Department of Legislative Services

Maryland General Assembly

FISCAL NOTE Revised

House Bill 71 (Delegate Elliott. *et al.*)

Environmental Matters

Vehicle Emissions Inspection Program - Retest Waivers - Repair Expenditures

This bill extends through December 31, 1999, the period of time during which vehicle owners can be granted a waiver from the Vehicle Emissions Inspection Program (VEIP) after proving that they have spent \$150 on emission-related repairs. This is provided that the repairs are made within 60 days after the initial exhaust emissions test.

Fiscal Summary

State Effect: None. The bill conforms State law to the requirements of the federal Clean Air Act.

Local Effect: None.

Small Business Effect: Minimal.

Fiscal Analysis

Background: In response to requirements of the federal Clean Air Act (CAA), Maryland has operated a vehicle emissions inspection and maintenance (I/M) program in various parts of the State since 1984. As amended in 1990, the CAA requires all areas of the country to achieve specific air quality standards for ozone, and provides penalties for states failing to achieve the standards. Penalties include limits on new industries, loss of federal highway funds, and imposition of a federal implementation plan.

Maryland's Vehicle Emissions Inspection Program (VEIP) was reauthorized in 1991 through legislation requiring the Maryland Motor Vehicle Administration (MVA) and the Maryland Department of the Environment (MDE) to establish an expanded and "enhanced" I/M testing program in compliance with the 1990 Amendments to the Clean Air Act. Full

implementation of the enhanced program, however, was delayed under legislation enacted by the General Assembly in 1995 and 1996. Legislation enacted in 1997 (Senate Bill 278) that would have prevented implementation of a <u>mandatory</u> enhanced program was vetoed by the Governor, and which was sustained by a 27-20 vote in the Senate on January 16, 1998.

Until June 1, 1997, the mandatory I/M test for most vehicles was the same basic tailpipe test and visual inspection that vehicles had been undergoing for several years. However, beginning June 1, 1997 the State had the authority to impose an "enhanced" I/M test which became mandatory on October 1, 1997. Since 1995 (Chapter 489), the "enhanced" I/M test has been mandatory for State vehicles and, to the extent allowable by federal law, federal vehicles.

As of October 1, 1997, the State required model year vehicles 1984 and later to receive a biennial "dynamometer test." The test is performed by an inspection technician using the vehicle's gas pedal to increase and decrease the "speed" of the vehicle to simulate driving conditions as the tires rotate on a treadmill (the rollers of the dynamometer) and emissions from the vehicle are monitored by a computer running an I/M 240 driving simulation.

MDE submitted a comprehensive VEIP implementation program (VEIP SIP) to EPA that covered all applicable areas: Baltimore MSA, Washington D.C. MSA, Cecil County (Philadelphia-Wilmington-Trenton MSA), and the Hagerstown MSA. EPA issued final conditional approval for the VEIP SIP on July 31, 1997, with conditions that must be met by September 29, 1998 in order for the SIP to be approved.

State Effect: This bill extends through December 31, 1999 the \$150 minimum repair waiver amount that is currently in place under the State's VEIP. Current law states that as of January 1, 1998 the minimum repair expenditure amount in order to receive a waiver must comply with the federal minimum waiver amount of \$450 (adjusted to the Consumer Price Index). However, EPA has granted states a certain amount of flexibility in enacting the federal minimum waiver amount. EPA has advised Maryland that it must implement a minimum waiver that coincides with the federal minimum waiver amount by January 1, 2000 in order to comply with the Clean Air Act.

Information Source(s): Maryland Department of the Environment, Maryland Department of Transportation (Motor Vehicle Administration), Department of Legislative Services

Fiscal Note History: First Reader - February 2, 1998

tlw Revised - House Third Reader - April 3, 1998

Analysis by: Mike Sanelli Direct Inquiries to:

Reviewed by: John Rixey John Rixey, Coordinating Analyst

(410) 841-3710 (301) 858-3710