

REFERENCE TITLE: asbestos program; rules; fees

State of Arizona  
Senate  
Fifty-seventh Legislature  
Second Regular Session  
2026

## **SB 1449**

Introduced by  
Senator Shope

AN ACT

AMENDING SECTIONS 49-426.03 AND 49-551, ARIZONA REVISED STATUTES; RELATING  
TO STATE AIR POLLUTION CONTROL.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 49-426.03, Arizona Revised Statutes, is amended  
3 to read:

4 49-426.03. Enforcement of federal hazardous air pollutant  
5 program; rules; fee

6 A. The list of hazardous air pollutants in section 112(b)(1) of the  
7 clean air act is adopted as the list of federally listed hazardous air  
8 pollutants that will be subject to the program adopted pursuant to  
9 subsection B of this section. Within one year after the administrator  
10 adds or deletes a pollutant pursuant to section 112(b)(2) or (3) of the  
11 clean air act, the director shall adopt those revisions for the list  
12 adopted pursuant to this subsection unless the director finds that there  
13 is no scientific evidence to support the revision.

14 B. The director shall adopt by rule a program for administration  
15 and enforcement of the federal hazardous air pollutant program established  
16 by section 112 of the clean air act. The program shall be consistent with  
17 and meet the requirements of section 112 of the clean air act and shall  
18 contain the following provisions:

19 1. After the date specified by the administrator in rules adopted  
20 pursuant to section 112(g)(1)(B) of the clean air act, no person may  
21 obtain a permit or permit revision to modify a major source of federally  
22 listed hazardous air pollutants or to construct a new major source of  
23 federally listed hazardous air pollutants, unless the director determines  
24 that the person will install the maximum achievable control technology for  
25 the modification or new major source. For purposes of this paragraph, ~~the~~  
26 ~~terms~~ "major source" and "modification" have the meanings set forth in  
27 section 112(a) of the clean air act and implementing regulations adopted  
28 by the administrator. A new or modified major source of federally listed  
29 hazardous air pollutants means a major source that commences construction  
30 or a modification after rules adopted by the director pursuant to this  
31 subsection become effective pursuant to section 41-1032. A physical  
32 change to a source or change in the method of operation of a source is not  
33 a modification subject to this paragraph or paragraph 2 of this subsection  
34 if the change complies with section 112(g)(1) of the clean air act.

35 2. After the date specified by the administrator in rules adopted  
36 pursuant to section 112(g)(1)(B) of the clean air act and until the  
37 administrator adopts emissions standards establishing the maximum  
38 achievable control technology for a source category or subcategory that  
39 includes a source subject to paragraph 1 of this subsection, the director  
40 shall determine the maximum achievable control technology for the  
41 modification of new major source on a case-by-case basis. If the director  
42 determines that it is not feasible to prescribe or enforce an emission  
43 standard, a maximum achievable control technology standard imposed  
44 pursuant to this paragraph may consist of a design, equipment, work  
45 practice or operational standard, or a combination thereof.

1           3. If an existing source submits an application pursuant to section  
2 49-426 ~~which~~ THAT demonstrates that the source has achieved a reduction of  
3 ninety ~~per cent~~ PERCENT or more of federally listed hazardous air  
4 pollutants or ninety-five ~~per cent~~ PERCENT in the case of federally listed  
5 hazardous air pollutants that are particulates, the director shall issue a  
6 permit or permit revision allowing the source to meet an alternative  
7 emission limitation reflecting such reduction in lieu of an emission  
8 limitation promulgated by the administrator under section 112(d) of the  
9 clean air act. The application shall comply with section 112(i)(5) of the  
10 clean air act and implementing regulations adopted by the administrator.  
11 The alternative emission limitation shall apply for a period of six years  
12 from the compliance date otherwise applicable to the source under section  
13 112(d) of the clean air act.

14           4. If the administrator fails to adopt a standard for a source  
15 category or subcategory within eighteen months after the deadline  
16 established for that category or subcategory pursuant to section 112(e)(1)  
17 and (3) of the clean air act, the owner or operator of an existing major  
18 source in the category or subcategory shall be required to submit a permit  
19 application for such source pursuant to section 49-426, and the director,  
20 acting in accordance with the procedures adopted pursuant to section  
21 49-426, shall be required to issue a permit establishing maximum  
22 achievable control technology for the affected source on a case-by-case  
23 basis or, in the alternative, an alternative emission limitation pursuant  
24 to paragraph 3 of this subsection. If the director determines that it is  
25 not feasible to prescribe or enforce an emission standard, a maximum  
26 achievable control technology standard imposed pursuant to this paragraph  
27 may consist of a design, equipment, work practice or operational standard,  
28 or a combination thereof.

