

REFERENCE TITLE: air quality omnibus

State of Arizona
House of Representatives
Fifty-fourth Legislature
Second Regular Session
2020

HB 2455

Introduced by
Representative Griffin

AN ACT

REPEALING SECTION 49-474.04, ARIZONA REVISED STATUTES; AMENDING SECTION 49-542, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2019, CHAPTER 141, SECTION 1; AMENDING SECTION 49-542, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2019, CHAPTER 141, SECTION 2; AMENDING SECTIONS 49-544, 49-551 AND 49-553, ARIZONA REVISED STATUTES; PROVIDING FOR TRANSFERRING AND RENUMBERING; AMENDING SECTION 49-558.02, ARIZONA REVISED STATUTES, AS TRANSFERRED AND RENUMBERED; AMENDING LAWS 2014, CHAPTER 89, SECTION 6, AS AMENDED BY LAWS 2017, CHAPTER 29, SECTION 3; RELATING TO AIR QUALITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Repeal

3 Section 49-474.04, Arizona Revised Statutes, is repealed.

4 Sec. 2. Section 49-542, Arizona Revised Statutes, as amended by
5 Laws 2019, chapter 141, section 1, is amended to read:

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

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

28 B. The state's annual or biennial emissions inspection program
29 shall provide for vehicle inspections at official emissions inspection
30 stations or at fleet emissions inspection stations or may provide for
31 remote vehicle inspection. Each official inspection station in area A
32 shall employ at least one technical assistant who is available during the
33 station's hours of operation to provide assistance for persons who fail
34 the emissions test. An official or fleet emissions inspection station
35 permit shall not be sold, assigned, transferred, conveyed or removed to
36 another location except on such terms and conditions as the director may
37 prescribe. The director shall establish a pilot program to provide for
38 remote vehicle inspections in area A and area B. The director shall
39 operate the pilot program for at least three consecutive years and shall
40 complete the pilot program before July 1, 2025. On completion of the
41 pilot program, the director shall submit to the joint legislative budget
42 committee and the office of the governor a report summarizing the results
43 of the pilot program. The director shall submit the report before the
44 department implements any full scale remote vehicle inspection program and
45 shall include in the report a summary of the data collected during the

1 pilot program and a certification by the director that, based on the data
 2 collected during the pilot program, a full scale implementation of a
 3 remote vehicle inspection program will increase the efficiency and reduce
 4 the costs of the vehicle emissions inspection program.

5 C. Vehicles required to be inspected and registered in this state,
 6 except those provided for in section 49-546, shall be inspected, for the
 7 purpose of complying with the registration requirement pursuant to
 8 subsection D of this section, in accordance with the provisions of this
 9 article ~~NOT~~ NOT more than ninety days before each registration expiration
 10 date. A vehicle may be submitted voluntarily for inspection more than
 11 ninety days before the registration expiration date on payment of the
 12 prescribed inspection fee. That voluntary inspection may be considered as
 13 compliance with the registration requirement pursuant to subsection D of
 14 this section only on conditions prescribed by 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 that shall be placed on the vehicle as prescribed by rule adopted
 43 by the department of transportation. The registering officer or the
 44 department of transportation shall collect an air quality compliance fee
 45 of \$.25. The registering officer or the department of transportation

1 shall deposit, pursuant to sections 35-146 and 35-147, the air quality
2 compliance fee in the state highway fund established by section
3 28-6991. The department of transportation shall deposit, pursuant to
4 sections 35-146 and 35-147, any emissions inspection fee in the emissions
5 inspection fund. The provisions of this subsection do not apply to those
6 vehicles registered pursuant to title 28, chapter 7, article 7 or 8, the
7 sale of vehicles between motor vehicle dealers or vehicles leased to a
8 person residing outside of area A or area B by a leasing company whose
9 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 is deemed in compliance with minimum
23 emissions standards unless the vehicle fails the tampering inspection
24 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 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 allows the vehicle service and repair industry
24 to compare the calibration accuracy of its emissions testing equipment
25 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) \$500 for a diesel powered vehicle with a gross weight in excess
13 of twenty-six thousand pounds.

