

State of Arizona
House of Representatives
Fifty-fourth Legislature
First Regular Session
2019

CHAPTER 141
HOUSE BILL 2452

AN ACT

AMENDING SECTION 49-542, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2014, CHAPTER 89, SECTION 2; AMENDING SECTION 49-542, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2017, CHAPTER 29, SECTION 2; AMENDING SECTION 49-545, ARIZONA REVISED STATUTES; RELATING TO VEHICLE EMISSIONS INSPECTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 49-542, Arizona Revised Statutes, as amended by
3 Laws 2014, chapter 89, section 2, is amended to read:

4 49-542. Emissions inspection program; powers and duties of
5 director; administration; periodic inspection;
6 minimum standards and rules; exceptions; definition

7 A. The director shall administer a comprehensive annual or biennial
8 emissions inspection program that shall require the inspection of vehicles
9 in this state pursuant to this article and applicable administrative
10 rules. Such inspection is required for vehicles that are registered in
11 area A and area B, for those vehicles owned by a person who is subject to
12 section 15-1444 or 15-1627 and for those vehicles registered outside of
13 area A or area B but used to commute to the driver's principal place of
14 employment located within area A or area B. Inspection in other counties
15 of the state shall commence on the director's approval of an application
16 by a county board of supervisors for participation in such inspection
17 program. In all counties with a population of three hundred fifty
18 thousand or fewer persons, except for the portion of counties that contain
19 any portion of area A, the director shall as conditions dictate provide
20 for testing to determine the effect of ~~vehicle-related~~ VEHICLE-RELATED
21 pollution on ambient air quality in all communities with a metropolitan
22 area population of twenty thousand persons or more. If such testing
23 detects the violation of state ambient air quality standards by ~~vehicle~~
24 ~~related~~ VEHICLE-RELATED pollution, the director shall forward a full
25 report of such violation to the president of the senate, the speaker of
26 the house of representatives and the governor.

27 B. The state's annual or biennial emissions inspection program
28 shall provide for vehicle inspections at official emissions inspection
29 stations or at fleet emissions inspection stations OR MAY PROVIDE FOR
30 REMOTE VEHICLE INSPECTION. Each OFFICIAL inspection station in area A
31 shall employ at least one technical assistant who is available during the
32 station's hours of operation to provide assistance for persons who fail
33 the emissions test. An official or fleet emissions inspection station
34 permit shall not be sold, assigned, transferred, conveyed or removed to
35 another location except on such terms and conditions as the director may
36 prescribe. THE DIRECTOR SHALL ESTABLISH A PILOT PROGRAM TO PROVIDE FOR
37 REMOTE VEHICLE INSPECTIONS IN AREA A AND AREA B. THE DIRECTOR SHALL
38 OPERATE THE PILOT PROGRAM FOR AT LEAST THREE CONSECUTIVE YEARS AND SHALL
39 COMPLETE THE PILOT PROGRAM BEFORE JULY 1, 2025. ON COMPLETION OF THE
40 PILOT PROGRAM, THE DIRECTOR SHALL SUBMIT TO THE JOINT LEGISLATIVE BUDGET
41 COMMITTEE AND THE OFFICE OF THE GOVERNOR A REPORT SUMMARIZING THE RESULTS
42 OF THE PILOT PROGRAM. THE DIRECTOR SHALL SUBMIT THE REPORT BEFORE THE
43 DEPARTMENT IMPLEMENTS ANY FULL SCALE REMOTE VEHICLE INSPECTION PROGRAM AND
44 SHALL INCLUDE IN THE REPORT A SUMMARY OF THE DATA COLLECTED DURING THE
45 PILOT PROGRAM AND A CERTIFICATION BY THE DIRECTOR THAT, BASED ON THE DATA

1 COLLECTED DURING THE PILOT PROGRAM, A FULL SCALE IMPLEMENTATION OF A
2 REMOTE VEHICLE INSPECTION PROGRAM WILL INCREASE THE EFFICIENCY AND REDUCE
3 THE COSTS OF THE VEHICLE EMISSIONS INSPECTION PROGRAM.

4 C. Vehicles required to be inspected and registered in this state,
5 except those provided for in section 49-546, shall be inspected, for the
6 purpose of complying with the registration requirement pursuant to
7 subsection D of this section, in accordance with the provisions of this
8 article no more than ninety days ~~prior to~~ BEFORE each registration
9 expiration date. A vehicle may be submitted voluntarily for inspection
10 more than ninety days before the registration expiration date on payment
11 of the prescribed inspection fee. ~~Such~~ THAT voluntary inspection ~~shall~~
12 ~~not~~ MAY be considered as compliance with the registration requirement
13 pursuant to subsection D of this section ONLY ON CONDITIONS PRESCRIBED BY
14 THE DIRECTOR.

