

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 414 (Delegates O'Donnell and Owings)

Environmental Matters

Vehicle Emissions Inspection Program - Calvert County

This bill exempts Calvert County from the I/M 240 (dynamometer) emissions test if Calvert County is reclassified as being in attainment of the applicable national ambient air quality standards, and if the U.S. Environmental Protection Agency approves an air quality maintenance plan for the county that does not require the test. The Motor Vehicle Administration (MVA) and the Maryland Department of the Environment (MDE) may design and implement an incentive program to persuade vehicle owners in Calvert County to voluntarily submit to the dynamometer test. MDE must monitor the status of the county's classification.

The MVA and MDE must report to the Senate Judicial Proceedings Committee and House Environmental Matters Committee on any changes in the status of Calvert County's participation in the VEIP program.

This bill takes effect June 1, 1998.

Fiscal Summary

State Effect: Indeterminate increase in expenditures. Potential indeterminate increase in computer programming costs. No effect on revenues.

Local Effect: Minimal impact on Calvert County.

Small Business Effect: Minimal.

Fiscal Analysis

State Effect: Should the county receive reclassification, it is assumed that Calvert County residents would still be required to submit their vehicles to a tailpipe emissions test. The current cost of this test is \$12 (the same as the dynamometer test). It is possible that it could be raised to \$14 sometime in the next several years. Therefore, there would not be a net revenue loss associated with eliminating the dynamometer test requirement.

There are approximately 106,000 vehicles registered in Calvert County. The MVA estimates that expenditures could increase by \$50,000 in fiscal 1999 as a result of printing and mailing materials to Calvert County residents informing them of the new testing requirements and of the opportunity to submit to voluntary dynamometer testing. Costs in subsequent years are estimated to be \$25,000 annually.

The MVA advises that computer programming expenditures could increase by an estimated \$20,000 to modify the computer programs as proposed in this legislation. The Department of Legislative Services (DLS) advises that if other legislation is passed requiring computer reprogramming changes, economies of scale could be realized. This would reduce computer programming costs associated with this bill and other legislation affecting the MVA system. Further, DLS advises that the increased computer expenditure is simply an estimate and the MVA may be able to handle the changes with either less money than it estimates or existing resources.

The MVA could also realize an indeterminate expenditure increase as a result of establishing an incentive program to encourage Calvert County residents to submit to voluntary dynamometer testing. Until an incentive plan is developed for Calvert County, any such increase cannot be reliably estimated. The MVA advises that an incentive program offering vehicle owners a \$2 discount for voluntarily submitting their vehicles to the dynamometer test was in existence prior to the test becoming mandatory in October 1997. That incentive program is no longer in place.

DLS advises that any expenditure increases associated with the bill cannot be reliably estimated at this time because any increases are contingent upon the EPA determining that Calvert County is in attainment of applicable ambient air quality standards. It is also not known when, if ever, this assessment would be made. MDE advises that it is unlikely that Calvert County would receive this reclassification from EPA in the immediate future since the county is currently designated as being in "serious nonattainment" and is part of a multi-state ozone transport region. Also, EPA customarily collects data for a minimum of three years to make an accurate assessment of air quality. If the reclassification was approved, the maintenance plan would possibly include other controls on emissions sources to make up for the loss of the enhanced VEIP emissions reductions.

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

Fiscal Note History: First Reader - March 16, 1998

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Analysis by: Mike Sanelli
Reviewed by: John Rixey

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 841-3710
(301) 858-3710