

AMENDED IN SENATE AUGUST 25, 1998

AMENDED IN SENATE AUGUST 24, 1998

AMENDED IN ASSEMBLY MAY 26, 1998

CALIFORNIA LEGISLATURE—1997–98 REGULAR SESSION

ASSEMBLY BILL

No. 2795

Introduced by Assembly Member Oller
(Coauthors: Senators Johannessen, Hurtt, and Thompson)

March 2, 1998

An act to amend Sections 44000.5, 44011, 44012, 44013.5, 44014, 44015, 44017, 44020, 44021, 44024.5, 44033, 44036, 44045.5, 44050, 44056, 44060, 44062.1, 44081, and 44081.6 of, to add Section 44011.3 to, and to repeal Sections 44003, 44010.5, 44014.2, 44014.4, 44014.5, and 44014.7 of, the Health and Safety Code, and to amend Section 4000.3 of the Vehicle Code, relating to air pollution, ~~and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 2795, as amended, Oller. Motor vehicles: smog check program.

(1) Existing law establishes a motor vehicle inspection and maintenance (smog check) program, administered by the Department of Consumer Affairs; requires inspection of motor vehicles upon initial registration, biennially upon renewal of registration, upon transfer of ownership, and in certain other circumstances; and requires all motor vehicles that are registered in designated areas of the state to

biennially obtain a certificate of compliance or noncompliance with motor vehicle emission standards, except for certain exempted motor vehicles. Existing law also provides for an enhanced motor vehicle inspection and maintenance program in each urbanized area of the state, any part of which is classified by the United States Environmental Protection Agency as a serious, severe, or extreme nonattainment area for carbon monoxide with a design value greater than 12.7 ppm, and in other areas of the state, as specified.

This bill would repeal those provisions providing for an enhanced program and would make related changes.

This bill would also permit every motor vehicle subject to the inspection program to be pretested, as defined. The bill would also require information contained in the renewal of registration notice to notify the owner of the vehicle of the right to have the vehicle pretested.

(2) The bill would require the Bureau of Automotive Repair to provide reimbursement to eligible smog check station owners for certain costs incurred to comply with the enhanced smog check program from specified funds appropriated pursuant to the Budget Act of 1998.

~~(3) The bill would declare that it is to take effect immediately as an urgency statute.~~

Vote: $\frac{2}{3}$ 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 44000.5 of the Health and Safety
2 Code is amended to read:
3 44000.5. (a) The Legislature further finds and
4 declares that the motor vehicle inspection and
5 maintenance program implemented under this chapter
6 has, since 1984, provided beneficial emission reductions
7 without undue inconvenience to California vehicle
8 owners, and vehicle owners will benefit from the
9 maintenance by the state of a substantially decentralized
10 program giving them a choice among thousands of

1 independent licensed stations able to perform both
2 inspection and repair of vehicles.

3 (b) With the enactment of this chapter, the
4 Legislature does not intend to create a statutory
5 presumption that any motor vehicle, solely by virtue of
6 make, model, or year of manufacture, shall be classified
7 or categorized as a “gross polluter” or a “gross polluting
8 vehicle.”

9 (c) With the enactment of this chapter, the
10 Legislature does not intend to place an unreasonable
11 burden on fleet vehicles with respect to compliance with
12 smog inspection and maintenance regulations.

13 SEC. 2. Section 44003 of the Health and Safety Code
14 is repealed.

15 SEC. 3. Section 44010.5 of the Health and Safety Code
16 is repealed.

17 SEC. 4. Section 44011 of the Health and Safety Code
18 is amended to read:

19 44011. All motor vehicles powered by internal
20 combustion engines that are registered within an area
21 designated for program coverage shall be required
22 biennially to obtain a certificate of compliance or
23 noncompliance, except for all of the following:

24 (a) Every motorcycle, and every diesel-powered
25 vehicle, until the department, pursuant to Section 44012,
26 implements test procedures applicable to motorcycles or
27 to diesel-powered vehicles, or both.

28 (b) Any motor vehicle that has been issued a
29 certificate of compliance or noncompliance or a repair
30 cost waiver upon a change of ownership or initial
31 registration in this state during the preceding six months.

32 (c) (1) Prior to January 1, 2003, any motor vehicle
33 manufactured prior to the 1974 model-year.

34 (2) Beginning January 1, 2003, any motor vehicle that
35 is 30 or more model-years old.

36 (d) (1) Any motor vehicle four or less model-years
37 old.

38 (2) Any motor vehicle excepted by this subdivision
39 shall be subject to testing and to certification

1 requirements as determined by the department, if any of
2 the following apply:

3 (A) The department determines through remote
4 sensing activities or other means that there is a substantial
5 probability that the vehicle has a tampered emission
6 control system or would fail for other cause a smog check
7 test as specified in Section 44012.

8 (B) The vehicle was previously registered outside this
9 state and is undergoing initial registration in this state.

10 (C) The vehicle is being registered as a specially
11 constructed vehicle.

12 (D) The vehicle has been selected for testing pursuant
13 to any provision of this chapter authorizing out-of-cycle
14 testing.

15 (e) Any motor vehicle or class of motor vehicles
16 exempted pursuant to subdivision (b) of Section 44024.5.

17 (f) Any motor vehicle that the department
18 determines would present prohibitive inspection or
19 repair problems.

20 (g) Any vehicle registered to the owner of a fleet
21 licensed pursuant to Section 44020 if the vehicle is
22 garaged exclusively outside the area included in program
23 coverage, and is not primarily operated inside the area
24 included in program coverage.

25 SEC. 5. Section 44011.3 is added to the Health and
26 Safety Code, to read:

27 44011.3. Every motor vehicle that is subject to testing
28 pursuant to this chapter may be pretested. As used in this
29 section, a pretest is a smog inspection in which the motor
30 vehicle is submitted to some or all of the required
31 elements of the emissions inspection as specified in
32 Section 44012, the results of which will not be reported to
33 the Department of Motor Vehicles and for which a
34 certificate will not be issued. A person choosing to have
35 his or her vehicle pretested has the right to have a
36 complete pretest of the vehicle unless the person requests
37 a partial pretest. If the person requests a partial pretest,
38 the licensed technician or an authorized representative
39 of the licensed smog check station shall inform the vehicle
40 owner that the partial pretest may not indicate the

1 likelihood of the vehicle passing a subsequent official
2 inspection.

3 SEC. 6. Section 44012 of the Health and Safety Code
4 is amended to read:

5 44012. The test at the smog check stations shall be
6 performed in accordance with procedures prescribed by
7 the department, pursuant to Section 44013, shall require
8 two-speed testing in all program areas, and shall ensure
9 all of the following:

10 (a) Emission control systems required by state and
11 federal law are reducing excess emissions in accordance
12 with the standards adopted pursuant to subdivisions (a)
13 and (c) of Section 44013.

14 (b) Motor vehicles are preconditioned to ensure
15 representative and stabilized operation of the vehicle's
16 emission control system.

17 (c) For other than diesel-powered vehicles, the
18 vehicle's exhaust emissions of hydrocarbons, carbon
19 monoxide, carbon dioxide, and oxides of nitrogen in an
20 idle mode or loaded mode are tested in accordance with
21 procedures prescribed by the department.

22 (d) For other than diesel-powered vehicles, the
23 vehicle's fuel evaporative system and crankcase
24 ventilation system are tested to reduce any nonexhaust
25 sources of volatile organic compound emissions, in
26 accordance with procedures prescribed by the
27 department.