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

27 E. On the registration of a vehicle that has complied with the
28 minimum emissions standards pursuant to this section or is otherwise
29 exempt under this section, the registering officer shall issue an air
30 quality compliance sticker to the registered owner that shall be placed on
31 the vehicle as prescribed by rule adopted by the department of
32 transportation or issue a modified year validating tab as prescribed by
33 rule adopted by the department of transportation. Those persons who
34 reside outside of area A or area B but who elect to test their vehicle or
35 are required to test their vehicle pursuant to this section and who comply
36 with the minimum emissions standards pursuant to this section or are
37 otherwise exempt under this section shall remit a compliance form, as
38 prescribed by the department of transportation, and proof of compliance
39 issued at an official emissions inspection station to the department of
40 transportation along with the appropriate fees. The department of
41 transportation shall then issue the person an air quality compliance
42 sticker ~~which~~ THAT shall be placed on the vehicle as prescribed by rule
43 adopted by the department of transportation. The registering officer or
44 the department of transportation shall collect an air quality compliance
45 fee of ~~twenty-five cents~~ \$.25. The registering officer or the department

1 of transportation shall deposit, pursuant to sections 35-146 and 35-147,
2 the air quality compliance fee in the state highway fund established by
3 section 28-6991. The department of transportation shall deposit, pursuant
4 to sections 35-146 and 35-147, any emissions inspection fee in the
5 emissions inspection fund. The provisions of this subsection do not apply
6 to those vehicles registered pursuant to title 28, chapter 7, article 7 or
7 8, the sale of vehicles between motor vehicle dealers or vehicles leased
8 to a person residing outside of area A or area B by a leasing company
9 whose place of business is in area A or area B.

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

13 1. For the purpose of determining compliance with minimum emissions
14 standards in area B:

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

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

29 2. For the purposes of determining compliance with minimum
30 emissions standards and functional tests in area A:

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

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

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

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

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

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

9 (i) An evaporative system purge test.

10 (ii) An evaporative system integrity test.

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

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

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

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

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

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

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

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

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

43 7. Except for any registered owner or lessee of a fleet of less
44 than twenty-five vehicles, a diesel powered motor vehicle with a gross
45 vehicle weight of more than twenty-six thousand pounds and for which gross

1 weight fees are paid pursuant to title 28, chapter 15, article 2 in area A
2 shall not be allowed to operate in area A unless it was manufactured in or
3 after the 1988 model year or is powered by an engine that is certified to
4 meet or surpass emissions standards contained in 40 Code of Federal
5 Regulations section 86.088-11 in effect on July 1, 1995. This paragraph
6 does not apply to vehicles that are registered pursuant to title 28,
7 chapter 7, article 7 or 8.

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

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

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

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

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

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

37 2. The exemption from inspection of:

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

1 (b) New vehicles originally registered at the time of initial
2 retail sale and titling in this state pursuant to section 28-2153 or
3 28-2154.

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

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

8 (e) Vehicles that are outside of this state at the time of
9 registration, except the director by rule may require testing of those
10 vehicles within a reasonable period of time after those vehicles return to
11 this state.

12 (f) Golf carts.

13 (g) Electrically-powered vehicles.

14 (h) Vehicles with an engine displacement of less than ninety cubic
15 centimeters.

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

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

19 (k) Collectible vehicles.

20 (l) Motorcycles.

21 3. Compiling and maintaining records of emissions test results
22 after servicing.

23 4. A procedure that ~~shall allow~~ **ALLOWS** the vehicle service and
24 repair industry to compare the calibration accuracy of its emissions
25 testing equipment with the department's calibration standards.

