT FOUR-WHEEL DRIVE VEHICLES:

1 (a) Motor vehicles manufactured in or after model year 1981 with a gross vehicle weight rating of eighty-five hundred pounds or less, other than diesel powered vehicles, shall be required to take and pass a transient loaded emissions test or an onboard diagnostic check as may be required pursuant to title II of the clean air act.

6 (b) Motor vehicles other than those prescribed by subdivision (a) of
7 this paragraph and other than diesel powered vehicles shall be required to
8 take and pass a steady state loaded test and a curb idle emissions test.

9 (c) A diesel powered motor vehicle applying for registration in area A 10 shall be required to take and pass an annual emissions test conducted at an 11 official emissions inspection station or a fleet emissions inspection station 12 as follows:

13 (i) A loaded, transient or any other form of test as provided for in 14 rules adopted by the director for vehicles with a gross vehicle weight rating 15 of eight thousand five hundred pounds or less.

16 (ii) A test that conforms with the society for automotive engineers 17 standard J1667 for vehicles with a gross vehicle weight rating of more than 18 eight thousand five hundred pounds.

(a) A MOTOR VEHICLE THAT IS EQUIPPED WITH AN ONBOARD DIAGNOSTIC SYSTEM
 REQUIRED BY SECTION 202(m) OF THE CLEAN AIR ACT SHALL BE REQUIRED TO TAKE AND
 PASS AN ONBOARD DIAGNOSTIC TEST.

(b) A MOTOR VEHICLE WITH A MODEL YEAR OF 1981 OR LATER, OTHER THAN A
VEHICLE COVERED BY SUBDIVISION (a) OF THIS PARAGRAPH, SHALL BE REQUIRED TO
TAKE AND PASS A TRANSIENT LOADED TEST.

(c) A MOTOR VEHICLE, OTHER THAN A VEHICLE COVERED BY SUBDIVISION (a)
OR (b) OF THIS PARAGRAPH, SHALL BE REQUIRED TO TAKE AND PASS A STEADY STATE
LOADED TEST AND CURB IDLE TEST.

28 (d) Motor vehicles by specific class or model year shall be required
 29 to take and pass any of the following tests:

30 31

(ii) An evaporative system integrity test.

(i) An evaporative system purge test.

32 (e) An onboard diagnostic check may be required pursuant to title II
 33 of the clean air act.

34 3. FOR THE PURPOSE OF DETERMINING COMPLIANCE WITH MINIMUM EMISSIONS
 35 STANDARDS IN AREA A OR AREA B FOR DIESEL POWERED MOTOR VEHICLES:

(a) A DIESEL POWERED MOTOR VEHICLE THAT IS EQUIPPED WITH AN ONBOARD
 DIAGNOSTIC SYSTEM REQUIRED BY SECTION 202(m) OF THE CLEAN AIR ACT SHALL BE
 REQUIRED TO TAKE AND PASS AN ONBOARD DIAGNOSTIC TEST.

39 (b) A DIESEL POWERED MOTOR VEHICLE, OTHER THAN A VEHICLE COVERED BY
40 SUBDIVISION (a) OF THIS PARAGRAPH, SHALL BE REQUIRED TO TAKE AND PASS AN
41 EMISSIONS TEST AS FOLLOWS:

42 (i) A LOADED, TRANSIENT OR ANY OTHER FORM OF TEST AS PROVIDED FOR IN
43 RULES ADOPTED BY THE DIRECTOR FOR VEHICLES WITH A GROSS VEHICLE WEIGHT RATING
44 OF EIGHT THOUSAND FIVE HUNDRED POUNDS OR LESS.

(ii) A TEST THAT CONFORMS WITH THE SOCIETY FOR AUTOMOTIVE ENGINEERS
 STANDARD J1667 FOR VEHICLES WITH A GROSS VEHICLE WEIGHT RATING OF MORE THAN
 EIGHT THOUSAND FIVE HUNDRED POUNDS.

4 3. Any A constant four-wheel drive vehicle shall be required to
5 take and pass a curb idle emissions test or an onboard diagnostic check TEST
6 as required pursuant to title II of the clean air act.

7 4. 5. Fleet operators in area B must comply with this section, except 8 that used vehicles, OTHER THAN DIESEL POWERED VEHICLES, sold by a motor 9 vehicle dealer who is a fleet operator and who has been issued a permit under 10 section 49-546 shall be tested as follows:

11 (a) A motor vehicle manufactured in or before the 1980 WITH A model 12 year OF 1980 OR EARLIER shall take and pass only the A curb idle test, except 13 that a diesel powered vehicle is subject to only a loaded test.