28 (e) For diesel-powered vehicles, if the department
29 determines that the inclusion of those vehicles is
30 technologically and economically feasible, a visual
31 inspection is made of emission control devices and the
32 vehicle's exhaust emissions in an idle mode are tested in
33 accordance with procedures prescribed by the
34 department. The test may include testing of emissions of
35 any or all of the pollutants specified in subdivision (c)
36 and, upon the adoption of applicable standards,
37 measurement of emissions of smoke or particulates, or
38 both.

39 (f) A visual or functional check is made of emission
40 control devices specified by the department, including

1 the catalytic converter in those instances in which the
2 department determines it to be necessary to meet the
3 findings of Section 44001. The visual or functional check
4 shall be performed in accordance with procedures
5 prescribed by the department.

6 (g) A determination as to whether the motor vehicle
7 complies with the emission standards for that vehicle's
8 class and model-year as prescribed by the department.

9 (h) The test procedures may authorize smog check
10 stations to refuse the testing of a vehicle that would be
11 unsafe to test, or that cannot physically be inspected, as
12 specified by the department by regulation. The refusal to
13 test a vehicle for those reasons shall not excuse or exempt
14 the vehicle from compliance with all applicable
15 requirements of this chapter.

16 SEC. 7. Section 44013.5 of the Health and Safety Code
17 is amended to read:

18 44013.5. (a) If the department, in consultation with
19 the state board, determines that substantial demand for
20 emission retrofit devices exists, the department shall
21 develop a program for the certification of emissions
22 retrofit device installations by licensed installers. The
23 department may require installers of emissions retrofit
24 devices to be qualified pursuant to this chapter. The
25 department may assess biennial license fees upon those
26 installers in an amount not to exceed the reasonable cost
27 of administering the emissions retrofit device
28 certification program.

29 (b) The certification shall be performed at a referee
30 station and shall be based on a visual inspection of the
31 emissions retrofit device and its installation, and
32 verification of the proper operation of any new or
33 modified components that are a part of the emissions
34 retrofit device, and not on the results of an emissions test.

35 (c) The department shall develop a program for the
36 identification of retrofitted vehicles at smog check
37 stations and for providing information required for the
38 inspection of those systems to smog check stations.

39 (d) This section shall become inoperative pursuant to
40 Section 33 of the act adding this section or, in any case,

1 five years from the date determined pursuant to Section
2 32 of the act adding this section, and on the January 1
3 following the date upon which this section becomes
4 inoperative, is repealed.

5 SEC. 8. Section 44014 of the Health and Safety Code
6 is amended to read:

7 44014. (a) Except as otherwise provided in this
8 chapter, the testing and repair portion of the program
9 shall be conducted by smog check stations licensed by the
10 department, and by smog check technicians who have
11 qualified pursuant to this chapter.

12 (b) The department may authorize the placement of
13 referees in qualified smog check stations to provide
14 referee services as a matter of convenience to the public.
15 The department shall supply those referees directly or
16 through a contractor. A referee shall have no ownership
17 interest in the facility at which the referee is located.
18 Referees shall be solely responsible for issuing repair cost
19 waivers, certificates of compliance or noncompliance,
20 and hardship extensions, in accordance with regulations
21 adopted by the department.

22 The department may adopt regulations to establish
23 qualification standards and any special administrative,
24 operational, and licensure standards that the department
25 determines to be necessary for smog check stations that
26 perform referee services.

27 (c) A smog check station may also be licensed as a
28 repair-only station, and if so licensed, may perform
29 repairs to reduce excessive emissions on vehicles that
30 have failed the smog check test. Repair procedures and
31 equipment requirements shall be established by the
32 department. Technicians employed by a smog check
33 repair-only station shall be qualified in accordance with
34 this section.

35 (d) Smog check technicians are qualified to test and
36 repair only those classes and categories of vehicles for
37 which they have passed a qualification test administered
38 by the department. The department shall provide for
39 smog check technicians to be qualified for different

1 categories of motor vehicle inspection based on vehicle
2 classification and model-year.

3 (e) The consumer protection-oriented quality
4 assurance portion of the program may be conducted by
5 one or more private entities pursuant to contracts with
6 the department.

7 SEC. 9. Section 44014.2 of the Health and Safety Code
8 is repealed.

9 SEC. 10. Section 44014.4 of the Health and Safety
10 Code is repealed.

11 SEC. 11. Section 44014.5 of the Health and Safety
12 Code is repealed.

13 SEC. 12. Section 44014.7 of the Health and Safety
14 Code is repealed.

15 SEC. 13. Section 44015 of the Health and Safety Code,
16 as amended by Chapter 92 of the Statutes of 1998, is
17 amended to read:

18 44015. (a) A licensed smog check station shall not
19 issue a certificate of compliance, except as authorized by
20 this chapter, to any vehicle that meets the following
21 criteria:

22 (1) A vehicle that has been tampered with.

23 (2) A vehicle that, prior to repairs, has been initially
24 identified by the smog check station as a gross polluter.

25 (3) A vehicle described in subdivision (c).

26 (b) If a vehicle meets the requirements of Section
27 44012, a smog check station licensed to issue certificates
28 shall issue a certificate of compliance or a certificate of
29 noncompliance.

30 (c) (1) A repair cost waiver shall be issued, upon
31 request of the vehicle owner, by an entity authorized to
32 perform referee functions for a vehicle that has been
33 properly tested but does not meet the applicable emission
34 standards when it is determined that no adjustment or
35 repair can be made that will reduce emissions from the
36 inspected motor vehicle without exceeding the
37 applicable repair cost limit established under Section
38 44017 and that every defect specified by paragraph (2) of
39 subdivision (a) of Section 43204, and by paragraphs (2)
40 and (3) of subdivision (a) of Section 43205, has been



1 corrected. A repair cost waiver issued pursuant to this
2 paragraph shall be accepted in lieu of a certificate of
3 compliance for the purposes of compliance with Section
4 4000.3 of the Vehicle Code. No repair cost waiver shall
5 exceed two years' duration. No repair cost waiver shall be
6 issued until the vehicle owner has expended an amount
7 equal to the applicable repair cost limit specified in
8 Section 44017.

9 (2) An economic hardship extension shall be issued,
10 upon request of a qualified low-income motor vehicle
11 owner, by an entity authorized to perform referee
12 functions, for a motor vehicle that has been properly
13 tested but does not meet the applicable emission
14 standards when it is determined that no adjustment or
15 repair can be made that will reduce emissions from the
16 inspected motor vehicle without exceeding the
17 applicable repair cost limit, as established pursuant to
18 Section 44017.1, that every defect specified in paragraph
19 (2) of subdivision (a) of Section 43204, and in paragraphs
20 (2) and (3) of subdivision (a) of Section 43205, has been
21 corrected, that the low-income vehicle owner would
22 suffer an economic hardship if the extension is not issued,
23 and that all appropriate emissions-related repairs up to
24 the amount of the applicable repair cost limit in Section
25 44017.1 have been performed.

26 (d) No repair cost waiver or economic hardship
27 extension shall be issued under any of the following
28 circumstances:

29 (1) If a motor vehicle was issued a repair cost waiver
30 or economic hardship extension in the previous biennial
31 inspection of that vehicle. A repair cost waiver or
32 economic hardship extension may be issued to a motor
33 vehicle owner only once for a particular motor vehicle
34 belonging to that owner. However, a repair cost waiver
35 or economic hardship extension may be issued for a motor
36 vehicle that participated in a previous waiver or
37 extension program prior to January 1, 1998, as determined
38 by the department. For waivers or extensions issued in
39 the program operative on or after January 1, 1998, a

1 waiver or extension may be issued for a motor vehicle
2 only once per owner.