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

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

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

36 L. The director shall adopt rules that specify that the estimated
37 retail cost of all recommended maintenance and repairs shall not exceed
38 the amounts prescribed in this subsection, except that if a vehicle fails
39 a tampering inspection there is no limit on the cost of recommended
40 maintenance and repairs. The director shall issue a certificate of waiver
41 for a vehicle if the director has determined that all recommended
42 maintenance and repairs have been performed and that the vehicle has
43 failed any reinspection that may be required by rule. If the director has
44 determined that the vehicle is in compliance with minimum emissions
45 standards or that all recommended maintenance and repairs for compliance

1 with minimum emissions standards have been performed, but that tampering
2 discovered at a tampering inspection has not been repaired, the director
3 may issue a certificate of waiver if the owner of the vehicle provides to
4 the director a written statement from an automobile parts or repair
5 business that an emissions control device that is necessary to repair the
6 tampering is not available and cannot be obtained from any usual source of
7 supply before the vehicle's current registration expires. Rules adopted
8 by the director for the purpose of establishing the estimated retail cost
9 of all recommended maintenance and repairs pursuant to this subsection
10 shall specify that:

11 1. In area A the cost shall not exceed:

12 (a) ~~Five hundred dollars~~ \$500 for a diesel powered vehicle with a
13 gross weight in excess of twenty-six thousand pounds.

14 (b) ~~Five hundred dollars~~ \$500 for a diesel powered vehicle with
15 tandem axles.

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

19 (i) ~~Two hundred dollars~~ \$200 for such a vehicle manufactured in or
20 before the 1974 model year.

21 (ii) ~~Three hundred dollars~~ \$300 for such a vehicle manufactured in
22 the 1975 through 1979 model years.

23 (iii) ~~Four hundred fifty dollars~~ \$450 for such a vehicle
24 manufactured in or after the 1980 model year.

25 2. In area B the cost shall not exceed:

26 (a) ~~Three hundred dollars~~ \$300 for a diesel powered vehicle with a
27 gross weight in excess of twenty-six thousand pounds.

28 (b) ~~Three hundred dollars~~ \$300 for a diesel powered vehicle with
29 tandem axles.

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

33 (a) ~~Fifty dollars~~ \$50 for such a vehicle manufactured in or before
34 the 1974 model year.

35 (b) ~~Two hundred dollars~~ \$200 for such a vehicle manufactured in the
36 1975 through 1979 model years.

37 (c) ~~Three hundred dollars~~ \$300 for such a vehicle manufactured in
38 or after the 1980 model year.

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

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

1 0. The director of environmental quality shall establish, in
2 cooperation with the assistant director for the motor vehicle division of
3 the department of transportation:

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

8 2. A written notice that shall accompany the vehicle registration
9 application forms that are sent to vehicle owners pursuant to section
10 28-2151 and that shall accompany or be included as part of the vehicle
11 emissions test results that are provided to vehicle owners at the time of
12 the vehicle emissions test. This written notice shall describe at least
13 the following:

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

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

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

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

23 P. Notwithstanding any other law, if area A or area B is
24 reclassified as an attainment area, emissions testing conducted pursuant
25 to this article shall continue for vehicles registered inside that
26 reclassified area, vehicles owned by a person who is subject to section
27 15-1444 or 15-1627 and vehicles registered outside of that reclassified
28 area but used to commute to the driver's principal place of employment
29 located within that reclassified area.

30 Q. A fleet operator who is issued a permit pursuant to section
31 49-546 may electronically transmit emissions inspection data to the
32 department of transportation pursuant to rules adopted by the director of
33 the department of transportation in consultation with the director of
34 environmental quality.

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

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

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

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

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

7 W. Any person who sells a vehicle that has been issued a
8 certificate of waiver pursuant to this section after January 1, 1997 and
9 who knows that a certificate of waiver has been issued after January 1,
10 1997 for that vehicle shall disclose to the buyer before completion of the
11 sale that a certificate of waiver has been issued for that vehicle.

12 X. Vehicles that fail the emissions test at emission levels higher
13 than twice the standard established for that vehicle class by the
14 department pursuant to section 49-447 are not eligible for a certificate
15 of waiver pursuant to this section unless the vehicle is repaired
16 sufficiently to achieve an emissions level below twice the standard for
17 that class of vehicle.

18 Y. If an insurer notifies the department of transportation of the
19 cancellation or nonrenewal of collectible vehicle or classic automobile
20 insurance coverage for a collectible vehicle, the department of
21 transportation shall cancel the registration of the vehicle and the
22 vehicle's exemption from emissions testing pursuant to this section unless
23 evidence of coverage is presented to the department of transportation
24 within sixty days.