29           5. When the administrator adopts and makes effective standards  
30 pursuant to section 112(d) or 112(f) of the clean air act, the director  
31 shall adopt those standards in the same manner as prescribed by the  
32 administrator.

33           6. When a reliable method of measuring emissions of a hazardous air  
34 pollutant subject to this section is not available, the director shall not  
35 require compliance with a numeric emission limit for that pollutant but  
36 shall instead require compliance with a design, equipment, work practice  
37 or operational standard, or a combination of those standards. The  
38 provision adopted pursuant to this paragraph shall not apply to sources or  
39 modifications that commence construction after the permit program  
40 established pursuant to section 49-426 becomes effective under section  
41 502(h) of the clean air act.

42           C. Where the clean air act has established provisions, including  
43 specific schedules, for the regulation of source categories pursuant to  
44 section 112(e)(5) and 112(n) of the clean air act, those provisions and

1 schedules shall be adopted by the director and shall apply to the  
2 regulation of those source categories under subsection B of this section.

3 D. For any category or subcategory of facilities licensed by the  
4 nuclear regulatory commission, the director shall not adopt or enforce any  
5 standard or limitation respecting emissions of radionuclides ~~which~~ THAT is  
6 more stringent than the standard or limitation adopted by the  
7 administrator pursuant to section 112 of the clean air act.

8 E. When the administrator makes one of the following findings  
9 pursuant to section 112(n)(1)(A) of the clean air act, the finding is  
10 effective for purposes of the state's administration and enforcement of  
11 the federal hazardous air pollutant program in the same manner as  
12 prescribed by the administrator:

13 1. A finding that regulation is not appropriate or necessary.

14 2. A finding that alternative control strategies should be applied.

15 F. THE DIRECTOR SHALL ADOPT RULES TO ESTABLISH A FEE FOR  
16 IMPLEMENTING AN ASBESTOS REGULATORY PROGRAM CONSISTENT WITH 40 CODE OF  
17 FEDERAL REGULATIONS PART 61, SUBPART M. THE DIRECTOR SHALL DEPOSIT,  
18 PURSUANT TO SECTIONS 35-146 AND 35-147, ALL FEES COLLECTED PURSUANT TO  
19 THIS SUBSECTION IN THE AIR QUALITY FEE FUND ESTABLISHED BY SECTION 49-551.

20 Sec. 2. Section 49-551, Arizona Revised Statutes, is amended to  
21 read:

22 49-551. Air quality fee; air quality fund; purpose

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

34 B. The registering officer shall collect the fees and immediately  
35 deposit, pursuant to sections 35-146 and 35-147, the air quality fees in  
36 the air quality fund established by subsection C of this section and shall  
37 deposit the diesel fees in the voluntary vehicle repair program fund  
38 established pursuant to section 49-558.02.

39 C. The air quality fund is established consisting of monies  
40 received pursuant to this section AND SECTION 49-426.03, gifts, grants and  
41 donations, and monies appropriated by the legislature. The department ~~of~~  
42 ~~environmental quality~~ shall administer the fund. Monies in the fund are  
43 exempt from the provisions of section 35-190 relating to the lapsing of  
44 appropriations. Interest earned on monies in the fund shall be credited

1 to the fund. Monies in the air quality fund shall be used, subject to  
2 legislative appropriation, for:

3 1. Air quality research, experiments and programs conducted by or  
4 for the department for the purpose of bringing area A or area B into or  
5 maintaining area A or area B in attainment status, improving air quality  
6 in areas of this state outside area A or area B and reducing emissions of  
7 particulate matter, carbon monoxide, oxides of nitrogen, volatile organic  
8 compounds and hazardous air pollutants throughout ~~the~~ THIS state.

9 2. Monitoring visible air pollution and developing and implementing  
10 programs to reduce emissions of pollutants that contribute to visible air  
11 pollution in counties with a population of four hundred thousand persons  
12 or more.

13 3. Developing and adopting rules in compliance with sections  
14 49-426.03, 49-426.04, 49-426.05 and 49-426.06.

15 D. The department of environmental quality shall transfer \$400,000  
16 from the air quality fund to the department of administration for the  
17 purposes prescribed by section 49-588 in eight installments in each of the  
18 first eight months of a fiscal year.

19 E. This section does not apply to an electrically powered golf cart  
20 or an electrically powered vehicle.

21 Sec. 3. Legislative intent

22 The legislature intends that the director of the department of  
23 environmental quality adopt fees pursuant to section 49-426.03, Arizona  
24 Revised Statutes, as amended by this act, only in an amount sufficient to  
25 cover the department's expenses in implementing the asbestos regulatory  
26 program.