14 (b) A motor vehicle manufactured in or after the 1981 WITH A model 15 year OF 1981 OR LATER, OTHER THAN A VEHICLE THAT IS EQUIPPED WITH AN ONBOARD 16 DIAGNOSTIC SYSTEM THAT IS REQUIRED BY SECTION 202(m) OF THE CLEAN AIR ACT, 17 shall take and pass the A curb idle test and a twenty-five hundred 18 revolutions per minute unloaded test.

19 5. 6. Vehicles owned or operated by the United States, this state or 20 a political subdivision of this state shall comply with this subsection 21 without regard to whether those vehicles are required to be registered in 22 this state, except that alternative fuel vehicles of a school district that 23 is located in area A, OTHER THAN VEHICLES EQUIPPED WITH AN ONBOARD DIAGNOSTIC 24 SYSTEM REQUIRED BY SECTION 202(m) OF THE CLEAN AIR ACT, shall be required to 25 take and pass the curb idle test and the loaded test.

26 6. Fleet operators in area A shall comply with this section, except 27 that used vehicles sold by a motor vehicle dealer who is a fleet operator and 28 who has been issued a permit pursuant to section 49-546 for the purposes of 29 determining compliance with minimum emission standards in area A shall be 30 tested as follows:

31 (a) A motor vehicle manufactured in or before the 1980 model year 32 shall take and pass the curb idle test, except that a diesel powered vehicle 33 is subject to only a loaded test.

34 (b) A motor vehicle manufactured in or after the 1981 model year shall 35 take and pass the curb idle test and a two thousand five hundred revolutions 36 per minute unloaded test.

37 7. Except for any registered owner or lessee of a fleet of less than 38 twenty-five vehicles, A diesel powered motor vehicle with a gross vehicle 39 weight of more than twenty-six thousand pounds and for which gross weight 40 fees are paid pursuant to title 28, chapter 15, article 2 in area A shall not 41 be allowed to operate in area A unless it was manufactured in or after the 42 1988 model year or is powered by an engine that is certified to meet or 43 surpass emissions standards contained in 40 Code of Federal Regulations 44 section 86.088-11 in effect on July 1, 1995. This paragraph does not apply 45 to vehicles that are registered pursuant to title 28, chapter 7, article 7 46 or 8.

1 8. For any registered owner or lessee of a fleet of less than 2 twenty five vehicles, a diesel powered motor vehicle with a gross vehicle 3 weight of more than twenty six thousand pounds and for which gross weight 4 fees are paid pursuant to title 28, chapter 15, article 2 in area A shall not 5 be allowed to operate in area A unless it was manufactured in or after the 1988 model year or is powered by an engine that is certified to meet or 6 7 surpass emissions standards contained in 40 Code of Federal Regulations 8 section 86.088-11 in effect on July 1, 1995. This paragraph does not apply 9 to vehicles that are registered pursuant to title 28, chapter 7, article 7 or 8. 10

11 G. In addition to an emissions inspection, a vehicle is subject to a 12 tampering inspection as prescribed by rules adopted by the director if the 13 vehicle was manufactured after the 1974 model year.

H. Vehicles required to be inspected shall undergo a functional test
 of the gas cap to determine if the cap holds pressure within limits
 prescribed by the director, except for any vehicle that is subject to an
 evaporative system integrity test. THIS SUBSECTION DOES NOT APPLY TO ANY
 DIESEL POWERED VEHICLE.

I. Motor vehicles failing the initial or subsequent test are not subject to a penalty fee for late registration renewal if the original testing was accomplished before the expiration date and if the registration renewal is received by the motor vehicle division or the county assessor within thirty days of the original test.

J. The director may adopt rules for purposes of implementation, administration, regulation and enforcement of the provisions of this article including:

The submission of records relating to the emissions inspection of
 vehicles inspected by another jurisdiction in accordance with another
 inspection law and the acceptance of such inspection for compliance with the
 provisions of this article.

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2. The exemption from inspection of:

(a) Except as otherwise provided in this subdivision, a motor vehicle manufactured in or before the 1966 model year. If the United States environmental protection agency issues a vehicle emissions testing exemption for motor vehicles manufactured in or before the 1974 model year for purposes of the state implementation or maintenance plan for air quality, a motor vehicle manufactured in or before the 1974 model year is exempt from inspection.