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

27 1. Either:

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

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

32 2. Meets both of the following criteria:

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

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

39 Sec. 2. Section 49-542, Arizona Revised Statutes, as amended by
40 Laws 2017, chapter 29, section 2, is amended to read:

41 49-542. Emissions inspection program; powers and duties of
42 director; administration; periodic inspection;
43 minimum standards and rules; exceptions; definition

44 A. The director shall administer a comprehensive annual or biennial
45 emissions inspection program that shall require the inspection of vehicles

1 in this state pursuant to this article and applicable administrative
2 rules. Such inspection is required for vehicles that are registered in
3 area A and area B, for those vehicles owned by a person who is subject to
4 section 15-1444 or 15-1627 and for those vehicles registered outside of
5 area A or area B but used to commute to the driver's principal place of
6 employment located within area A or area B. Inspection in other counties
7 of the state shall commence on the director's approval of an application
8 by a county board of supervisors for participation in such inspection
9 program. In all counties with a population of three hundred fifty
10 thousand or fewer persons, except for the portion of counties that contain
11 any portion of area A, the director shall as conditions dictate provide
12 for testing to determine the effect of ~~vehicle-related~~ VEHICLE-RELATED
13 pollution on ambient air quality in all communities with a metropolitan
14 area population of twenty thousand persons or more. If such testing
15 detects the violation of state ambient air quality standards by ~~vehicle~~
16 ~~related~~ VEHICLE-RELATED pollution, the director shall forward a full
17 report of such violation to the president of the senate, the speaker of
18 the house of representatives and the governor.

19 B. The state's annual or biennial emissions inspection program
20 shall provide for vehicle inspections at official emissions inspection
21 stations or at fleet emissions inspection stations OR MAY PROVIDE FOR
22 REMOTE VEHICLE INSPECTION. Each OFFICIAL inspection station in area A
23 shall employ at least one technical assistant who is available during the
24 station's hours of operation to provide assistance for persons who fail
25 the emissions test. An official or fleet emissions inspection station
26 permit shall not be sold, assigned, transferred, conveyed or removed to
27 another location except on such terms and conditions as the director may
28 prescribe. THE DIRECTOR SHALL ESTABLISH A PILOT PROGRAM TO PROVIDE FOR
29 REMOTE VEHICLE INSPECTIONS IN AREA A AND AREA B. THE DIRECTOR SHALL
30 OPERATE THE PILOT PROGRAM FOR AT LEAST THREE CONSECUTIVE YEARS AND SHALL
31 COMPLETE THE PILOT PROGRAM BEFORE JULY 1, 2025. ON COMPLETION OF THE
32 PILOT PROGRAM, THE DIRECTOR SHALL SUBMIT TO THE JOINT LEGISLATIVE BUDGET
33 COMMITTEE AND THE OFFICE OF THE GOVERNOR A REPORT SUMMARIZING THE RESULTS
34 OF THE PILOT PROGRAM. THE DIRECTOR SHALL SUBMIT THE REPORT BEFORE THE
35 DEPARTMENT IMPLEMENTS ANY FULL SCALE REMOTE VEHICLE INSPECTION PROGRAM AND
36 SHALL INCLUDE IN THE REPORT A SUMMARY OF THE DATA COLLECTED DURING THE
37 PILOT PROGRAM AND A CERTIFICATION BY THE DIRECTOR THAT, BASED ON THE DATA
38 COLLECTED DURING THE PILOT PROGRAM, A FULL SCALE IMPLEMENTATION OF A
39 REMOTE VEHICLE INSPECTION PROGRAM WILL INCREASE THE EFFICIENCY AND REDUCE
40 THE COSTS OF THE VEHICLE EMISSIONS INSPECTION PROGRAM.

41 C. Vehicles required to be inspected and registered in this state,
42 except those provided for in section 49-546, shall be inspected, for the
43 purpose of complying with the registration requirement pursuant to
44 subsection D of this section, in accordance with the provisions of this
45 article no more than ninety days ~~prior to~~ BEFORE each registration

1 expiration date. A vehicle may be submitted voluntarily for inspection
2 more than ninety days before the registration expiration date on payment
3 of the prescribed inspection fee. ~~Such~~ THAT voluntary inspection ~~shall~~
4 ~~not~~ MAY be considered as compliance with the registration requirement
5 pursuant to subsection D of this section ONLY ON CONDITIONS PRESCRIBED BY
6 THE DIRECTOR.

7 D. A vehicle shall not be registered until such vehicle has passed
8 the emissions inspection and the tampering inspection prescribed in
9 subsection G of this section or has been issued a certificate of waiver.
10 A certificate of waiver shall only be issued one time to a vehicle after
11 January 1, 1997. If any vehicle to be registered is being sold by a
12 dealer licensed to sell motor vehicles pursuant to title 28, the cost of
13 any inspection and any repairs necessary to pass the inspection shall be
14 borne by the dealer. A dealer who is licensed to sell motor vehicles
15 pursuant to title 28 and whose place of business is located in area A or
16 area B shall not deliver any vehicle to the retail purchaser until the
17 vehicle passes any inspection required by this article or the vehicle is
18 exempt under subsection J of this section.