3 (2) Upon initial registration of all of the following: a
4 direct import motor vehicle, a motor vehicle previously
5 registered outside this state, a dismantled motor vehicle
6 pursuant to Section 11519 of the Vehicle Code, a motor
7 vehicle that has had an engine change, an alternate fuel
8 vehicle, and a specially constructed vehicle.

9 (e) Unless the certificate is issued to a licensed
10 automobile dealer, a certificate of compliance or
11 noncompliance shall be valid for 90 days. If the certificate
12 is issued to a licensed automobile dealer, the certificate
13 shall be valid for 180 days.

14 (f) A test may be made at any time within 90 days prior
15 to the date otherwise required.

16 SEC. 14. Section 44017 of the Health and Safety Code
17 is amended to read:

18 44017. (a) A motor vehicle owner shall qualify for a
19 repair cost waiver only after expenditure of an amount
20 for repairs, including parts and labor as follows:

21 (1) For motor vehicles of 1971 and earlier model years,
22 fifty dollars (\$50).

23 (2) For motor vehicles of 1972 to 1974, inclusive, model
24 years, ninety dollars (\$90).

25 (3) For motor vehicles of 1975 to 1979, inclusive, model
26 years, one hundred twenty-five dollars (\$125).

27 (4) For motor vehicles of 1980 to 1989, inclusive, model
28 years, one hundred seventy-five dollars (\$175).

29 (5) For motor vehicles of 1990 to 1995, inclusive, model
30 years, three hundred dollars (\$300).

31 (6) For motor vehicles of 1996 and later model years,
32 four hundred fifty dollars (\$450).

33 (b) The department shall periodically revise the
34 repair cost limits specified in subdivision (a) in
35 accordance with changes in the Consumer Price Index,
36 as published by the United States Bureau of Labor
37 Statistics.

38 (c) No repair cost limit shall be imposed in those cases
39 where emissions control equipment is missing or is

1 partially or totally inoperative as a result of being
2 tampered with.

3 SEC. 15. Section 44020 of the Health and Safety Code
4 is amended to read:

5 44020. Notwithstanding any other provision of this
6 chapter, the department may license any registered
7 owner of a fleet of 10 or more motor vehicles subject to
8 this chapter, who so elects, to implement and conduct the
9 tests and to perform necessary service and adjustment on
10 the fleet's vehicles under this chapter, subject to all of the
11 following conditions:

12 (a) The registered owner's facilities or personnel, or
13 both, or a designated contractor of the registered owner,
14 shall be licensed by the department as a fleet smog check
15 station, and the test and repair system shall conform, in
16 the department's determination, with all provisions of
17 this chapter and all rules and regulations adopted by the
18 department. The regulations shall provide for adequate
19 onsite inspection by the department. Mobile testing
20 equipment certified by the department may be used in
21 accordance with procedures established by the
22 department. The department may prohibit the use of
23 mobile testing equipment if violations occur.

24 (b) A license issued under this section is subject to
25 Sections 44035, 44050, and 44072.10, and may be
26 suspended or revoked by the department whenever the
27 department determines, on the basis of random periodic
28 spot checks of the owner's inspection system and fleet
29 vehicles, that the system fails to conform or that
30 certificates of compliance have been issued by the owner
31 in violation of regulations adopted by the department.
32 Any person licensed to conduct tests and service and
33 adjustments under this section is deemed to have
34 consented to provide the department with whatever
35 access, information, and other cooperation the
36 department reasonably determines are necessary to
37 facilitate the random periodic spot checks.

38 (c) The department or its contractor, on a random
39 periodic basis, shall inspect or observe the inspections
40 performed by licensed fleet smog check stations on not

1 less than 2 percent of the total business fleet vehicles
2 subject to this chapter.

3 (d) A fleet owner licensed to conduct tests or make
4 repairs pursuant to this chapter shall issue certificates of
5 compliance for motor vehicles. The cost limits in Section
6 44017 and the economic hardship extension provisions in
7 this chapter shall not apply to any motor vehicle owned
8 by a fleet owner licensed pursuant to this section.

9 (e) Notwithstanding subdivision (d), certificates of
10 compliance or noncompliance prepared solely for the
11 disposal or sale of motor vehicles owned by a fleet owner
12 licensed pursuant to this section shall be subject to the
13 cost limits in Section 44017.

14 (f) The department shall establish initial and renewal
15 license fees, which shall not exceed the reasonable costs
16 of administering this section.

17 (g) Notwithstanding any other provision of this
18 chapter, the department shall have the authority, by
19 regulation, to require testing of vehicle fleets consistent
20 with regulations adopted by the Environmental
21 Protection Agency, if necessary to meet the emission
22 reduction performance standard established by the
23 agency, as determined by the department.

24 SEC. 16. Section 44021 of the Health and Safety Code
25 is amended to read:

26 44021. (a) (1) The Inspection and Maintenance
27 Review Committee is hereby created to analyze the
28 effect of the improved inspection and maintenance
29 program established by this chapter on motor vehicle
30 emissions and air quality. The functions of the review
31 committee shall be advisory in nature and primarily
32 pertain to the gathering, analysis, and evaluation of
33 information.

34 (2) The members of the review committee shall
35 receive no compensation, but shall be reimbursed by the
36 department for their reasonable expenses in performing
37 committee duties. The state board and the department
38 shall provide the review committee with any necessary
39 technical and clerical support in its evaluation and study.



1 (3) (A) The review committee shall consist of 13
2 members, nine to be appointed by the Governor, two by
3 the Senate Committee on Rules, and two by the Speaker
4 of the Assembly. All members shall be appointed to
5 four-year terms, and the Governor shall appoint from
6 among his or her appointees the chairperson of the
7 review committee.

8 (B) The appointees of the Governor shall include an
9 air pollution control officer from a program
10 nonattainment area, three public members, an expert in
11 air quality, an economist, a social scientist, a
12 representative of the inspection and maintenance
13 industry, and a representative of stationary source
14 emissions organizations.

15 (C) The appointees of the Senate Committee on Rules
16 shall include an environmental member with expertise in
17 air quality, and a representative from the inspection and
18 maintenance industry.

19 (D) The appointees of the Speaker of the Assembly
20 shall include an environmental member with expertise in
21 air quality, and a representative of a local law
22 enforcement agency charged with prosecuting violations
23 of this chapter in a program nonattainment area.

24 (4) In preparing its evaluations of program
25 effectiveness as provided in paragraph (1), the review
26 committee shall consult with the Department of the
27 California Highway Patrol, the Department of Motor
28 Vehicles, and any other appropriate agencies, as well as
29 the department and the state board, shall schedule and
30 conduct periodic meetings in the performance of its
31 duties, and shall meet and consult with local, state, and
32 federal officials involved in the evaluation of motor
33 vehicle inspection and maintenance programs. At the
34 request of the committee, the department or the state
35 board may, on behalf of the committee, contract with
36 independent entities to assist in the committee's
37 evaluations.

38 (b) The review committee shall submit periodic
39 written reports to the Legislature and the Governor on
40 the performance of the program and make

1 recommendations on program improvements at least
2 every 12 months. The review committee's reports shall
3 quantify the reduction in emissions and improvement in
4 air quality attributed to the program. Any reports, other
5 than those required by this section, that the review
6 committee is required to provide pursuant to this chapter
7 shall also be transmitted to the Secretary for
8 Environmental Protection and the Secretary for State
9 and Consumer Services.