14 (b) \$500 for a diesel powered vehicle with tandem axles.

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

18 (i) \$200 for such a vehicle manufactured in or before the 1974
19 model year.

20 (ii) \$300 for such a vehicle manufactured in the 1975 through 1979
21 model years.

22 (iii) \$450 for such a vehicle manufactured in or after the 1980
23 model year.

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

25 (a) \$300 for a diesel powered vehicle with a gross weight in excess
26 of twenty-six thousand pounds.

27 (b) \$300 for a diesel powered vehicle with tandem axles.

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

31 (a) \$50 for such a vehicle manufactured in or before the 1974 model
32 year.

33 (b) \$200 for such a vehicle manufactured in the 1975 through 1979
34 model years.

35 (c) \$300 for such a vehicle manufactured in or after the 1980 model
36 year.

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

41 N. Notwithstanding any other provisions of this article, the
42 director may adopt rules allowing exemptions from the requirement that all
43 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~~ 49-558.02.

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 that has failed inspection in
37 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. 3. Section 49-542, Arizona Revised Statutes, as amended by
40 Laws 2019, chapter 141, 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 pollution on
13 ambient air quality in all communities with a metropolitan area population
14 of twenty thousand persons or more. If such testing detects the violation
15 of state ambient air quality standards by vehicle-related pollution, the
16 director shall forward a full report of such violation to the president of
17 the senate, the speaker of the house of representatives and the governor.

18 B. The state's annual or biennial emissions inspection program
19 shall provide for vehicle inspections at official emissions inspection
20 stations or at fleet emissions inspection stations or may provide for
21 remote vehicle inspection. Each official inspection station in area A
22 shall employ at least one technical assistant who is available during the
23 station's hours of operation to provide assistance for persons who fail
24 the emissions test. An official or fleet emissions inspection station
25 permit shall not be sold, assigned, transferred, conveyed or removed to
26 another location except on such terms and conditions as the director may
27 prescribe. The director shall establish a pilot program to provide for
28 remote vehicle inspections in area A and area B. The director shall
29 operate the pilot program for at least three consecutive years and shall
30 complete the pilot program before July 1, 2025. On completion of the
31 pilot program, the director shall submit to the joint legislative budget
32 committee and the office of the governor a report summarizing the results
33 of the pilot program. The director shall submit the report before the
34 department implements any full scale remote vehicle inspection program and
35 shall include in the report a summary of the data collected during the
36 pilot program and a certification by the director that, based on the data
37 collected during the pilot program, a full scale implementation of a
38 remote vehicle inspection program will increase the efficiency and reduce
39 the costs of the vehicle emissions inspection program.

40 C. Vehicles required to be inspected and registered in this state,
41 except those provided for in section 49-546, shall be inspected, for the
42 purpose of complying with the registration requirement pursuant to
43 subsection D of this section, in accordance with the provisions of this
44 article no more than ninety days before each registration expiration date.
45 A vehicle may be submitted voluntarily for inspection more than ninety

1 days before the registration expiration date on payment of the prescribed
2 inspection fee. That voluntary inspection may be considered as compliance
3 with the registration requirement pursuant to subsection D of this section
4 only on conditions prescribed by the director.

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

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

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

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

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

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

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

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

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

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

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

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

32 (i) An evaporative system purge test.

33 (ii) An evaporative system integrity test.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

8 2. The exemption from inspection of:

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

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

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

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

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

27 (f) Golf carts.

28 (g) Electrically-powered vehicles.

29 (h) Vehicles with an engine displacement of less than ninety cubic
30 centimeters.

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

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

34 (k) Collectible vehicles.

35 (l) Motorcycles.

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

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

40 3. Compiling and maintaining records of emissions test results
41 after servicing.

42 4. A procedure that allows the vehicle service and repair industry
43 to compare the calibration accuracy of its emissions testing equipment
44 with the department's calibration standards.

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

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

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

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

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

32 (a) \$500 for a diesel powered vehicle with a gross weight in excess
33 of twenty-six thousand pounds.

34 (b) \$500 for a diesel powered vehicle with tandem axles.