19 E. On the registration of a vehicle that has complied with the
20 minimum emissions standards pursuant to this section or is otherwise
21 exempt under this section, the registering officer shall issue an air
22 quality compliance sticker to the registered owner that shall be placed on
23 the vehicle as prescribed by rule adopted by the department of
24 transportation or issue a modified year validating tab as prescribed by
25 rule adopted by the department of transportation. Those persons who
26 reside outside of area A or area B but who elect to test their vehicle or
27 are required to test their vehicle pursuant to this section and who comply
28 with the minimum emissions standards pursuant to this section or are
29 otherwise exempt under this section shall remit a compliance form, as
30 prescribed by the department of transportation, and proof of compliance
31 issued at an official emissions inspection station to the department of
32 transportation along with the appropriate fees. The department of
33 transportation shall then issue the person an air quality compliance
34 sticker that shall be placed on the vehicle as prescribed by rule adopted
35 by the department of transportation. The registering officer or the
36 department of transportation shall collect an air quality compliance fee
37 of ~~twenty-five cents~~ \$.25. The registering officer or the department of
38 transportation shall deposit, pursuant to sections 35-146 and 35-147, the
39 air quality compliance fee in the state highway fund established by
40 section 28-6991. The department of transportation shall deposit, pursuant
41 to sections 35-146 and 35-147, any emissions inspection fee in the
42 emissions inspection fund. The provisions of this subsection do not apply
43 to those vehicles registered pursuant to title 28, chapter 7, article 7 or
44 8, the sale of vehicles between motor vehicle dealers or vehicles leased

1 to a person residing outside of area A or area B by a leasing company
2 whose place of business is in area A or area B.

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

6 1. For the purpose of determining compliance with minimum emissions
7 standards in area B for motor vehicles other than diesel powered vehicles
8 or constant four-wheel drive vehicles:

9 (a) A motor vehicle that is equipped with an onboard diagnostic
10 system required by section 202(m) of the clean air act shall be required
11 to take and pass an onboard diagnostic test or a steady state loaded test
12 and curb idle test as approved by the director.

13 (b) A motor vehicle with a model year of 1981 or later, other than
14 a vehicle covered by subdivision (a) of this paragraph, shall be required
15 to take and pass a steady state loaded test and curb idle test.

16 (c) A motor vehicle, other than a vehicle covered by subdivision
17 (a) or (b) of this paragraph, shall be required to take and pass a curb
18 idle test.

19 2. For the purposes of determining compliance with minimum
20 emissions standards and functional tests in area A for motor vehicles
21 other than diesel powered vehicles or constant four-wheel drive vehicles:

22 (a) A motor vehicle that is equipped with an onboard diagnostic
23 system required by section 202(m) of the clean air act shall be required
24 to take and pass an onboard diagnostic test or a transient loaded test as
25 approved by the director.

26 (b) A motor vehicle with a model year of 1981 or later, other than
27 a vehicle covered by subdivision (a) of this paragraph, shall be required
28 to take and pass a transient loaded test.

29 (c) A motor vehicle, other than a vehicle covered by subdivision
30 (a) or (b) of this paragraph, shall be required to take and pass a steady
31 state loaded test and curb idle test.

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

34 (i) An evaporative system purge test.

35 (ii) An evaporative system integrity test.

36 3. For the purpose of determining compliance with minimum emissions
37 standards in area A or area B for diesel powered motor vehicles:

38 (a) A diesel powered motor vehicle that is equipped with an onboard
39 diagnostic system required by section 202(m) of the clean air act shall be
40 required to take and pass an onboard diagnostic test or an opacity test as
41 approved by the director.

42 (b) A diesel powered motor vehicle, other than a vehicle covered by
43 subdivision (a) of this paragraph, shall be required to take and pass an
44 emissions test as follows:

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

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

7 4. A constant four-wheel drive vehicle shall be required to take
8 and pass a curb idle test or an onboard diagnostic test.

9 5. Fleet operators must comply with this section, except that used
10 vehicles, other than diesel powered vehicles, sold by a motor vehicle
11 dealer who is a fleet operator and who has been issued a permit under
12 section 49-546 shall be tested as follows:

13 (a) A motor vehicle with a model year of 1980 or earlier shall take
14 and pass a curb idle test.