10 (c) The review committee shall work closely with all
11 interested parties in preparing the information required
12 by subdivisions (a) and (b) and shall consider the reports
13 provided pursuant to subdivision (e). The review
14 committee shall hold at least one public hearing on its
15 findings and recommendations prior to submitting its
16 reports. The reports shall include statutory language to
17 implement its recommendations, and shall recommend
18 the timeframe for making any changes to the program.
19 The review committee shall seek comments from the
20 department, the Department of Motor Vehicles, the
21 Department of the California Highway Patrol, and the
22 state board prior to submitting its reports, and those
23 comments shall be published as an appendix to the report.

24 (d) The review committee shall participate in the
25 demonstration program authorized by Section 44081.6, as
26 provided by that section.

27 (e) The state board, in cooperation with the
28 department, shall periodically submit reports to the
29 review committee. The reports shall include an
30 assessment of the impact on emissions of continuing the
31 exemption from inspection of motor vehicles newer than
32 five years old; a comparison of the actual mass emission
33 reductions achieved by the enhanced program to those
34 required by the State Implementation Plan; and
35 recommendations to improve the effectiveness and
36 cost-effectiveness of the program, including specific
37 recommendations addressing any discrepancy between
38 emissions achieved and those in the State
39 Implementation Plan. The first report shall be submitted
40 not later than January 1, 2000, and reports shall be



1 submitted triennially thereafter. In preparing the
2 reports, the state board shall use data collected during
3 inspections and repair, and data collected using roadside
4 measurements, and may conduct additional testing, as
5 determined to be necessary, to accurately quantify the
6 mass emissions reduced.

7 SEC. 17. Section 44024.5 of the Health and Safety
8 Code is amended to read:

9 44024.5. (a) The department shall compile and
10 maintain statistical and emissions profiles of motor
11 vehicles that are subject to the motor vehicle inspection
12 program. The department may use data from any source,
13 including remote sensing data and other motor vehicle
14 inspection program data, to develop and confirm the
15 validity of the profiles.

16 (b) The department, in cooperation with the state
17 board, shall perform periodic analyses of the statistical
18 and emissions profiles created pursuant to subdivision
19 (a). The department and the state board, in consultation
20 with the Inspection and Maintenance Review
21 Committee, may determine that, in addition to the
22 vehicles excepted pursuant to Section 44011, certain
23 other motor vehicles may be excepted from the biennial
24 certification requirements of this chapter without
25 significantly compromising the emission reduction
26 objectives set forth in the State Implementation Plan
27 (SIP).

28 (c) The department may conduct a pilot program to
29 except from the biennial certification requirement those
30 vehicles that may be jointly determined by the
31 department and the state board, after consultation with
32 the Inspection and Maintenance Review Committee, to
33 warrant exception. The department shall provide written
34 notification to the Legislature specifying the number of
35 vehicles to be exempted as well as the geographic location
36 and duration of the pilot program not less than 30 days
37 prior to the implementation of the pilot program. The
38 department shall submit the results of the pilot program
39 to the state board and the Inspection and Maintenance
40 Review Committee for review. Subject to the approval of

1 the Environmental Protection Agency as an amendment
2 to the SIP, the department may establish the exception
3 program as a permanent program.

4 (d) For vehicles four model years old or less, the
5 department shall develop statistical and emissions
6 profiles. The department may use data from any source,
7 including remote sensing data, warranty repair and recall
8 data, and other motor vehicle inspection program data,
9 to develop and confirm the validity of the data. If the
10 department and state board jointly determine that the
11 emissions from a class of motor vehicles would potentially
12 compromise the emission reduction objectives set forth in
13 the SIP, the state board shall consider appropriate
14 corrective action, including, but not limited to, recall
15 pursuant to Section 43105.

16 SEC. 18. Section 44033 of the Health and Safety Code
17 is amended to read:

18 44033. (a) Any facility meeting the requirements
19 established by the department pursuant to this chapter
20 may be licensed as a test and repair or repair-only smog
21 check station. A licensed smog check station shall display
22 an identifying sign prescribed by the department in a
23 manner conspicuous to the public.

24 (b) No licensed or certified smog check station shall
25 require, as a condition of performing the test, that any
26 needed repairs or adjustment be done by the person, or
27 at the facility of the person, performing the test.

28 (c) If a motor vehicle, including a commercial vehicle,
29 is tested at a facility licensed to perform tests and repairs
30 pursuant to this chapter, the facility shall provide the
31 customer with a written estimate pursuant to Section
32 9884.9 of the Business and Professions Code. The written
33 estimate shall contain a notice to the customer stating
34 that the customer may choose another smog check station
35 to perform needed repairs, installations, adjustments, or
36 subsequent tests.

37 (d) Charges for testing or repair, or both, shall be
38 separately stated.

39 (e) The department shall require the posting of station
40 licenses and qualified technicians' certificates

1 prominently in each place of business so as to be readily
2 visible to the public.

3 SEC. 19. Section 44036 of the Health and Safety Code
4 is amended to read:

5 44036. (a) The consumer protection-oriented quality
6 assurance portion of the motor vehicle inspection
7 program shall ensure uniform and consistent tests and
8 repairs by all qualified smog check technicians and
9 licensed smog check stations throughout the state, and
10 shall include a number of stations providing referee
11 functions available to consumers.

12 (b) All licensed smog check stations shall utilize
13 original equipment and replacement parts that are
14 certified by the department. The department shall
15 charge a fee for certification testing of the equipment or
16 the replacement parts. The fee for certification testing of
17 equipment shall be fixed by the department based upon
18 its actual costs of certification testing, shall be calculated
19 from the time that the equipment is submitted for
20 certification testing until the time that the certification
21 testing is complete, and shall not exceed ten thousand
22 dollars (\$10,000). The fee for certification testing of
23 replacement parts shall be determined by the
24 department based upon its actual costs of certification
25 testing, shall be calculated from the time that the
26 replacement part is submitted for certification testing
27 until the time that the certification testing is complete,
28 and shall not exceed two thousand five hundred dollars
29 (\$2,500). The department shall adopt, and may revise,
30 standards for certification and decertification of the
31 equipment, which may include a device for testing of
32 emissions of oxides of nitrogen. As expeditiously as
33 possible, the department shall adopt equipment
34 standards that include a test analyzer system containing
35 all of the following:

36 (1) A microprocessor to control test sequencing,
37 selection of proper test standards, the automatic pass or
38 fail decision, and the format for the test report and the
39 recorded data file. The microprocessor shall be capable of

1 using a standardized programming language specified by
2 the department.

3 (2) An exhaust gas analysis portion with an analyzer
4 for hydrocarbons, carbon monoxide, and carbon dioxide
5 that is designed to accommodate an optional oxides of
6 nitrogen analyzer.

7 (3) Equipment necessary to perform visual and
8 functional tests of emission control devices required by
9 the department.

10 (4) A device to accept and record motor vehicle
11 identification information, including a device capable of
12 reading bar code information pursuant to regulations of
13 the state board. The device shall have the ability to
14 identify, with the cooperation of the Department of
15 Motor Vehicles, smog inspections performed on vehicles
16 sold by used car dealers.

17 (5) A device to provide a printed record of the test
18 process and diagnostic information for the motorist.

19 (6) A mass storage device capable of storing not less
20 than the minimum amount of program software and data
21 specified by the department.

22 (7) A device to provide for the periodic modification
23 of all program and data files contained on the mass
24 storage device, using a standardized form of removable
25 media conforming to specifications of the department.

