

~~minerals; land inventory; technical correction~~  
(now: emissions; voluntary vehicle repair; timeline)

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
First Regular Session  
2025

## CHAPTER 122

# HOUSE BILL 2104

### AN ACT

AMENDING SECTION 49-542, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2021, CHAPTER 27, SECTION 2 AND CHAPTER 116, SECTION 1; AMENDING SECTION 49-542, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2024, CHAPTER 150, SECTION 6; AMENDING SECTIONS 49-551 AND 49-558.02, ARIZONA REVISED STATUTES; AMENDING LAWS 1997, CHAPTER 99, SECTION 7, AS AMENDED BY LAWS 2002, CHAPTER 35, SECTION 1, LAWS 2007, CHAPTER 31, SECTION 1 AND LAWS 2017, CHAPTER 192, SECTION 1; RELATING TO ANNUAL EMISSIONS INSPECTION OF MOTOR VEHICLES.

(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 2021, chapter 27, section 2, and chapter 116, section 1, is amended  
4 to read:

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

8 A. The director shall administer a comprehensive annual or biennial  
9 emissions inspection program that shall require the inspection of vehicles  
10 in this state pursuant to this article and applicable administrative  
11 rules. Such inspection is required for vehicles that are registered in  
12 area A and area B, for those vehicles owned by a person who is subject to  
13 section 15-1444 or 15-1627 and for those vehicles registered outside of  
14 area A or area B but used to commute to the driver's principal place of  
15 employment located within area A or area B. Inspection in other counties  
16 of the state shall commence on the director's approval of an application  
17 by a county board of supervisors for participation in such inspection  
18 program. In all counties with a population of three hundred fifty  
19 thousand or fewer persons, except for the portion of counties that contain  
20 any portion of area A, the director shall as conditions dictate provide  
21 for testing to determine the effect of vehicle-related pollution on  
22 ambient air quality in all communities with a metropolitan area population  
23 of twenty thousand persons or more. If such testing detects the violation  
24 of state ambient air quality standards by vehicle-related pollution, the  
25 director shall forward a full report of such violation to the president of  
26 the senate, the speaker of 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 not more than ninety days before each registration expiration  
9 date. A vehicle may be submitted voluntarily for inspection more than  
10 ninety days before the registration expiration date on payment of the  
11 prescribed inspection fee. That voluntary inspection may be considered as  
12 compliance with the registration requirement pursuant to subsection D of  
13 this section only on conditions prescribed by the director.

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

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

1 department of transportation shall collect an air quality compliance fee  
2 of \$.25. The registering officer or the department of transportation  
3 shall deposit, pursuant to sections 35-146 and 35-147, the air quality  
4 compliance fee in the state highway fund established by section 28-6991.  
5 The department of transportation shall deposit, pursuant to sections  
6 35-146 and 35-147, any emissions inspection fee in the emissions  
7 inspection fund. The provisions of this subsection do not apply to those  
8 vehicles registered pursuant to title 28, chapter 7, article 7 or 8, the  
9 sale of vehicles between motor vehicle dealers or vehicles leased to a  
10 person residing outside of area A or area B by a leasing company whose  
11 place of business is in area A or area B.

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

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

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

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

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

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

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

42 (c) A diesel powered motor vehicle applying for registration in  
43 area A shall be required to take and pass an annual emissions test  
44 conducted at an official emissions inspection station or a fleet emissions  
45 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 by  
8 the director for the purpose of establishing the estimated retail cost of  
9 all recommended maintenance and repairs pursuant to this subsection shall  
10 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 VOLUNTARY  
17 vehicle repair ~~and retrofit~~ program established pursuant to section  
18 49-558.02.

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

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

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

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

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

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

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

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

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

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

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

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

25 1. Either:

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

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

30 2. Meets both of the following criteria:

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

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

37 Sec. 2. Section 49-542, Arizona Revised Statutes, as amended by  
38 Laws 2024, chapter 150, section 6, is amended to read:

39 49-542. Emissions inspection program; powers and duties of  
40 director; administration; periodic inspection;  
41 minimum standards and rules; exceptions; definition

42 A. The director shall administer a comprehensive annual or biennial  
43 emissions inspection program that shall require the inspection of vehicles  
44 in this state pursuant to this article and applicable administrative  
45 rules. Such inspection is required for vehicles that are registered in

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

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

38 C. Vehicles required to be inspected and registered in this state,  
39 except those provided for in section 49-546, shall be inspected, for the  
40 purpose of complying with the registration requirement pursuant to  
41 subsection D of this section, in accordance with this article not more  
42 than ninety days before each registration expiration date. A vehicle may  
43 be submitted voluntarily for inspection more than ninety days before the  
44 registration expiration date on payment of the prescribed inspection fee.  
45 That voluntary inspection may be considered as compliance with the

1 registration requirement pursuant to subsection D of this section only on  
2 conditions prescribed by the director.