39 (b) New vehicles originally registered at the time of initial retail
 40 sale and titling in this state pursuant to section 28-2153 or 28-2154.

41 (c) Vehicles registered pursuant to title 28, chapter 7, article 7 42 or 8.

43 (d) New vehicles before the sixth registration year after initial44 purchase or lease.

45 (e) Vehicles that are outside of this state at the time of 46 registration, except the director by rule may require testing of those 1 vehicles within a reasonable period of time after those vehicles return to 2 this state. 3 (f) Golf carts.

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(g) Electrically-powered vehicles.

(h) Vehicles with an engine displacement of less than ninety cubic 5 6 centimeters.

(i) The sale of vehicles between motor vehicle dealers.

8 (j) Vehicles leased to a person residing outside of area A or area B 9 by a leasing company whose place of business is in area A or area B. 10

(k) Collectible vehicles.

11 (1) Motorcycles.

12 (m) CRANES AND OVERSIZE VEHICLES THAT REQUIRE PERMITS PURSUANT TO 13 SECTION 28-1100, 28-1103 OR 28-1144.

(n) VEHICLES THAT ARE NOT IN USE AND THAT ARE OWNED BY RESIDENTS OF 14 15 THIS STATE WHILE ON ACTIVE MILITARY DUTY OUTSIDE OF THIS STATE.

16 3. Compiling and maintaining records of emissions test results after 17 servicing.

18 4. A procedure that shall allow the vehicle service and repair 19 industry to compare the calibration accuracy of its emissions testing 20 equipment with the department's calibration standards.

5. Training requirements for automotive repair personnel using 21 22 emissions measuring equipment whose calibration accuracy has been compared 23 with the department's calibration standards.

24 6. Any other rule that may be required to accomplish the provisions of 25 this article.

26 K. The director, after consultation with automobile manufacturers and 27 the vehicle service and repair industry, shall establish by rule a definition 28 of "vehicle maintenance and repairs" for motor vehicles subject to inspection 29 under this article. The definition shall specify repair procedures that, 30 when implemented, will reduce vehicle emissions.

31 L. The director shall adopt rules that specify that the estimated 32 retail cost of all recommended maintenance and repairs shall not exceed the 33 amounts prescribed in this subsection, except that if a vehicle fails a tampering inspection there is no limit on the cost of recommended maintenance 34 35 and repairs. The director shall issue a certificate of waiver for a vehicle 36 if the director has determined that all recommended maintenance and repairs 37 have been performed and that the vehicle has failed any reinspection that may 38 be required by rule. If the director has determined that the vehicle is in 39 compliance with minimum emissions standards or that all recommended 40 maintenance and repairs for compliance with minimum emissions standards have 41 been performed, but that tampering discovered at a tampering inspection has 42 not been repaired, the director may issue a certificate of waiver if the 43 owner of the vehicle provides to the director a written statement from an 44 automobile parts or repair business that an emissions control device that is 45 necessary to repair the tampering is not available and cannot be obtained 46 from any usual source of supply before the vehicle's current registration

expires. Rules adopted by the director for the purpose of establishing the estimated retail cost of all recommended maintenance and repairs pursuant to this subsection shall specify that:

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1. In area A the cost shall not exceed:

5 (a) Five hundred dollars for a diesel powered vehicle with a gross 6 weight in excess of twenty-six thousand pounds.

7 (b) Five hundred dollars for a diesel powered vehicle with tandem 8 axles.

9 (c) For a vehicle other than a diesel powered vehicle with a gross 10 weight in excess of twenty-six thousand pounds and other than a diesel 11 powered vehicle with tandem axles:

12 (i) Two hundred dollars for such a vehicle manufactured in or before 13 the 1974 model year.

14 (ii) Three hundred dollars for such a vehicle manufactured in the 197515 through 1979 model years.

16 (iii) Four hundred fifty dollars for such a vehicle manufactured in or 17 after the 1980 model year.

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2. In area B the cost shall not exceed:

19 (a) Three hundred dollars for a diesel powered vehicle with a gross20 weight in excess of twenty-six thousand pounds.

21 (b) Three hundred dollars for a diesel powered vehicle with tandem 22 axles.

3. For a vehicle other than a diesel powered vehicle with a gross
weight in excess of twenty-six thousand pounds and other than a diesel
powered vehicle with tandem axles:

26 (a) Fifty dollars for such a vehicle manufactured in or before the 27 1974 model year.

(b) Two hundred dollars for such a vehicle manufactured in the 1975through 1979 model years.