26 (8) A device that provides for the storage of test
27 records on a standardized form of removable media
28 conforming to specifications of the department.

29 (9) One or more communications ports conforming to
30 the specifications established by the department as
31 necessary to provide real time communication, or
32 communication that is consistent with maintaining a
33 superior quality assurance program and efficient
34 information transfer, between the test equipment and
35 the centralized computer data base through the
36 computer network maintained by the department
37 pursuant to Section 44037.1.

38 (10) An interface capable of monitoring equipment
39 used with loaded mode testing, idle testing, on board



1 diagnostic testing, or other tests prescribed by the
2 department.

3 (11) Any other features that the department
4 determines are necessary to increase the effectiveness of
5 the program, including, but not limited to, a loaded mode
6 dynamometer for purposes of oxides of nitrogen
7 detection, and other equipment necessary to detect
8 nonexhaust-related volatile organic compound emissions,
9 such as found in fuel system evaporative emissions and
10 crankcase ventilation emissions.

11 (c) The department shall require all smog check
12 stations to use equipment meeting the requirements of
13 subdivision (b) as soon as possible, but not later than
14 January 1, 1996. However, the department may defer the
15 requirement for any equipment, external to the chassis of
16 the test analyzer system, needed to read bar code
17 information, until a substantial portion of the vehicles
18 subject to this chapter are equipped with bar code labels.
19 Prior to the imposition of a requirement for equipment
20 meeting the requirements of subdivision (b), every smog
21 check station shall use equipment meeting the
22 specifications of the department in effect on January 1,
23 1988.

24 (d) The quality assurance portion shall provide for
25 inspections of licensed smog check stations, data
26 collection and forwarding, equipment accuracy checks,
27 operation of referee stations, and other necessary
28 functions. If the services are contracted for pursuant to
29 subdivision (e) of Section 44014, the department shall
30 prepare detailed specifications and solicit bids from
31 private entities for the implementation of the quality
32 assurance functions.

33 (e) The department may revise the specifications for
34 equipment annually if the cost thereof is less than 20
35 percent of the total system cost. A more comprehensive
36 revision to the specifications may be required not more
37 often than every five years.

38 (f) (1) Equipment manufacturers shall furnish to the
39 department, and shall install, software updates as
40 specified by the department. The department shall allow

1 equipment manufacturers six months, from the date the
2 department issues its proposed specifications for periodic
3 software updates, to obtain department approval that the
4 updates meet the proposed specifications and to install
5 the updates in all equipment subject to the updates.
6 During the first 30 days of the six-month period, the
7 manufacturers shall be permitted to review and to
8 comment upon the proposed specifications. However,
9 notwithstanding any other provision of this section, the
10 department may order manufacturers to install software
11 changes in a shorter period of time upon a finding by the
12 department that a previously installed update does not
13 meet current specifications. A manufacturer's failure to
14 furnish or install software updates as so specified is cause
15 for the department to decertify the manufacturer's test
16 analyzer system or to issue a citation to the manufacturer.
17 The citation shall specify the nature of the violation and
18 may specify a civil penalty not to exceed one thousand
19 dollars (\$1,000) for each day the manufacturer fails to
20 furnish or install the specified software updates by the
21 specified period. In assessing a civil penalty pursuant to
22 this subdivision, the department shall give due
23 consideration, in determining the appropriateness of the
24 amount of the civil penalty, to factors such as the gravity
25 of the violation, the good faith of the manufacturer, and
26 the history of previous violations.

27 (2) The citations shall be served pursuant to
28 subdivision (c) of Section 11505 of the Government Code.
29 The manufacturer may request a hearing in accordance
30 with Chapter 5 (commencing with Section 11500) of Part
31 1 of Division 3 of Title 2 of the Government Code. A
32 request for a hearing shall be submitted in writing within
33 30 days of service of the citation, and shall be delivered to
34 the office of the department in Sacramento. Hearings and
35 related procedures under this subdivision shall be
36 conducted in the same manner as proceedings for
37 adjudication of an accusation under Chapter 5
38 (commencing with Section 11500) of Part 1 of Division 3
39 of Title 2 of the Government Code, except as otherwise
40 specified in this article.



(3) If within 30 days from the date of service of the citation, the manufacturer fails to request a hearing, the citation shall be deemed the final order of the department.

(4) Any failure to comply with the final order of the department for payment of a civil penalty, or to pay the amount specified in any settlement executed by the licensee and the Director of Consumer Affairs, is cause for decertification of the manufacturer's test analyzer system.

SEC. 20. Section 44045.5 of the Health and Safety Code is amended to read:

44045.5. (a) This section describes the qualifications to be met by smog check technician applicants effective January 1, 1995. The department shall, by regulation, establish requirements for the licensure of smog check technicians that are necessary to enable the program to meet the applicable emission reduction performance standards, to include, at a minimum:

(1) Either of the following:

(A) Certification standards for all technicians in the program that are equivalent or superior to the standards applicable for certification by an established national certification or accrediting institution to perform service on automotive engines and electrical systems.

(B) Successful completion of a training program certified by the department under Section 44045.6.

(2) In addition to the requirement in paragraph (1), a minimum of two years' experience performing repairs to motor vehicle emission control systems or experience approved by the department, or an associate degree in an automotive technology curriculum or an equivalent degree as determined by the department.

(3) An examination process that effectively determines whether applicants are all of the following:

(A) Knowledgeable regarding the visual, functional, and exhaust and evaporative emissions inspection and testing procedures specified by the department, including a demonstrated understanding of loaded mode testing principles, purpose, procedures and equipment.

1 (B) Knowledgeable regarding misfire detection, air
2 injection testing, closed-loop system testing, and generic
3 idle adjustment procedures specified by the department.

4 (4) The examination shall use state-of-the-art
5 technology, which may include computer simulations or
6 other computer-based examination formats to determine
7 whether applicants can properly identify, diagnose, and
8 repair emission-related problems. The department may
9 contract for the development and administration of this
10 examination.

11 (b) The department shall not license any technician
12 unless the department has determined that the person is
13 able to perform the inspection, testing, and repair tasks
14 required under the program on all vehicles subject to the
15 program, except that the department may limit this
16 requirement to specified makes or models of vehicles if
17 a technician requests licensing limited to specified makes
18 or models of vehicles.

19 (c) The department may establish more than one
20 category or level of licensure, and may provide for the
21 licensing of interns or trainees if those persons do all of
22 their test and repair work under the supervision of a
23 licensed technician.

24 (d) The department shall require the renewal of smog
25 check technician licenses every two years, and shall
26 establish any necessary and appropriate requirements for
27 renewal.

28 SEC. 21. Section 44050 of the Health and Safety Code
29 is amended to read:

30 44050. (a) If, upon investigation, the department has
31 probable cause to believe that a licensed smog check
32 station, or a fleet owner licensed under Section 44020 has
33 violated this chapter, or any regulation adopted pursuant
34 to this chapter, the department may issue a citation to the
35 licensee or fleet owner. The citation shall specify the
36 nature of the violation and may specify a civil penalty
37 assessed by the department pursuant to Section 44051 or
38 44051.5.

39 (b) If, upon investigation, the department has
40 probable cause to believe that a qualified smog check

1 technician has violated Section 44012, 44015, 44016, or
2 44032, or any regulation of the department adopted
3 pursuant to this chapter, the department may issue a
4 citation to the technician. The citation shall specify the
5 nature of the violation and, in addition, whichever of the
6 following applies:

7 (1) For a first citation, the smog check technician shall
8 successfully complete one or more retraining courses
9 prescribed by the department pursuant to subdivision (c)
10 of Section 44031.5.