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

18         E. On the registration of a vehicle that has complied with the  
19 minimum emissions standards pursuant to this section or is otherwise  
20 exempt under this section, the registering officer shall issue an air  
21 quality compliance sticker to the registered owner that shall be placed on  
22 the vehicle as prescribed by rule adopted by the department of  
23 transportation or issue a modified year validating tab as prescribed by  
24 rule adopted by the department of transportation. Those persons who  
25 reside outside of area A or area B but who elect to test their vehicle or  
26 are required to test their vehicle pursuant to this section and who comply  
27 with the minimum emissions standards pursuant to this section or are  
28 otherwise exempt under this section shall remit a compliance form, as  
29 prescribed by the department of transportation, and proof of compliance  
30 issued at an official emissions inspection station to the department of  
31 transportation along with the appropriate fees. The department of  
32 transportation shall then issue the person an air quality compliance  
33 sticker that shall be placed on the vehicle as prescribed by rule adopted  
34 by the department of transportation. The registering officer or the  
35 department of transportation shall collect an air quality compliance fee  
36 of \$.25. The registering officer or the department of transportation  
37 shall deposit, pursuant to sections 35-146 and 35-147, the air quality  
38 compliance fee in the state highway fund established by section 28-6991.  
39 The department of transportation shall deposit, pursuant to sections  
40 35-146 and 35-147, any emissions inspection fee in the emissions  
41 inspection fund. This subsection does not apply to those vehicles  
42 registered pursuant to title 28, chapter 7, article 7 or 8, the sale of  
43 vehicles between motor vehicle dealers or vehicles leased to a person  
44 residing outside of area A or area B by a leasing company whose place of  
45 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, with a  
25 gross vehicle weight rating of less than eight thousand five hundred one  
26 pounds, other than a vehicle covered by subdivision (a) of this paragraph,  
27 shall be required to take and pass a transient loaded test. A motor  
28 vehicle with a model year of 1981 or later, with a gross vehicle weight  
29 rating of more than eight thousand five hundred one pounds, other than a  
30 vehicle covered by subdivision (a) of this paragraph, shall be required to  
31 take and pass a steady state loaded test, a curb idle test or another test  
32 approved under the federal clean air act.

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

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

38 (i) An evaporative system purge test.

39 (ii) An evaporative system integrity test.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

12 2. The exemption from inspection of:

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

20 (b) New vehicles originally registered at the time of initial  
21 retail sale and titling in this state pursuant to section 28-2153 or  
22 28-2154.

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

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

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

31 (f) Golf carts.

32 (g) Electrically powered vehicles.

33 (h) Vehicles with an engine displacement of less than ninety cubic  
34 centimeters.

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

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

38 (k) Collectible vehicles.

39 (l) Motorcycles.

40 (m) Cranes and oversize vehicles that require permits pursuant to  
41 section 28-1103 or 28-1144.

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

44 3. Compiling and maintaining records of emissions test results  
45 after servicing.

1        4. A procedure that allows the vehicle service and repair industry  
2 to compare the calibration accuracy of its emissions testing equipment  
3 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 this article.

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

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

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

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

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

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

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

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

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



1           2. In area B the cost shall not exceed:  
2           (a) \$300 for a diesel powered vehicle with a gross weight in excess  
3 of twenty-six thousand pounds.  
4           (b) \$300 for a diesel powered vehicle with tandem axles.  
5           3. For a vehicle other than a diesel powered vehicle with a gross  
6 weight in excess of twenty-six thousand pounds and other than a diesel  
7 powered vehicle with tandem axles:  
8           (a) \$50 for such a vehicle manufactured in or before the 1974 model  
9 year.  
10           (b) \$200 for such a vehicle manufactured in the 1975 through 1979  
11 model years.  
12           (c) \$300 for such a vehicle manufactured in or after the 1980 model  
13 year.  
14           M. Each person whose vehicle has failed an emissions inspection  
15 shall be provided a list of those general recommended repair and  
16 maintenance procedures for vehicles that are designed to reduce vehicle  
17 emissions levels.  
18           N. Notwithstanding any other provisions of this article, the  
19 director may adopt rules allowing exemptions from the requirement that all  
20 vehicles must meet the minimum standards for registration.  
21           O. The director of environmental quality shall establish, in  
22 cooperation with the assistant director for the motor vehicle division of  
23 the department of transportation:  
24           1. An adequate method for identifying bona fide residents residing  
25 outside of area A or area B to ensure that such residents are exempt from  
26 compliance with the inspection program established by this article and  
27 rules adopted under this article.  
28           2. A written notice that shall accompany the vehicle registration  
29 application forms that are sent to vehicle owners pursuant to section  
30 28-2151 and that shall accompany or be included as part of the vehicle  
31 emissions test results that are provided to vehicle owners at the time of  
32 the vehicle emissions test. This written notice shall describe at least  
33 the following:  
34           (a) The restriction of the waiver program to one time per vehicle  
35 and a brief description of the implications of this limit.  
36           (b) The availability and a brief description of the VOLUNTARY  
37 vehicle repair ~~and retrofit~~ program established pursuant to section  
38 49-558.02.  
39           (c) Notice that many vehicles carry extended warranties for vehicle  
40 emissions systems, and those warranties are described in the vehicle's  
41 owner's manual or other literature.  
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.