30 (c) Three hundred dollars for such a vehicle manufactured in or after 31 the 1980 model year.

32 M. Each person whose vehicle has failed an emissions inspection shall 33 be provided a list of those general recommended repair and maintenance 34 procedures for vehicles that are designed to reduce vehicle emissions levels.

N. Notwithstanding any other provisions of this article, the director may adopt rules allowing exemptions from the requirement that all vehicles must meet the minimum standards for registration.

38 0. The director of environmental quality shall establish, in 39 cooperation with the assistant director for the motor vehicle division of the 40 department of transportation:

41 1. An adequate method for identifying bona fide residents residing 42 outside of area A or area B to ensure that such residents are exempt from 43 compliance with the inspection program established by this article and rules 44 adopted under this article.

45 2. A written notice that shall accompany the vehicle registration 46 application forms that are sent to vehicle owners pursuant to section 28-2151 and that shall accompany or be included as part of the vehicle emissions test results that are provided to vehicle owners at the time of the vehicle emissions test. This written notice shall describe at least the following:

4 (a) The restriction of the waiver program to one time per vehicle and 5 a brief description of the implications of this limit.

6 (b) The availability and a brief description of the vehicle repair and 7 retrofit program established pursuant to section 49-474.03.

8 (c) Notice that many vehicles carry extended warranties for vehicle 9 emissions systems, and those warranties are described in the vehicle's 10 owner's manual or other literature.

11 (d) A description of the catalytic converter replacement program 12 established pursuant to section 49-474.03.

P. Notwithstanding any other law, if area A or area B is reclassified as an attainment area, emissions testing conducted pursuant to this article shall continue for vehicles registered inside that reclassified area, vehicles owned by a person who is subject to section 15-1444 or 15-1627 and vehicles registered outside of that reclassified area but used to commute to the driver's principal place of employment located within that reclassified area.

20 Q. A fleet operator who is issued a permit pursuant to section 49-546 21 may electronically transmit emissions inspection data to the department of 22 transportation pursuant to rules adopted by the director of the department of 23 transportation in consultation with the director of environmental quality.

R. The director shall prohibit a certificate of waiver pursuant to subsection L of this section for any vehicle which has failed inspection in area A or area B due to the catalytic converter system.

27 S. The director shall establish provisions for rapid testing of 28 certain vehicles and to allow fleet operators, singly or in combination, to 29 contract directly for vehicle emissions testing.

T. Each vehicle emissions inspection station in area A shall have a
 sign posted to be visible to persons who are having their vehicles tested.
 This sign shall state that enhanced testing procedures are a direct result of
 federal law.

U. The initial adoption of rules pursuant to this section shall be deemed emergency rules pursuant to section 41-1026.

36 V. The director of environmental quality and the director of the 37 department of transportation shall implement a system to exchange information 38 relating to the waiver program, including information relating to vehicle 39 emissions test results and vehicle registration information.

W. Any person who sells a vehicle that has been issued a certificate of waiver pursuant to this section after January 1, 1997 and who knows that a certificate of waiver has been issued after January 1, 1997 for that vehicle shall disclose to the buyer before completion of the sale that a certificate of waiver has been issued for that vehicle.

45 X. Vehicles that fail the emissions test at emission levels higher 46 than twice the standard established for that vehicle class by the department 1 pursuant to section 49-447 are not eligible for a certificate of waiver 2 pursuant to this section unless the vehicle is repaired sufficiently to 3 achieve an emissions level below twice the standard for that class of 4 vehicle.

5 Y. If an insurer notifies the department of transportation of the 6 cancellation or nonrenewal of collectible vehicle or classic automobile 7 insurance coverage for a collectible vehicle, the department of 8 transportation shall cancel the registration of the vehicle and the vehicle's 9 exemption from emissions testing pursuant to this section unless evidence of 10 coverage is presented to the department of transportation within sixty days.

11 Z. For the purposes of this section, "collectible vehicle" means a 12 vehicle that complies with both of the following:

13 1. Either:

14 (a) Bears a model year date of original manufacture that is at least 15 fifteen years old.

16 (b) Is of unique or rare design, of limited production and an object 17 of curiosity.

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2. Meets both of the following criteria:

(a) Is maintained primarily for use in car club activities,
exhibitions, parades or other functions of public interest or for a private
collection and is used only infrequently for other purposes.

(b) Has a collectible vehicle or classic automobile insurance coverage
that restricts the collectible vehicle mileage or use, or both, and requires
the owner to have another vehicle for personal use.