11 (2) For a second citation, the smog check technician
12 shall successfully complete one or more retraining
13 courses prescribed by the department pursuant to
14 subdivision (c) of Section 44031.5 and the technician shall
15 perform inspections or repairs pursuant to this chapter
16 under the direction of a technician in good standing, as
17 defined by the department.

18 (3) For a third citation, the smog check technician
19 shall successfully complete an advanced retraining course
20 prescribed by the department and shall perform no
21 inspection or repair pursuant to this chapter until that
22 completion.

23 (4) For a fourth citation, the smog check technician's
24 qualification may be permanently revoked.

25 (c) The citation shall be served pursuant to subdivision
26 (c) of Section 11505 of the Government Code.

27 SEC. 22. Section 44056 of the Health and Safety Code
28 is amended to read:

29 44056. (a) Except as otherwise provided in Sections
30 44051 and 44051.5, any person who violates this chapter,
31 or any order, rule, or regulation of the department
32 adopted pursuant to this chapter, is liable for a civil
33 penalty of not less than one hundred fifty dollars (\$150)
34 and not more than two thousand five hundred dollars
35 (\$2,500) for each day in which each violation occurs. Any
36 action to recover civil penalties shall be brought by the
37 Attorney General in the name of the state on behalf of the
38 department, or may be brought by any district attorney,
39 city attorney, or attorney for a district.

1 (b) The penalties specified in subdivision (a) do not
2 apply to an owner or operator of a motor vehicle, except
3 an owner or operator who does any of the following:

4 (1) Obtains, or who attempts to obtain, a certificate of
5 compliance, noncompliance or a repair cost waiver, or an
6 economic hardship extension without complying with
7 Section 44015.

8 (2) Obtains, or attempts to obtain, a certificate of
9 compliance, a repair cost waiver, or economic hardship
10 extension by means of fraud, including, but not limited to,
11 offering or giving any form of financial or other
12 inducement to any person for the purpose of obtaining a
13 certificate of compliance for a vehicle that has not been
14 tested or has been tested improperly.

15 (3) Registers a motor vehicle at an address other than
16 the owner's or operator's residence address for the
17 purpose of avoiding the requirements of this chapter.

18 (4) Obtains, or attempts to obtain, a certificate of
19 compliance without complying with this chapter after
20 being identified as a tampered vehicle or gross polluter
21 pursuant to Section 44015 or 44081.

22 (c) Any person who obtains or attempts to obtain a
23 repair cost waiver, or economic hardship extension
24 pursuant to this chapter by falsifying information shall be
25 subject to a civil penalty of not less than one hundred fifty
26 dollars (\$150) and not more than one thousand dollars
27 (\$1,000), and shall be made ineligible for receiving any
28 repair assistance of any kind pursuant to this chapter.

29 SEC. 23. Section 44060 of the Health and Safety Code
30 is amended to read:

31 44060. (a) The department shall prescribe the form
32 of the certificate of compliance or noncompliance, repair
33 cost waivers, and economic hardship extensions.

34 (b) The certificates, repair cost waivers, and economic
35 hardship extensions shall be in the form of an electronic
36 entry filed with the department, the Department of
37 Motor Vehicles, and any other person designated by the
38 department. The department shall ensure that the motor
39 vehicle owner or operator is provided with a written
40 report, signed by the licensed technician who performed

1 the inspection, of any test performed by a smog check
2 station, including a pass or fail indication, and written
3 confirmation of the issuance of the certificate.

4 (c) (1) The department shall charge a fee to a smog
5 check station, including a station providing referee
6 functions, for a motor vehicle inspected at that station
7 that meets the requirements of this chapter and is issued
8 a certificate of compliance, a certificate of
9 noncompliance, repair cost waiver, or economic hardship
10 extension.

11 (2) The fee charged pursuant to paragraph (1) shall be
12 calculated to recover the costs of the department and any
13 other state agency directly involved in the
14 implementation, administration, or enforcement of the
15 motor vehicle inspection and maintenance program, and
16 shall not exceed the amount reasonably necessary to fund
17 the operation of the program, including all
18 responsibilities, requirements, and obligations imposed
19 upon the department or any of those state agencies by this
20 chapter, that are not otherwise recoverable by fees
21 received pursuant to Section 44034.

22 (3) Except for adjustments to reflect changes in the
23 Consumer Price Index, as published by the United States
24 Bureau of Labor Statistics, the fee for each certificate,
25 waiver, or extension shall not exceed seven dollars (\$7).

26 (4) Fees collected by the department pursuant to this
27 subdivision shall be deposited in the Vehicle Inspection
28 and Repair Fund. It is the intent of the Legislature that
29 a prudent surplus be maintained in the Vehicle
30 Inspection and Repair Fund. If the surplus exceeds the
31 reasonable costs of administration of the programs
32 specified in this chapter and in Chapter 20.3
33 (commencing with Section 9880) of Division 3 of the
34 Business and Professions Code, the department shall, by
35 regulation, prescribe a lower fee for the certificates,
36 waivers, and extensions.

37 (d) (1) Motor vehicles exempted under paragraph
38 (4) of subdivision (a) of Section 44011 shall be subject to
39 an annual smog abatement fee of four dollars (\$4).
40 Payment of this fee shall be made to the Department of

1 Motor Vehicles at the time of registration of the motor
2 vehicle.

3 (2) Fees collected pursuant to this subdivision shall be
4 deposited on a daily basis into the Vehicle Inspection and
5 Repair Fund.

6 (e) The sale or transfer of the certificate, waiver, or
7 extension by a licensed smog check station to any other
8 licensed smog check station or to any other person, and
9 the purchase or acquisition of the certificate, waiver, or
10 extension, by any person, other than from the
11 department, the department's designee, or pursuant to a
12 vehicle's inspection or repair conducted pursuant to this
13 chapter, is prohibited.

14 (f) Following implementation of the electronic entry
15 certificate under subdivision (b), the department may
16 require the modification of the analyzers and other
17 equipment required at smog check stations to prevent
18 the entry of a certificate that has not been issued or
19 validated through prepayment of the fee authorized by
20 subdivision (c).

21 (g) The fee charged by licensed smog check stations
22 to consumers for a certificate, waiver, or extension shall
23 be the same amount that is charged by the department.

24 SEC. 24. Section 44062.1 of the Health and Safety
25 Code is amended to read:

26 44062.1. (a) The department shall offer a low-income
27 repair assistance program beginning March 1, 1998,
28 through entities authorized to perform referee functions.

29 (b) (1) The repair assistance program shall be
30 available to eligible individuals based on a maximum
31 income level of 175 percent of the federal poverty level,
32 as published quarterly in the Federal Register by the
33 Department of Health and Human Services.

34 (2) The department shall offer low-income repair cost
35 assistance, funded by the High Polluter Repair or
36 Removal Account in the Vehicle Inspection and Repair
37 Fund created pursuant to subdivision (a) of Section 44091
38 and revenues generated by the smog impact fee pursuant
39 to Section 6262 of the Revenue and Taxation Code, to
40 individuals who obtain an economic hardship extension,

1 based on the cost-effectiveness and air quality benefit of
2 the needed repair. Repair assistance may include
3 retesting costs.

4 (3) An applicant for low-income repair assistance shall
5 file an application on a form prescribed by the
6 department and shall certify under penalty of perjury
7 that the applicant meets the applicable eligibility
8 standards.