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

38 (i) \$200 for such a vehicle manufactured in or before the 1974
39 model year.

40 (ii) \$300 for such a vehicle manufactured in the 1975 through 1979
41 model years.

42 (iii) \$450 for such a vehicle manufactured in or after the 1980
43 model year.

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

1 (a) \$300 for a diesel powered vehicle with a gross weight in excess
2 of twenty-six thousand pounds.

3 (b) \$300 for a diesel powered vehicle with tandem axles.

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

7 (a) \$50 for such a vehicle manufactured in or before the 1974 model
8 year.

9 (b) \$200 for such a vehicle manufactured in the 1975 through 1979
10 model years.

11 (c) \$300 for such a vehicle manufactured in or after the 1980 model
12 year.

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

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

20 O. The director of environmental quality shall establish, in
21 cooperation with the assistant director for the motor vehicle division of
22 the department of transportation:

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

27 2. A written notice that shall accompany the vehicle registration
28 application forms that are sent to vehicle owners pursuant to section
29 28-2151 and that shall accompany or be included as part of the vehicle
30 emissions test results that are provided to vehicle owners at the time of
31 the vehicle emissions test. This written notice shall describe at least
32 the following:

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

35 (b) The availability and a brief description of the vehicle repair
36 and retrofit program established pursuant to section ~~49-474.03~~ 49-558.02.

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

40 ~~(d) A description of the catalytic converter replacement program~~
41 ~~established pursuant to section 49-474.03.~~

42 P. Notwithstanding any other law, if area A or area B is
43 reclassified as an attainment area, emissions testing conducted pursuant
44 to this article shall continue for vehicles registered inside that
45 reclassified area, vehicles owned by a person who is subject to section

1 15-1444 or 15-1627 and vehicles registered outside of that reclassified
2 area but used to commute to the driver's principal place of employment
3 located within that reclassified area.

4 Q. A fleet operator who is issued a permit pursuant to section
5 49-546 may electronically transmit emissions inspection data to the
6 department of transportation pursuant to rules adopted by the director of
7 the department of transportation in consultation with the director of
8 environmental quality.

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

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

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

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

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

25 W. Any person who sells a vehicle that has been issued a
26 certificate of waiver pursuant to this section after January 1, 1997 and
27 who knows that a certificate of waiver has been issued after January 1,
28 1997 for that vehicle shall disclose to the buyer before completion of the
29 sale that a certificate of waiver has been issued for that vehicle.

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

36 Y. If an insurer notifies the department of transportation of the
37 cancellation or nonrenewal of collectible vehicle or classic automobile
38 insurance coverage for a collectible vehicle, the department of
39 transportation shall cancel the registration of the vehicle and the
40 vehicle's exemption from emissions testing pursuant to this section unless
41 evidence of coverage is presented to the department of transportation
42 within sixty days.

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

1 1. Either:

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

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

6 2. Meets both of the following criteria:

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

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

13 Sec. 4. Section 49-544, Arizona Revised Statutes, is amended to
14 read:

15 49-544. Emissions inspection fund; composition; authorized
16 expenditures; exemptions; investment

17 A. The emissions inspection fund is established and is subject to
18 legislative appropriation. The emissions inspection fund shall consist
19 of:

20 1. Monies appropriated to the fund by the legislature.

21 2. All monies collected pursuant to section 49-543, subsection A.

22 3. All monies collected by the director for the issuance of
23 inspection certificates to owners of fleet emissions inspection stations.

24 4. Monies received from private grants or donations when so
25 designated by the grantor or donor.

26 5. Monies received from the United States by grant or otherwise to
27 assist this state in any emissions inspection program.

28 B. Monies in the emissions inspection fund may be used for the
29 following:

30 1. Enforcement of the provisions of this article related to fleet
31 emissions inspections, exemptions and certificates of waiver.

32 2. Payment of contractual charges to independent contractors
33 pursuant to section 49-545.

34 3. Costs to the state of administering:

35 (a) The emissions inspection services performed by the independent
36 contractor, including inspection station auditing, contractor training and
37 certification, and motorist assistance.

38 (b) Travel reduction programs prescribed by this chapter.