25 Sec. 4. Section 49-542.03, Arizona Revised Statutes, is amended to 26 read:

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49-542.03. <u>Motor vehicle dealer: emissions testing: remedies:</u> <u>definition</u>

29 A. In area A OR AREA B, if a motor vehicle dealer sells a motor 30 vehicle that has less than one year remaining before it must undergo 31 a transient loaded AN emissions test or has not taken a transient AN 32 EMISSIONS test pursuant to section 49-542 and which THAT is not covered under 33 a current federal emissions warranty and if the purchaser of the vehicle has the vehicle transient loaded EMISSIONS tested within three days, excluding 34 35 holidays, of the purchase and if the vehicle fails the test, the dealer shall 36 do one of the following:

Rescind the purchase agreement and reimburse the purchaser for the
 cost of the test.

Make repairs at the dealer's expense which bring the vehicle into
 compliance with the transient loaded EMISSIONS test.

41 3. Enter into a mutually acceptable alternative agreement with the 42 purchaser.

B. A motor vehicle dealer who sells a vehicle subject to the provisions of subsection A of this section shall provide the purchaser with a written notice of the purchaser's rights pursuant to this section prior to completing the sale transaction. A motor vehicle dealer subject to the 17

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1 provisions of section 49-546, subsection G, shall also provide a written 2 summary of the requirements of section 49-542 to the purchaser. The notice 3 shall be available in English and in Spanish.

C. A motor vehicle dealer who meets the requirements of section 49-546, subsection G, shall conduct the dealer's business pursuant to this section for those vehicles which are required by law to be registered in area A.

D. A motor vehicle dealer in area B who sells a vehicle to a resident of area A may comply with emissions testing requirements pursuant to section 49-542, subsection F, paragraph 6 by complying with this section and the tampering inspection pursuant to section 49-542, subsection G, paragraph 4.

12 E. In this section, unless the context otherwise requires, "motor 13 vehicle dealer" means a dealer who is a fleet operator and who has been 14 issued a permit under section 49-546.

15 Sec. 5. Section 49-542.03, Arizona Revised Statutes, as amended by 16 section 4 of this act, is amended to read:

> 49-542.03. <u>Motor vehicle dealer; emissions testing; remedies;</u> definition

A. In area A or area B, if a motor vehicle dealer sells a motor vehicle that has less than one year remaining before it must undergo an emissions test or has not taken an emissions test pursuant to section 49-542 and that is not covered under a current federal emissions warranty and if the purchaser of the vehicle has the vehicle emissions tested within three days, excluding holidays, of the purchase and if the vehicle fails the test, the dealer shall do one of the following:

Rescind the purchase agreement and reimburse the purchaser for the
 cost of the test.

28 2. Make repairs at the dealer's expense which bring the vehicle into 29 compliance with the emissions test.

30 3. Enter into a mutually acceptable alternative agreement with the 31 purchaser.

B. A motor vehicle dealer who sells a vehicle subject to the provisions of subsection A of this section shall provide the purchaser with a written notice of the purchaser's rights pursuant to this section prior to completing the sale transaction. A motor vehicle dealer subject to the provisions of section 49-546, subsection G shall also provide a written summary of the requirements of section 49-542 to the purchaser. The notice shall be available in English and in Spanish.

C. A motor vehicle dealer who meets the requirements of section 40 49-546, subsection G shall conduct the dealer's business pursuant to this section for those vehicles which are required by law to be registered in 42 area A.

D. A motor vehicle dealer in area B who sells a vehicle to a resident of area A may comply with emissions testing requirements pursuant to section 45 49-542, subsection F, paragraph 6-5 by complying with this section and the tampering inspection pursuant to section 49-542, subsection G. E. In this section, unless the context otherwise requires, "motor vehicle dealer" means a dealer who is a fleet operator and who has been issued a permit under section 49-546.

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Sec. 6. <u>Conditional enactment</u>

A. Section 49-542, Arizona Revised Statutes, as amended by section 3 of this act and section 49-542.03, Arizona Revised Statutes, as amended by section 5 of this act, do not become effective unless on or before July 1, 2017 the United States environmental protection agency approves the proposed modifications to the vehicle emissions testing program protocols as part of the state implementation plan for air quality.

B. The director of the department of environmental quality shall promptly notify in writing the director of the Arizona legislative council of the date on which the condition prescribed in subsection A of this section is met or if the condition is not met.

APPROVED BY THE GOVERNOR APRIL 17, 2014.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 18, 2014.