9 (4) Verification of low-income eligibility shall be based
10 on at least one form of documentation, as determined by
11 the department, including, but not limited to, (A) an
12 income tax return, (B) an employment warrant, or (C)
13 a form of public assistance verification.

14 (c) The low-income repair assistance program shall be
15 funded by the High Polluter Repair or Removal Account
16 until June 30, 1998. Thereafter, a minimum of twenty
17 million dollars (\$20,000,000) shall be made available
18 annually for the program through funding provided by
19 revenues generated by the smog impact fee pursuant to
20 Section 6262 of the Revenue and Taxation Code.

21 (d) All repairs subsidized by the state through the
22 program shall be performed at a repair station licensed
23 and certified pursuant to Section 44014 at the time of
24 testing and application for an economic hardship
25 extension. Repair shall be based upon a preapproved list
26 of repairs for cost-effective emission reductions.

27 (e) The qualified low-income motor vehicle owner
28 receiving repair assistance pursuant to this section shall
29 contribute a copayment equivalent to the repair cost
30 limit, as determined by the department as specified in
31 Section 44017.1, either in cash, or in emissions-related
32 partial repairs as verified by a licensed smog check station
33 pursuant to paragraph (2) of subdivision (c) of Section
34 44015, or a combination thereof. If the repair cost exceeds
35 the applicable repair cost limit, the department shall
36 inform a qualified low-income motor vehicle owner of all
37 options for compliance at the time of testing and repair.

38 (f) The department shall collect data from the
39 program to provide information on how to improve the
40 program. Data collection shall include all of the following:

1 (1) The number of low-income motor vehicle owners
2 that are eligible for repair assistance.

3 (2) The number of eligible motor vehicle owners that
4 use repair assistance funds.

5 (3) The potential for fraud.

6 (4) The average repair bills.

7 (5) The types of repairs being done.

8 (6) The amount of partial repairs done prior to receipt
9 of repair assistance.

10 (7) The emissions benefits of providing repair
11 assistance.

12 (g) The department shall collect data and develop
13 information and shall report to the Legislature on or
14 before April 1, 1999, on eligibility criteria, program
15 participation, the cost of vehicle repairs, and the funding
16 resources needed to implement the program.

17 (h) For purposes of this section, “low-income motor
18 vehicle owner” means a person whose income does not
19 exceed 175 percent of the federal poverty level.

20 SEC. 25. Section 44081 of the Health and Safety Code
21 is amended to read:

22 44081. (a) (1) The department, in cooperation with
23 the state board, shall institute procedures for auditing the
24 emissions of vehicles while actually being driven on the
25 streets and highways of the state. The department may
26 undertake those procedures itself or seek a qualified
27 vendor of these services. The primary object of the
28 procedures shall be the detection of gross polluters. The
29 procedures shall consist of techniques and technologies
30 determined to be effective for that purpose by the
31 department, including, but not limited to, remote
32 sensing. The procedures may include pullovers for
33 roadside emissions testing and inspection. The
34 department shall consider the recommendations of the
35 review committee based on the outcome of the pilot
36 demonstration program conducted pursuant to Section
37 44081.6.

38 (2) The department may additionally use other
39 methods to identify gross polluting vehicles for
40 out-of-cycle testing and repair.

(b) The department shall, by regulation, establish a program for the out-of-cycle testing and repair of motor vehicles found, through roadside auditing, to be emitting at levels that exceed specified standards. The program shall include all of the following elements:

(1) Emission standards, and test and inspection procedures and regulations, adopted in coordination with the state board, applicable to vehicles tested during roadside auditing. Emission standards for issuance of a notice of noncompliance to a gross polluter shall be designed to maximize the identification of vehicles with substantial excess emissions.

(2) Procedures for issuing notices of noncompliance to owners of gross polluters, either at the time of the roadside audit, or subsequently by certified mail, or by obtaining a certificate of mailing as evidence of service, using technologies for recording license plate numbers. The notice of noncompliance shall provide that, unless the vehicle is brought to a test-and-repair station that is both licensed and certified pursuant to Section 44014 for emissions testing within 30 days, the owner will be required to pay an administrative fee of five hundred dollars (\$500) to be collected by the Department of Motor Vehicles at the next annual registration renewal or the next change of ownership of the vehicle, whichever occurs first. Commencing on the 31st day after issuance of the notice of noncompliance, the fee shall accrue at the rate of five dollars (\$5) per day up to the five hundred dollars (\$500) maximum.

(3) Procedures for the testing of vehicles identified as gross polluters by a test-and-repair station that is both licensed and certified pursuant to Section 44014 to confirm that the vehicle exceeds the minimum emission standard for gross polluters set by the department.

(4) Procedures requiring owners of vehicles confirmed as gross polluters to have the vehicle repaired, resubmitted for testing, and obtain a certificate of compliance from a designated test-only facility or removed from service as attested by a certificate of nonoperation from the Department of Motor Vehicles

1 within 30 days or be required to pay an administrative fee
2 of not more than five hundred dollars (\$500), to be
3 collected by the Department of Motor Vehicles at the
4 next annual registration renewal or the next change of
5 ownership, whichever occurs first. Commencing on the
6 31st day after issuance of the notice of noncompliance, the
7 fee shall accrue at the rate of five dollars (\$5) per day up
8 to the five hundred dollars (\$500) maximum. The
9 registration of a vehicle shall not be issued or renewed if
10 that vehicle has been identified as a gross polluter and has
11 not been issued a certificate of compliance. Except as
12 provided in subdivision (b) of Section 9250.18 of the
13 Vehicle Code, any revenues collected by the Department
14 of Motor Vehicles pursuant to this subdivision and Section
15 9250.18 of the Vehicle Code shall be deposited in the
16 Vehicle Inspection and Repair Fund. If the ownership of
17 the vehicle is transferred, the administrative fee provided
18 for in this subdivision shall be waived if the vehicle is
19 brought into compliance.

20 (5) A procedure for notifying the Department of
21 Motor Vehicles of notices of noncompliance issued, so
22 that the Department of Motor Vehicles may provide
23 effective collection of the administrative fee. The
24 Department of Motor Vehicles shall cooperate with, and
25 implement the requirements of, the department in that
26 regard.

27 (c) The department may adopt any other regulations
28 necessary for the effective implementation of this section,
29 as determined by the department.

30 (d) Upon the request of the department, the
31 Department of the California Highway Patrol shall
32 provide assistance in conducting roadside auditing, to
33 consist of (1) the stopping of vehicles and traffic
34 management, and (2) the issuance of notices of
35 noncompliance to gross polluters. The department shall
36 reimburse the Department of the California Highway
37 Patrol for its costs of providing those services. The
38 Department of Transportation and affected local
39 agencies shall provide necessary assistance and

1 cooperation to the department in the operation of the
2 program.

3 (e) There shall be no repair cost limit imposed
4 pursuant to Section 44017 for any repairs that are
5 required to be made under the roadside auditing
6 program, except as provided in subdivision (c) of Section
7 44017.

8 (f) This section does not apply to vehicles operating
9 under a valid repair cost waiver or economic hardship
10 extension issued pursuant to Section 44015.

11 SEC. 26. Section 44081.6 of the Health and Safety
12 Code is amended to read:

13 44081.6. (a) The California Environmental
14 Protection Agency, the state board, and the department,
15 in cooperation with, and with the participation of, the
16 Environmental Protection Agency, shall jointly
17 undertake a pilot demonstration program to do all of the
18 following:

19 (1) Determine the emission reduction effectiveness of
20 alternative loaded mode emission tests compared to the
21 IM240 test.