15 (b) A motor vehicle with a model year of 1981 or later, other than
16 a vehicle that is equipped with an onboard diagnostic system that is
17 required by section 202(m) of the clean air act, shall take and pass a
18 curb idle test and a twenty-five hundred revolutions per minute unloaded
19 test.

20 6. Vehicles owned or operated by the United States, this state or a
21 political subdivision of this state shall comply with this subsection
22 without regard to whether those vehicles are required to be registered in
23 this state, except that alternative fuel vehicles of a school district
24 that is located in area A, other than vehicles equipped with an onboard
25 diagnostic system required by section 202(m) of the clean air act, shall
26 be required to take and pass the curb idle test and the loaded test.

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

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

39 H. Vehicles required to be inspected shall undergo a functional
40 test of the gas cap to determine if the cap holds pressure within limits
41 prescribed by the director. This subsection does not apply to any diesel
42 powered vehicle.

43 I. Motor vehicles failing the initial or subsequent test are not
44 subject to a penalty fee for late registration renewal if the original
45 testing was accomplished before the expiration date and if the

1 registration renewal is received by the motor vehicle division or the
2 county assessor within thirty days after the original test.

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

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

10 2. The exemption from inspection of:

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

18 (b) New vehicles originally registered at the time of initial
19 retail sale and titling in this state pursuant to section 28-2153 or
20 28-2154.

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

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

25 (e) Vehicles that are outside of this state at the time of
26 registration, except the director by rule may require testing of those
27 vehicles within a reasonable period of time after those vehicles return to
28 this state.

29 (f) Golf carts.

30 (g) Electrically-powered vehicles.

31 (h) Vehicles with an engine displacement of less than ninety cubic
32 centimeters.

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

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

36 (k) Collectible vehicles.

37 (l) Motorcycles.

38 (m) Cranes and oversize vehicles that require permits pursuant to
39 section 28-1100, 28-1103 or 28-1144.

40 (n) Vehicles that are not in use and that are owned by residents of
41 this state while on active military duty outside of this state.

42 3. Compiling and maintaining records of emissions test results
43 after servicing.

1 4. A procedure that ~~shall allow~~ **ALLOWS** the vehicle service and
2 repair industry to compare the calibration accuracy of its emissions
3 testing equipment with the department's calibration standards.

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

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

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

14 L. The director shall adopt rules that specify that the estimated
15 retail cost of all recommended maintenance and repairs shall not exceed
16 the amounts prescribed in this subsection, except that if a vehicle fails
17 a tampering inspection there is no limit on the cost of recommended
18 maintenance and repairs. The director shall issue a certificate of waiver
19 for a vehicle if the director has determined that all recommended
20 maintenance and repairs have been performed and that the vehicle has
21 failed any reinspection that may be required by rule. If the director has
22 determined that the vehicle is in compliance with minimum emissions
23 standards or that all recommended maintenance and repairs for compliance
24 with minimum emissions standards have been performed, but that tampering
25 discovered at a tampering inspection has not been repaired, the director
26 may issue a certificate of waiver if the owner of the vehicle provides to
27 the director a written statement from an automobile parts or repair
28 business that an emissions control device that is necessary to repair the
29 tampering is not available and cannot be obtained from any usual source of
30 supply before the vehicle's current registration expires. Rules adopted
31 by the director for the purpose of establishing the estimated retail cost
32 of all recommended maintenance and repairs pursuant to this subsection
33 shall specify that:

34 1. In area A the cost shall not exceed:

35 (a) ~~Five hundred dollars~~ **\$500** for a diesel powered vehicle with a
36 gross weight in excess of twenty-six thousand pounds.

37 (b) ~~Five hundred dollars~~ **\$500** for a diesel powered vehicle with
38 tandem axles.

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

42 (i) ~~Two hundred dollars~~ **\$200** for such a vehicle manufactured in or
43 before the 1974 model year.

44 (ii) ~~Three hundred dollars~~ **\$300** for such a vehicle manufactured in
45 the 1975 through 1979 model years.

1 (iii) ~~Four hundred fifty dollars~~ \$450 for such a vehicle
2 manufactured in or after the 1980 model year.

3 2. In area B the cost shall not exceed:

4 (a) ~~Three hundred dollars~~ \$300 for a diesel powered vehicle with a
5 gross weight in excess of twenty-six thousand pounds.

6 (b) ~~Three hundred dollars~~ \$300 for a diesel powered vehicle with
7 tandem axles.

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

11 (a) ~~Fifty dollars~~ \$50 for such a vehicle manufactured in or before
12 the 1974 model year.

