

AMENDED IN SENATE AUGUST 20, 2010

AMENDED IN SENATE JULY 15, 2010

AMENDED IN SENATE JUNE 15, 2010

AMENDED IN SENATE FEBRUARY 9, 2010

AMENDED IN ASSEMBLY JUNE 1, 2009

AMENDED IN ASSEMBLY APRIL 15, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 787

Introduced by Assembly Member Hill

February 26, 2009

An act to amend Sections 44062.1 and 44062.3, 44062.3, and 44125 of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 787, as amended, Hill. Smog check: vehicle repair assistance and retirement program.

(1) Existing law establishes a motor vehicle inspection and maintenance (smog check) program, developed, implemented, and administered by the Department of Consumer Affairs (*the department*). The duty of enforcing and administering the program is vested in the Chief of the Bureau of Automotive Repair within the department. The owner of a motor vehicle that has failed its most recent smog check inspection has the right to retire the vehicle from operation at a dismantler under contract with the Bureau of Automotive Repair, and the department is required to pay this person up to \$1,500, or more if cost effective.

This bill would ~~increase this amount from \$1,500 to \$2,000~~ *instead require the department to pay a person who retires his or her vehicle \$1,500 for a low-income motor vehicle owner, as defined, and \$1,000 for all other motor vehicle owners, and would authorize additional payments above these amounts based on consideration of specified criteria.* The bill would require the department to permit vehicle retirement for any motor vehicle that has been continuously registered in the state for at least 2 years prior to vehicle retirement, and that fails any type of ~~legally required~~ smog check inspection *lawfully performed in the state.*

Existing law also creates an enhanced fleet modernization program for the retirement of high polluting vehicles to be administered by the Bureau of Automotive Repair pursuant to guidelines adopted by the State Air Resources Board.

This bill would require retirement payments made pursuant to that program to also be \$1,500 for a low-income motor vehicle owner and \$1,000 for all other motor vehicle owners, and would authorize additional payments above these amounts based on the same criteria as in the vehicle retirement program discussed above.

(2) Existing law provides for a repair assistance program available to an individual whose maximum income level is 185% of the federal poverty level, or 225% of the federal poverty level if a certain determination is made, and who is the owner of a motor vehicle that has failed a smog check inspection or received a notice to correct, or an individual who has failed a smog check inspection and is directed to a test-only facility.

This bill would make the repair assistance program available only to low-income individuals whose income does not exceed ~~300%~~ 225% of the federal poverty level, as specified. The bill would make other conforming changes, and delete obsolete provisions of law.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 44062.1 of the Health and Safety Code
- 2 is amended to read:
- 3 44062.1. (a) The department shall offer a repair assistance
- 4 program through entities authorized to perform referee functions.

1 (b) (1) The repair assistance program shall be available to an
2 individual who is a low-income motor vehicle owner, and who is
3 either or both of the following:

4 (A) The owner of a motor vehicle that has failed a smog check
5 inspection.

6 (B) The owner of a motor vehicle who was issued a notice to
7 correct for an alleged violation of Section 27153 or 27153.5 of the
8 Vehicle Code involving that vehicle, if the vehicle subject to that
9 notice has failed a smog check inspection subsequent to receiving
10 the notice.

11 (2) The department shall offer repair cost assistance to
12 individuals based on the cost-effectiveness and air quality benefit
13 of the needed repair. Repair assistance may include retesting costs
14 and the costs of repairs to remedy the violation of Section 27153
15 or 27153.5 of the Vehicle Code.

16 (3) An applicant for repair assistance shall file an application
17 on a form prescribed by the department, and shall certify under
18 penalty of perjury that the applicant meets the applicable eligibility
19 standards.

20 (4) Verification of income eligibility shall be based on at least
21 one form of documentation, as determined by the department,
22 including, but not limited to, (A) an income tax return, (B) an
23 employment warrant, or (C) a form of public assistance
24 verification.

25 (c) The repair assistance program shall be funded by the High
26 Polluter Repair or Removal Account.

27 (d) Repairs to motor vehicles that fail smog check inspections
28 and are subsidized by the state through the program shall be
29 performed at a repair station licensed and certified pursuant to
30 Sections 44014 and 44014.2. Repairs shall be based upon a
31 preapproved list of repairs for cost-effective emission reductions
32 or repairs to remedy a violation of Section 27153 or 27153.5 of
33 the Vehicle Code.

34 (e) The qualified low-income motor vehicle owner receiving
35 repair assistance pursuant to this section shall contribute a
36 copayment, as determined by the department, either in cash, or in
37 emissions-related partial repairs as verified by a test-only station
38 pursuant to paragraph (2) of subdivision (c) of Section 44015, or
39 a combination thereof. If the repair cost exceeds the applicable

1 repair cost limit, the department shall inform a motor vehicle owner
 2 of all options for compliance at the time of testing and repair.