22 (2) Quantify the emission reductions, above and
23 beyond those required by Environmental Protection
24 Agency regulation or by the biennial test requirement,
25 achievable from a remote sensing-based program that
26 identifies gross polluting and other vehicles and requires
27 the immediate repair and retest of those gross polluting
28 vehicles.

29 (3) Qualify emission reductions above and beyond
30 those that are required by the regulations of the
31 Environmental Protection Agency, achievable from
32 other program enhancements pursuant to this chapter.

33 (b) The California Environmental Protection Agency
34 shall enter into a memorandum of agreement with the
35 Environmental Protection Agency to establish the
36 protocol for the pilot demonstration program. The
37 memorandum of agreement shall ensure, to the extent
38 possible, that the Environmental Protection Agency will
39 accept the results of the pilot demonstration program as
40 the findings of the Administrator of the Environmental

1 Protection Agency. The pilot demonstration program
2 shall be conducted pursuant to the memorandum of
3 agreement.

4 (c) The review committee established pursuant to
5 Section 44021 shall review the protocol for the pilot
6 demonstration program, as established in the signed
7 memorandum of agreement, and recommend any
8 modification that the review committee finds to be
9 appropriate for the pilot demonstration program. Any
10 such modification shall become effective only upon the
11 written agreement of the California Environmental
12 Protection Agency and the Environmental Protection
13 Agency.

14 (d) The department shall contract, on behalf of the
15 committee, with an independent entity to ensure quality
16 control in the collection of data pursuant to the pilot
17 demonstration program. The department shall also
18 contract, on behalf of the committee, for an independent
19 analysis of the data produced by the pilot demonstration
20 program.

21 (e) Any contract entered into pursuant to this section
22 shall not be subject to any restrictions that are applicable
23 to contracts in the Government Code or in the Public
24 Contract Code. The department shall report to the
25 Legislature any action that is taken in accordance with
26 this subdivision.

27 (f) To the extent possible, the pilot demonstration
28 program shall be conducted using equipment, facilities,
29 and staff of the state board, the department, and the
30 Environmental Protection Agency.

31 (g) The pilot demonstration program shall provide
32 for, but not be limited to, all of the following:

33 (1) For the purposes of this section, any vehicle subject
34 to the inspection and maintenance program may be
35 selected to participate in the pilot demonstration
36 program regardless of when last inspected pursuant to
37 this chapter.

38 (2) Registered owners of vehicles selected to
39 participate in the pilot demonstration program shall
40 make the vehicle available for testing within a time

1 period and at a testing facility designated by the
2 department. If necessary, the department shall increase
3 the capacity of the existing referee network in the area or
4 areas where the pilot demonstration program will be
5 operating, in order to accommodate the convenient
6 testing of selected vehicles.

7 (3) If the department finds that a vehicle is emitting
8 excessive emissions, the vehicle owner shall be required
9 to make necessary repairs within the existing cost limits
10 and return to a testing facility designated by the
11 department. The vehicle owner shall have additional
12 repairs made if the repairs are requested and funded by
13 the department. The department shall also fund the cost
14 of any necessary repairs if the owner of the vehicle has,
15 within the last two years, already paid for
16 emissions-related repairs to the same vehicle in an
17 amount at least equal to the existing cost limits, in order
18 to obtain a certificate of compliance or an emission cost
19 waiver.

20 (4) Vehicle owners who fail to bring the vehicle in for
21 inspection or fail to have repairs made pursuant to this
22 section shall be issued notices of noncompliance. The
23 notice shall provide that, unless the vehicle is brought to
24 a designated testing facility for testing, or repair facility
25 for repairs, within 15 days of notice of the requirement,
26 the owner will be required to pay an administrative fee
27 of not more than five dollars (\$5) a day, not to exceed two
28 hundred fifty dollars (\$250), to be collected by the
29 Department of Motor Vehicles at the next annual
30 registration renewal or the next change of ownership of
31 the vehicle, whichever occurs first. Commencing on the
32 31st day after issuance of the notice of noncompliance, the
33 fee shall accrue at the rate of five dollars (\$5) per day up
34 to the two hundred fifty dollars (\$250) maximum. Except
35 as provided in subdivision (b) of Section 9250.18 of the
36 Vehicle Code, any revenues collected by the Department
37 of Motor Vehicles pursuant to this subdivision and Section
38 9250.18 of the Vehicle Code shall be deposited into the
39 Vehicle Inspection and Repair Fund by the Department
40 of Motor Vehicles.

1 (h) The Department of Motor Vehicles, the
2 Department of Transportation, local agencies, and the
3 state board shall provide necessary support for the
4 program established pursuant to this section.

5 (i) As soon as possible after September 30, 1994, the
6 department and the state board shall develop,
7 implement, and revise as needed, emissions test
8 procedures and emissions standards necessary to conduct
9 the pilot demonstration program.

10 SEC. 27. Section 4000.3 of the Vehicle Code is
11 amended to read:

12 4000.3. (a) Except as otherwise provided in Section
13 44011 of the Health and Safety Code, the department
14 shall require biennially, upon renewal of registration of
15 any motor vehicle subject to Part 5 (commencing with
16 Section 43000) of Division 26 of the Health and Safety
17 Code, a valid certificate of compliance issued in
18 accordance with Section 44015 of the Health and Safety
19 Code. The department, in consultation with the
20 Department of Consumer Affairs, shall develop a
21 schedule under which vehicles shall be required
22 biennially to obtain certificates of compliance.

23 (b) The Department of Consumer Affairs shall
24 provide the department with information on vehicle
25 classes that are subject to the motor vehicle inspection
26 and maintenance program.

27 (c) The department shall include any information
28 pamphlet provided by the Department of Consumer
29 Affairs with notification of the inspection requirement
30 and with its renewal notices. The information pamphlet
31 in the renewal notice shall also notify the owner of the
32 motor vehicle of the right to have the vehicle pretested
33 pursuant to Section 44011.3 of the Health and Safety
34 Code.

35 SEC. 28. (a) It is the intent of the Legislature to
36 reimburse smog check station owners for the reasonable
37 costs incurred as a result of complying with the
38 regulations for enhanced vehicle inspection and
39 maintenance areas.

1 (b) The Bureau of Automotive Repair (BAR) shall
2 provide reimbursement from funds appropriated
3 pursuant to Item 1111-001-0582 of Section 2.00 of the
4 Budget Act of 1998 to eligible smog check station owners
5 for appropriate costs including, but not limited to, both of
6 the following:

7 (1) All reasonable equipment and installation costs
8 associated with complying with BAR regulations for
9 enhanced vehicle inspection and maintenance areas.

10 (2) Costs associated with reasonable structural
11 building modifications made to accommodate the
12 equipment.

13 (c) For purposes of implementing this section, the
14 BAR shall determine all of the following:

15 (1) The proper documentation required to verify
16 reimbursable expenses pursuant to subdivision (b).

17 (2) The scope of acceptable and reasonable
18 reimbursement costs.

19 (3) A reasonable deadline for the submission of claims
20 from affected smog check and test-only station owners.

21 ~~SEC. 29. This act is an urgency statute necessary for~~
22 ~~the immediate preservation of the public peace, health,~~
23 ~~or safety within the meaning of Article IV of the~~
24 ~~Constitution and shall go into immediate effect. The facts~~
25 ~~constituting the necessity are:~~

26 ~~In order to make statutory changes to implement the~~
27 ~~Budget Act of 1998 at the earliest possible time, it is~~
28 ~~necessary that this act take effect immediately.~~