13 (b) ~~Two hundred dollars~~ \$200 for such a vehicle manufactured in the
14 1975 through 1979 model years.

15 (c) ~~Three hundred dollars~~ \$300 for such a vehicle manufactured in
16 or after the 1980 model year.

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

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

24 O. The director of environmental quality shall establish, in
25 cooperation with the assistant director for the motor vehicle division of
26 the department of transportation:

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

31 2. A written notice that shall accompany the vehicle registration
32 application forms that are sent to vehicle owners pursuant to section
33 28-2151 and that shall accompany or be included as part of the vehicle
34 emissions test results that are provided to vehicle owners at the time of
35 the vehicle emissions test. This written notice shall describe at least
36 the following:

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

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

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

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

1 P. Notwithstanding any other law, if area A or area B is
2 reclassified as an attainment area, emissions testing conducted pursuant
3 to this article shall continue for vehicles registered inside that
4 reclassified area, vehicles owned by a person who is subject to section
5 15-1444 or 15-1627 and vehicles registered outside of that reclassified
6 area but used to commute to the driver's principal place of employment
7 located within that reclassified area.

8 Q. A fleet operator who is issued a permit pursuant to section
9 49-546 may electronically transmit emissions inspection data to the
10 department of transportation pursuant to rules adopted by the director of
11 the department of transportation in consultation with the director of
12 environmental quality.

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

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

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

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

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

29 W. Any person who sells a vehicle that has been issued a
30 certificate of waiver pursuant to this section after January 1, 1997 and
31 who knows that a certificate of waiver has been issued after January 1,
32 1997 for that vehicle shall disclose to the buyer before completion of the
33 sale that a certificate of waiver has been issued for that vehicle.

34 X. Vehicles that fail the emissions test at emission levels higher
35 than twice the standard established for that vehicle class by the
36 department pursuant to section 49-447 are not eligible for a certificate
37 of waiver pursuant to this section unless the vehicle is repaired
38 sufficiently to achieve an emissions level below twice the standard for
39 that class of vehicle.

40 Y. If an insurer notifies the department of transportation of the
41 cancellation or nonrenewal of collectible vehicle or classic automobile
42 insurance coverage for a collectible vehicle, the department of
43 transportation shall cancel the registration of the vehicle and the
44 vehicle's exemption from emissions testing pursuant to this section unless

1 evidence of coverage is presented to the department of transportation
2 within sixty days.

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

5 1. Either:

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

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

10 2. Meets both of the following criteria:

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

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

17 Sec. 3. Section 49-545, Arizona Revised Statutes, is amended to
18 read:

19 49-545. Agreement with independent contractor; qualifications
20 of contractor; agreement provisions

21 A. The director is authorized to enter into an emissions inspection
22 agreement with one or more independent contractors, subject to public
23 bidding, to provide for the construction, equipment, establishment,
24 maintenance and operation of any official emissions inspection stations in
25 such numbers and locations as may be required to provide vehicle owners
26 reasonably convenient access to inspection facilities for the purpose of
27 obtaining compliance with this article and the rules adopted pursuant to
28 this article. The agreement may provide that official inspection stations
29 shall be placed in permanent or movable buildings at particular locations
30 as well as in mobile units for conveyance from one preannounced particular
31 location to another.

32 B. The director is prohibited from entering into an emissions
33 inspection agreement with any independent contractor who:

34 1. Is engaged in the business of manufacturing, selling,
35 maintaining or repairing vehicles, except that the independent contractor
36 shall not be precluded from maintaining or repairing any vehicle owned or
37 operated by the independent contractor.

38 2. Does not have the capability, resources or technical and
39 management skill to adequately construct, equip, operate and maintain a
40 sufficient number of official emissions inspection stations to meet the
41 demand for inspection of every vehicle ~~which~~ THAT is required to be
42 submitted for inspection pursuant to this article.

43 C. All persons employed by the independent contractor in the
44 performance of an emissions inspection agreement are deemed to be
45 employees of the independent contractor and not of this state. ~~No~~ AN

1 employee of the independent contractor ~~shall~~ MAY NOT wear any badge,
2 insignia, patch, emblem, device, word or series of words ~~which~~ THAT would
3 tend to indicate that such person is employed by this state. Employees of
4 the independent contractor are specifically prohibited under this
5 subsection from wearing the flag of this state, the words "state of
6 Arizona", the words "official emissions inspection program" or any similar
7 emblem or phrase.