39 ~~4. Funding this state's portion of the catalytic converter program~~
40 ~~costs prescribed by section 49-542.~~

41 ~~5.~~ 4. Other costs of administering and enforcing this article.

42 C. The department of environmental quality shall approve and
43 provide for the payment of contractual charges to independent contractors
44 and for enforcement of the provisions of this article related to fleet
45 emissions inspections, exemptions and certificates of waiver.

1 D. Monies in the emissions inspection fund are exempt from the
2 provisions of section 35-190 relating to lapsing of appropriations.

3 E. On notice from the department, the state treasurer shall invest
4 and divest monies in the fund as provided by section 35-313, and monies
5 earned from investment shall be credited to the fund.

6 Sec. 5. Section 49-551, Arizona Revised Statutes, is amended to
7 read:

8 49-551. Air quality fee; air quality fund; purpose

9 A. Every person who is required to register a motor vehicle in this
10 state pursuant to section 28-2153 shall pay, in addition to the
11 registration fee, an annual air quality fee at the time of vehicle
12 registration of ~~one dollar fifty cents~~ \$1.50. Unless and until the United
13 States environmental protection agency grants a waiver for diesel fuel
14 pursuant to section 211(c)(4) of the clean air act, every person who is
15 required to register a diesel powered motor vehicle in this state with a
16 declared gross weight as defined in section 28-5431 of more than eight
17 thousand five hundred pounds and every person who is subject to an
18 apportioned fee for diesel powered motor vehicles collected pursuant to
19 title 28, chapter 7, articles 7 and 8 shall pay an additional apportioned
20 diesel fee of ~~ten dollars~~ \$10.

21 B. The registering officer shall collect the fees and immediately
22 deposit, pursuant to sections 35-146 and 35-147, the air quality fees in
23 the air quality fund established pursuant to subsection C of this section
24 and shall deposit the diesel fees in the voluntary vehicle repair and
25 retrofit program fund established pursuant to section ~~49-474.03~~ 49-558.02.

26 C. An air quality fund is established consisting of monies received
27 pursuant to this section, gifts, grants and donations, and monies
28 appropriated by the legislature. The department of environmental quality
29 shall administer the fund. Monies in the fund are exempt from the
30 provisions of section 35-190 relating to the lapsing of appropriations.
31 Interest earned on monies in the fund shall be credited to the fund.
32 Monies in the air quality fund shall be used, subject to legislative
33 appropriation, for:

34 1. Air quality research, experiments and programs conducted by or
35 for the department for the purpose of bringing area A or area B into or
36 maintaining area A or area B in attainment status, improving air quality
37 in areas of this state outside area A or area B and reducing emissions of
38 particulate matter, carbon monoxide, oxides of nitrogen, volatile organic
39 compounds and hazardous air pollutants throughout the state.

40 2. Monitoring visible air pollution and developing and implementing
41 programs to reduce emissions of pollutants that contribute to visible air
42 pollution in counties with a population of four hundred thousand persons
43 or more.

44 3. Developing and adopting rules in compliance with sections
45 49-426.03, 49-426.04, 49-426.05 and 49-426.06.

1 D. The department shall transfer ~~four hundred thousand dollars~~
2 \$400,000 from the air quality fund to the department of administration for
3 the purposes prescribed by section 49-588 in eight installments in each of
4 the first eight months of a fiscal year.

5 E. This section does not apply to an electrically powered golf cart
6 or an electrically powered vehicle.

7 Sec. 6. Section 49-553, Arizona Revised Statutes, is amended to
8 read:

9 49-553. Vehicle emissions; research; cost analysis

10 A. The department of environmental quality ~~shall~~ MAY conduct
11 research to quantify the effect of ~~alternative fuels on toxic components~~
12 ~~of~~ vehicular emissions. ~~This shall include aldehydes, particularly~~
13 ~~formaldehyde, benzene and other aromatics.~~

14 ~~B. The department shall acquire, with monies from the air quality~~
15 ~~fund, equipment capable of measuring the emissions effects of the use of~~
16 ~~oxygenated gasoline blends by means of the federal test procedures. The~~
17 ~~department shall use the equipment for the purpose of emissions testing of~~
18 ~~the vehicles required to be tested pursuant to statute.~~