3 (f) The department may increase its contribution toward the
 4 repair of a motor vehicle under this program in excess of the
 5 amount authorized for the repair of a high polluter pursuant to
 6 paragraph (1) of subdivision (b) of Section 44094, if the department
 7 determines that the expenditure is cost effective. In determining
 8 the cost-effectiveness of the expenditure, the department shall
 9 consider a failure of the visible smoke test, pursuant to Section
 10 44012.1, and the costs associated with repairing a smoking vehicle.

11 (g) The department shall collect data from the program to
 12 provide information to develop recommendations to improve the
 13 program. Data collection shall include all of the following:

- 14 (1) The number of motor vehicle owners that are eligible for
 15 repair assistance.
- 16 (2) The number of eligible motor vehicle owners that use repair
 17 assistance funds.
- 18 (3) The potential for fraud.
- 19 (4) The average repair bills.
- 20 (5) The types of repairs being done.
- 21 (6) The amount of partial repairs done prior to receipt of repair
 22 assistance.

23 (7) The emissions benefits of providing repair assistance.

24 (h) For purposes of this section, “low-income motor vehicle
 25 owner” means a person whose income does not exceed ~~300~~ 225
 26 percent of the federal poverty level, as published quarterly in the
 27 Federal Register by the United States Department of Health and
 28 Human Services.

29 SEC. 2. Section 44062.3 of the Health and Safety Code is
 30 amended to read:

31 44062.3. (a) The owner of a motor vehicle that has been
 32 continuously registered in the state for at least two years prior to
 33 vehicle retirement, and that has failed the most recent smog check
 34 inspection for that vehicle, may retire the vehicle from operation
 35 at a dismantler under contract with the Bureau of Automotive
 36 Repair, at any time after learning of the smog check failure. The
 37 department shall pay a person who retires his or her vehicle under
 38 this section ~~up to two thousand dollars (\$2,000)~~. The department
 39 ~~may pay an owner of a motor vehicle who elects to retire the~~
 40 ~~vehicle more than two thousand dollars (\$2,000), if the department~~

1 ~~determines that this payment is cost effective.~~ *one thousand five*
2 *hundred dollars (\$1,500) for a low-income motor vehicle owner,*
3 *as defined in Section 44062.1, and one thousand dollars (\$1,000)*
4 *for all other motor vehicle owners. The department may pay a*
5 *motor vehicle owner more than these amounts based on factors,*
6 *including, but not limited to, the age of the vehicle, the emission*
7 *benefit of the vehicle's retirement, the emission impact of any*
8 *replacement vehicle, and the location of the vehicle in an area of*
9 *the state with the poorest air quality.*

10 (b) The department shall permit vehicle retirement pursuant to
11 subdivision (a) for any motor vehicle that has been continuously
12 registered in the state for at least two years prior to vehicle
13 retirement, and that fails any type of ~~legally required~~ smog check
14 inspection *lawfully performed in the state* .

15 *SEC. 3. Section 44125 of the Health and Safety Code is*
16 *amended to read:*

17 44125. (a) No later than July 1, 2009, the state board, in
18 consultation with the Bureau of Automotive Repair (BAR), shall
19 adopt a program to commence on January 1, 2010, that allows for
20 the voluntary retirement of passenger vehicles and light-duty and
21 medium-duty trucks that are high polluters. The program shall be
22 administered by the BAR pursuant to guidelines adopted by the
23 state board.

24 (b) The guidelines shall ensure all of the following:

25 (1) Vehicles retired pursuant to the program are permanently
26 removed from operation and retired at a dismantler under contract
27 with the BAR.

28 (2) Districts retain their authority to administer vehicle
29 retirement programs otherwise authorized under law.

30 (3) The program is available for high polluting passenger
31 vehicles and light-duty and medium-duty trucks that have been
32 continuously registered in California for two years prior to
33 acceptance into the program or otherwise proven to have been
34 driven primarily in California for the last two years and have not
35 been registered in another state or country in the last two years.

36 (4) The program is focused where the greatest air quality impact
37 can be identified.

38 (5) ~~Compensation levels for retired vehicles are flexible, taking~~
39 ~~into account~~ *shall be one thousand five hundred dollars (\$1,500)*
40 *for a low-income motor vehicle owner, as defined in Section*

1 44062.1, and one thousand dollars (\$1,000) for all other motor
2 vehicle owners. The department may pay a motor vehicle owner
3 more than these amounts based on factors including, but not limited
4 to, the age of the vehicle, the emission benefits of the vehicle's
5 retirement, the emission impact of any replacement vehicle, and
6 the location of ~~vehicles~~ *the vehicle in* ~~areas~~ *an area* of the state
7 with the poorest air quality.

8 (6) Cost-effectiveness and impacts on disadvantaged and
9 low-income populations are considered.

10 ~~SEC. 3.~~

11 *SEC. 4.* The savings created by the amendments made to
12 Section 44062.1 of the Health and Safety Code by Section 1 of
13 this act shall be used exclusively to fund retirement payments
14 pursuant to Section 44062.3 of the Health and Safety Code.