8 D. The emissions inspection agreement authorized by this section
9 shall contain, in addition to any other provisions, provisions relating to
10 the following:

11 1. A contract term or duration of ~~between five and~~ UP TO seven
12 years with reasonable compensation to the contractor if the provisions of
13 this article are repealed.

14 2. That nothing in the agreement or contract shall require the
15 state to purchase any asset or assume any liability if such agreement or
16 contract is not renewed.

17 3. The minimum requirements for adequate staff, equipment,
18 management and hours and place of operation of official emissions
19 inspection stations.

20 4. The submission of such reports and documentation concerning the
21 operation of official emissions inspection stations as the director and
22 the auditor general may require.

23 5. Surveillance by the department of environmental quality and the
24 auditor general to ensure compliance with vehicular emissions standards,
25 procedures, rules and laws.

26 6. The right of this state, ~~upon~~ ON providing reasonable notice to
27 the independent contractor, to terminate the contract with the independent
28 contractor and the right of this state on termination of the contract to
29 assume operation of the vehicle emissions inspection program through
30 another contract provider or otherwise.

31 7. The right of this state ~~upon~~ ON termination of the term of the
32 agreement or ~~upon~~ ON assumption of the operation of the program to have
33 transferred and assigned to it for reasonable compensation any interest in
34 land, buildings, improvements, equipment, parts, tools and services used
35 by the independent contractors in their operation of the program.

36 8. The right of this state ~~upon~~ ON termination of the term of the
37 agreement or assumption of the operation of the program to have
38 transferred and assigned to it any contract rights, and related
39 obligations, for land, buildings, improvements, equipment, parts, tools
40 and services used by the independent contractors in their operation of the
41 program.

42 9. The obligation of the independent contractors to provide in any
43 agreement to be executed by them, and to maintain in any agreements
44 previously executed by them, for land, buildings, improvements, equipment,
45 parts, tools and services used in their operation of the program for the

1 right of the independent contractors to assign to this state any of their
2 rights and obligations under such contract.

3 10. The right of the independent contractor, in the event the
4 contract is terminated and the state elects to assume operation of the
5 vehicle emissions inspection program through another contractor or
6 otherwise, to retain and not transfer to the state any interest in or any
7 contract rights and related obligations for improvements, equipment,
8 parts, tools and services that are used by the independent contractor in
9 the operation of the program and that are proprietary in nature, as may be
10 more specifically set forth in the contract.

11 11. The amounts of liquidated damages payable by this state to the
12 independent contractor if the state exercises its right to terminate the
13 contract at the conclusion of each year of the contract pursuant to
14 paragraph 6 of this subsection. The damages recoverable by the
15 independent contractor if the state exercises its right to terminate the
16 contract ~~shall be~~ ARE limited to the liquidated damages specified in the
17 contract.

18 12. Any other provision deemed necessary by the director for the
19 administration or enforcement of the emissions inspection agreement.

20 E. The department ~~of environmental quality~~ shall establish bid
21 specifications or contract terms for a contract with an independent
22 contractor as provided in this section, review bids for AN award of a
23 contract with the independent contractors and negotiate any terms of a
24 contract with the independent contractors.

25 F. In evaluating bids for an emissions inspection agreement, ~~no~~
26 additional consideration ~~shall~~ MAY NOT be given to a bid solely on the
27 basis of the type of conditioning mode proposed in the bid.

28 G. After a contract is awarded to an independent contractor, the
29 director may modify the contract with the independent contractor to allow
30 the contractor and the state to comply with amendments to applicable
31 statutes or rules. These modifications are exempt from public bidding and
32 may include the addition, deletion or alteration of any contract provision
33 in order to make compliance feasible, including inspection fees and
34 services rendered. Provisions relating to contract term or duration may be
35 amended, ~~except that the term or duration of the contract in existence on~~
36 ~~August 6, 1999 shall not be extended beyond December 31, 2001.~~ Any
37 proposed modification or amendment to the contract is subject to prior
38 review by the joint legislative budget committee. If the director cannot
39 negotiate an acceptable modification of the contract, the state may
40 terminate the contract.

41 Sec. 4. Conditional enactment

42 Section 49-542, Arizona Revised Statutes, as amended by Laws 2017,
43 chapter 29, section 2 and this act, becomes effective on the date
44 prescribed by Laws 2017, chapter 29, section 3 but only on the occurrence
45 of the condition prescribed by Laws 2017, chapter 29, section 3.

APPROVED BY THE GOVERNOR APRIL 29, 2019.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 29, 2019.