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

3       1. Either:

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

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

8       2. Meets both of the following criteria:

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

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

15       Sec. 3. Section 49-551, Arizona Revised Statutes, is amended to  
16 read:

17       49-551. Air quality fee; air quality fund; purpose

18       A. Every person who is required to register a motor vehicle in this  
19 state pursuant to section 28-2153 shall pay, in addition to the  
20 registration fee, an annual air quality fee at the time of vehicle  
21 registration of \$1.50. Unless and until the United States environmental  
22 protection agency grants a waiver for diesel fuel pursuant to section  
23 211(c)(4) of the clean air act, every person who is required to register a  
24 diesel powered motor vehicle in this state with a declared gross weight as  
25 defined in section 28-5431 of more than eight thousand five hundred pounds  
26 and every person who is subject to an apportioned fee for diesel powered  
27 motor vehicles collected pursuant to title 28, chapter 7, articles 7 and 8  
28 shall pay an additional apportioned diesel fee of \$10.

29       B. The registering officer shall collect the fees and immediately  
30 deposit, pursuant to sections 35-146 and 35-147, the air quality fees in  
31 the air quality fund established ~~pursuant to~~ BY subsection C of this  
32 section and shall deposit the diesel fees in the voluntary vehicle repair  
33 ~~and retrofit~~ program fund established pursuant to section 49-558.02.

34       C. ~~Am~~ THE air quality fund is established consisting of monies  
35 received pursuant to this section, gifts, grants and donations, and monies  
36 appropriated by the legislature. The department of environmental quality  
37 shall administer the fund. Monies in the fund are exempt from the  
38 provisions of section 35-190 relating to the lapsing of appropriations.  
39 Interest earned on monies in the fund shall be credited to the fund.  
40 Monies in the air quality fund shall be used, subject to legislative  
41 appropriation, for:

42       1. Air quality research, experiments and programs conducted by or  
43 for the department for the purpose of bringing area A or area B into or  
44 maintaining area A or area B in attainment status, improving air quality  
45 in areas of this state outside area A or area B and reducing emissions of

1 particulate matter, carbon monoxide, oxides of nitrogen, volatile organic  
2 compounds and hazardous air pollutants throughout the state.

3       2. Monitoring visible air pollution and developing and implementing  
4 programs to reduce emissions of pollutants that contribute to visible air  
5 pollution in counties with a population of four hundred thousand persons  
6 or more.

7       3. Developing and adopting rules in compliance with sections  
8 49-426.03, 49-426.04, 49-426.05 and 49-426.06.

9       D. The department OF ENVIRONMENTAL QUALITY shall transfer \$400,000  
10 from the air quality fund to the department of administration for the  
11 purposes prescribed by section 49-588 in eight installments in each of the  
12 first eight months of a fiscal year.

13       E. This section does not apply to an electrically powered golf cart  
14 or an electrically powered vehicle.

15       Sec. 4. Section 49-558.02, Arizona Revised Statutes, is amended to  
16 read:

17       49-558.02. Voluntary vehicle repair program; criteria; fund;  
18                                   report; definition

19       A. The department shall operate and administer a voluntary vehicle  
20 repair ~~and retrofit~~ program in areas that are subject to the vehicle  
21 emissions inspection program established by this article. A vehicle  
22 owner's participation is voluntary. The department may contract with an  
23 independent contractor to develop and implement all or any portion of the  
24 program. The program shall provide for quantifiable emissions reductions.

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

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

28       2. The vehicle being repaired ~~or retrofitted~~ is functionally  
29 operational.

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

34       4. The vehicle is required to ~~take the emissions inspection test~~  
35 ~~and the vehicle fails the emissions test in the emissions inspection~~  
36 ~~results portion of the test. The vehicle owner shall apply to the program~~  
37 ~~not more than sixty days after failing the test~~ UNDERGO AN EMISSIONS  
38 INSPECTION AND FAILS AN EMISSIONS TEST.