19 ~~C.~~ B. The department may hire consultants for the purpose of
20 analyzing the costs and benefits of the ~~carbon monoxide~~ EMISSIONS
21 reduction measures adopted by this chapter and to design and execute and
22 to evaluate the results of any testing program required by this chapter

23 Sec. 7. Section 49-474.03, Arizona Revised Statutes, is transferred
24 and renumbered for placement in title 49, chapter 3, article 5, as section
25 49-558.02 and, as so renumbered, is amended to read:

26 49-558.02. Voluntary vehicle repair and retrofit program;
27 criteria; fund; report

28 A. ~~A county with a population of more than four hundred thousand~~
29 ~~persons according to the most recent United States decennial census shall~~
30 ~~operate and administer a voluntary vehicle repair and retrofit program in~~
31 ~~the county. The county shall coordinate the program with the department~~
32 ~~of environmental quality and the department of transportation. THE~~
33 ~~DEPARTMENT SHALL OPERATE AND ADMINISTER A VOLUNTARY VEHICLE REPAIR AND~~
34 ~~RETROFIT PROGRAM IN AREAS THAT ARE SUBJECT TO THE VEHICLE EMISSIONS~~
35 ~~INSPECTION PROGRAM ESTABLISHED BY THIS ARTICLE. A vehicle owner's~~
36 participation is voluntary. The ~~county~~ DEPARTMENT may contract with an
37 independent contractor to develop and implement all or any portion of the
38 program. The program shall provide for ~~real and~~ quantifiable emissions
39 ~~reduction based on actual emissions testing performed on the vehicle~~
40 ~~before repair or retrofit~~ REDUCTIONS.

41 B. A vehicle owner may participate in the program if all of the
42 following criteria are met:

43 1. The owner is willing to participate in the program.

44 2. The vehicle being repaired or retrofitted is functionally
45 operational.

1 3. The vehicle being repaired or retrofitted is titled in this
2 state, has taken the emissions inspection test pursuant to section 49-542,
3 subsection A, has been registered during the immediately preceding twelve
4 months and has not been unregistered for more than sixty days.

5 ~~4. The vehicle being repaired or retrofitted is at least twelve~~
6 ~~years older than the current calendar year.~~

7 ~~5.~~ 4. The vehicle is required to take the emissions inspection
8 test and the vehicle fails the emissions test in the emissions inspection
9 results portion of the test. The vehicle owner shall apply to the program
10 not more than sixty days after failing the test.

11 ~~6.~~ 5. The emissions control system has not been tampered with.

12 ~~7.~~ 6. The emissions control system has not been removed or
13 disabled, in whole or in part.

14 ~~8.~~ 7. The vehicle is taken to a participating repair facility.
15 Any repairs performed at an unauthorized repair facility are not eligible
16 for payment.

17 ~~9.~~ 8. Participation in the program is limited to one vehicle per
18 owner.

19 10. Motor homes, motorcycles, ~~AND~~ salvage ~~vehicles~~ and fleet
20 vehicles are not eligible to participate in the program.

21 C. Notwithstanding subsection B or D of this section, diesel
22 powered motor vehicles with a gross vehicle rating of more than eight
23 thousand five hundred pounds, that are ~~registered in area A or B, as~~
24 ~~defined pursuant to section 49-541,~~ **SUBJECT TO THE VEHICLE EMISSIONS**
25 **INSPECTION PROGRAM** and that fail any random roadside vehicle test
26 conducted by the state or that fail the emissions test conducted pursuant
27 to section 49-542 are eligible for up to ~~one thousand dollars~~ **\$1,000** in
28 repair or retrofit costs from the program. Qualified vehicle owners
29 pursuant to this subsection shall be responsible for one-half of the costs
30 of the qualified repairs and the other half of the costs shall be funded
31 from the program up to ~~one thousand dollars~~ **\$1,000**. An owner of vehicles
32 that are registered as a fleet shall not receive more than ~~ten thousand~~
33 ~~dollars~~ **\$10,000** in total monies. ~~No~~ **NOT** more than twenty-five ~~per cent~~
34 **PERCENT** of the program funds in any year may be used for the purposes of
35 this subsection.