39       5. The emissions control system has not been tampered with.

40       6. The emissions control system has not been removed or disabled,  
41 in whole or in part.

42       7. The vehicle is taken to a participating repair facility. Any  
43 repairs performed at an unauthorized repair facility are not eligible for  
44 payment.

1        8. Participation in the program is limited to one vehicle per  
2 owner.

3        9. Motor homes, motorcycles and salvage and fleet vehicles are not  
4 eligible to participate in the program.

5        10. THE VEHICLE OWNER APPLIES TO PARTICIPATE IN THE PROGRAM NOT  
6 MORE THAN SIXTY DAYS AFTER FAILING THE MOST RECENT EMISSIONS TEST.

7        11. THE VEHICLE OWNER REPAIRS THE VEHICLE NOT MORE THAN SIXTY DAYS  
8 AFTER ACCEPTANCE INTO THE PROGRAM.

9        C. Notwithstanding subsection B or D of this section, diesel  
10 powered motor vehicles with a gross vehicle rating of more than eight  
11 thousand five hundred pounds, that are subject to the vehicle emissions  
12 inspection program and ~~that fail any random roadside vehicle test~~  
13 ~~conducted by the state or~~ that fail the emissions test conducted pursuant  
14 to section 49-542 are eligible for up to \$1,000 in repair ~~or retrofit~~  
15 costs from the program. Qualified vehicle owners pursuant to this  
16 subsection shall be responsible for one-half of the costs of the qualified  
17 repairs and the other half of the costs shall be funded from the program  
18 up to \$1,000. An owner of vehicles that are registered as a fleet shall  
19 not receive more than \$10,000 in total monies. Not more than twenty-five  
20 percent of the program funds in any year may be used for the purposes of  
21 this subsection.

22        D. The department shall operate and administer an emissions control  
23 repair ~~and retrofit~~ program ~~in cooperation with the county~~ that provides  
24 that:

25        1. Vehicle owners who qualify for the repair ~~and retrofit~~ program  
26 shall pay the first \$100 as a copayment.

27        2. Vehicles that require more than \$1,000 in repair ~~or retrofit~~  
28 costs are not eligible unless the vehicle owner chooses to pay additional  
29 costs.

30        E. The voluntary vehicle repair ~~and retrofit~~ program fund is  
31 established. The director shall administer the fund. Not more than five  
32 percent of the monies in the fund may be used for the purpose of educating  
33 the general public about the program and eligibility for the program. The  
34 fund consists of monies from the following sources:

35        1. Monies appropriated by the legislature.

36        2. Monies appropriated by political subdivisions.

37        3. Monies deposited pursuant to section 49-551, subsection B.

38        4. Gifts, grants and donations.

39        F. On or before December 1 of each year, the department OF  
40 ENVIRONMENTAL QUALITY shall prepare and submit a progress report to the  
41 department of transportation, the speaker of the house of representatives,  
42 the president of the senate, the governor and the secretary of state on  
43 the voluntary vehicle repair ~~and retrofit~~ program that contains at least  
44 the following information:

45        1. The number of vehicles repaired ~~or retrofitted~~ by model year.

1        2. The cost-effectiveness of the program in terms of dollars spent  
2 per ton of vehicle emissions reductions.

3        3. Any recommendations for improving the effectiveness of the  
4 program.

5        4. The administrative costs of the program.

6        G. FOR THE PURPOSES OF THIS SECTION, "OWNER" HAS THE SAME MEANING  
7 PRESCRIBED IN SECTION 28-101.

8        Sec. 5. Laws 1997, chapter 99, section 7, as amended by Laws 2002,  
9 chapter 35, section 1, Laws 2007, chapter 31, section 1 and Laws 2017,  
10 chapter 192, section 1, is amended to read:

11        Sec. 7. Delayed repeal

12        The following sections are repealed from and after December 31, ~~2025~~  
13 2028:

14        1. Section 44-1302, Arizona Revised Statutes.

15        2. Section 44-1305, Arizona Revised Statutes.

16        Sec. 6. Conditional enactment

17        Section 49-542, Arizona Revised Statutes, as amended by Laws 2024,  
18 chapter 150, section 6 and this act, becomes effective on the date  
19 prescribed by Laws 2021, chapter 27, section 9, as amended by Laws 2023,  
20 chapter 78, section 1, but only on the occurrence of the condition  
21 prescribed by Laws 2021, chapter 27, section 9, as amended by Laws 2023,  
22 chapter 78, section 1.

APPROVED BY THE GOVERNOR MAY 2, 2025.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 2, 2025.