36 D. The ~~county~~ **DEPARTMENT** shall operate and administer an emissions
37 control repair and retrofit program in cooperation with the ~~department~~
38 **COUNTY** that provides that:

39 1. Vehicle owners who qualify for the repair and retrofit program
40 shall pay the first ~~one hundred fifty dollars~~ **\$100** as a copayment.

41 2. Vehicles that require more than ~~seven hundred dollars~~ **\$1000** in
42 repair **OR RETROFIT** costs are not eligible unless the vehicle owner chooses
43 to pay additional costs.

44 ~~3. A vehicle that is able to accept a retrofit kit shall have a~~
45 ~~retrofit kit installed. A vehicle that requires more than eight hundred~~

1 ~~dollars in aggregated retrofit parts and labor costs is not eligible for~~
2 ~~the program unless the vehicle owner pays the additional costs.~~

3 ~~E. A county with a population of more than one million two hundred~~
4 ~~thousand persons shall operate and administer a program to replace~~
5 ~~catalytic converters on motor vehicles that fail to meet emissions~~
6 ~~standards due to failure of the catalytic converter system if that failure~~
7 ~~is not the result of tampering.~~

8 ~~F.~~ E. The voluntary vehicle repair and retrofit program fund is
9 established. The director shall administer the fund. Not more than five
10 ~~per cent~~ PERCENT of the monies in the fund may be used for the purpose of
11 educating the general public about the program and eligibility for the
12 program. The fund consists of monies from the following sources:

- 13 1. Monies appropriated by the legislature.
- 14 2. Monies appropriated by political subdivisions.
- 15 3. Monies deposited pursuant to section 49-551, subsection B.
- 16 4. Gifts, grants and donations.

17 ~~G.~~ F. ~~By ON OR BEFORE~~ December 1 of each year, the ~~county~~
18 DEPARTMENT shall prepare and submit a progress report to ~~the department of~~
19 ~~environmental quality,~~ the department of transportation, the speaker of
20 the house of representatives, the president of the senate, the
21 governor, ~~AND~~ the secretary of state ~~and the director of the Arizona~~
22 ~~state library, archives and public records~~ on the voluntary vehicle repair
23 and retrofit program that contains at least the following information:

- 24 1. The number of vehicles repaired or retrofitted by model year.
- 25 2. The cost-effectiveness of the program in terms of dollars spent
- 26 per ton of vehicle emissions reductions.
- 27 3. Any recommendations for improving the effectiveness of the
- 28 program.
- 29 4. The administrative costs of the program.

30 Sec. 8. Laws 2014, chapter 89, section 6, as amended by Laws 2017,
31 chapter 29, section 3, is amended to read:

32 Sec. 6. Conditional enactment

33 A. Section 49-542, Arizona Revised Statutes, as amended by ~~laws~~
34 ~~2014, chapter 89, section 3~~ LAWS 2019, CHAPTER 141, SECTION 2 AND THIS
35 ACT, and section 49-542.03, Arizona Revised Statutes, as amended by Laws
36 2014, chapter 89, section 5 ~~t~~, do not become effective unless on or
37 before July 1, ~~2020~~ 2022 the United States environmental protection agency
38 approves the proposed modifications to the vehicle emissions testing
39 program protocols as part of the state implementation plan for air
40 quality.

41 B. The director of the department of environmental quality shall
42 notify in writing the director of the Arizona legislative council on or
43 before September 1, ~~2020~~ 2022 either:

- 44 1. Of the date on which the condition was met.
- 45 2. That the condition was not met.

1 Sec. 9. Conditional enactment
2 Section 49-542, Arizona Revised Statutes, as amended by Laws 2019,
3 chapter 141, section 2 and this act, becomes effective on the date
4 prescribed by Laws 2014, chapter 89, section 6, as amended by Laws 2017,
5 chapter 29, section 3 but only on the occurrence of the condition
6 prescribed by Laws 2014, chapter 89, section 6.