

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

Date: February 17, 1998 Revised: _____

Subject: Motor Vehicle Emissions Inspections

	<u>Analyst</u>	<u>Staff Director</u>	<u>Reference</u>	<u>Action</u>
1.	<u>Caridi</u>	<u>Johnson</u>	<u>TR</u>	<u>Favorable/CS</u>
2.	<u>_____</u>	<u>_____</u>	<u>NR</u>	<u>_____</u>
3.	<u>_____</u>	<u>_____</u>	<u>WM</u>	<u>_____</u>
4.	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
5.	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>

I. Summary:

This committee substitute directs the Department of Highway Safety and Motor Vehicles to issue a Request for Proposals for 2 motor vehicle emissions testing programs. Proposals shall be sought from alternative delivery systems, including vendors of motor vehicle emissions testing services and counties currently having an inspection program. The department is prohibited from entering into any contracts and from opening the proposals submitted in sealed envelopes, until the legislature establishes a program. The department will submit to the Legislature an information sheet, provided separately by each proposer, identifying information on the statutory changes needed for implementation of a particular program. No information identifying a proposer or which is proprietary may be included in the information sheets.

Section 325.214, F.S., is amended to make the current test fee a flat \$10 dollars.

This committee substitute substantially amends section 325.214 of the Florida Statutes.

II. Present Situation:

The United States Environmental Protection Agency (EPA) is responsible for setting the National Ambient Air Quality Standards (NAAQS) for the pollutant ozone. The standards specify the maximum amount of a pollutant that can be emitted into the air. In order to meet these standards, each state is responsible for submitting a State Implementation Plan (SIP) to the EPA for approval. Florida's current plan includes an *idle* or *basic* emissions test for vehicles in six Florida counties that previously did not meet the EPA's 1990 standards. This portion of the plan is entitled the Florida Clean Outdoor Air Law and is found in sections 325.201 through 325.223, F.S. Private companies conduct the emissions inspections. The contracts with these companies will expire in the year 2000.

The Florida Department of Highway Safety and Motor Vehicles is responsible for contracting with these companies, monitoring the inspection stations, conducting quality assurance tests on the equipment and processing waivers, exemptions and consumer complaints.

Revised standards set by the EPA for ozone were approved and will be implemented in the year 2000. The new threshold for ozone pollution will be lower, and measured differently, making exact predictions for future compliance difficult. The EPA will designate the attainment status of each county in 2000, based on 1997, 1998 and 1999 readings from pollution monitors across the state. If a county is designated as non-attainment under the 1997 standards, the entire program area that incorporates that county will have 18 months to establish a plan to achieve attainment status. The current readings from monitors in Escambia, Hillsborough, Duval, and Dade counties indicate a level of pollutants that borders the level of exceedence set by the EPA.

III. Effect of Proposed Changes:

The Department of Highway Safety and Motor Vehicles will seek proposals for alternative delivery programs meeting the basic system criteria while providing service in a cost effective or more convenient manner. Requests for Proposals will be sought from all vendors of motor vehicle inspection services and county governments in counties where an inspection program is required.

The proposals will be based on the requirements under chapter 325 except that no fee cap will be specified in the proposal. The proposals will be for the following two programs;

- ▶ A annual inspection program for vehicles five model years old and older using the basic test for hydrocarbon and carbon monoxide emissions.
- ▶ A biennial inspection program for vehicles five model years old and older using the basic test for hydrocarbon and carbon monoxide emissions.

Each proposal will be submitted to the department in a sealed envelope with only the proposers' names, addresses and phone numbers on the outside of the envelope. The department will not open the proposals until any legislation establishing a program has become law. The department and the Governor and Cabinet, acting as head of the department, may not enter into any contract or extend any contract for motor vehicle emissions testing without specific legislative direction establishing a fee and giving direction to the department to implement a program.

Each proposer will also separately submit an information sheet that does not identify the proposer or proprietary information, but lists criteria the department identifies as necessary to provide the Legislature with proposed statutory changes for that program's implementation. Any proposal without a matching information sheet will be considered non-responsive. If no action is taken by the legislature in the session following the submission of the proposal, the proposal will cease to be binding on the proposer.

The fee of the current contracts will be a flat \$10 dollars.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

The current cost of a vehicle inspection is \$10 per year. If repairs are necessary, the second inspection is performed at no cost. The committee substitute does not stipulate the cost of any future motor vehicle emissions inspection test as it has yet to be determined according to any selected program. If no program is implemented by the Legislature the public will not be required to pay this fee beginning in March and April 2000.

B. Private Sector Impact:

The impact of the bill will depend substantially on what program, if any, is selected for a program area.

C. Government Sector Impact:

The impact of the bill will depend substantially on what program, if any, is selected for a program area. If the Legislature does not provide for an inspection program and fee which includes the approximately \$15 million in state revenue collected annually, beyond the cost of the program, there will be a loss of those funds to the state beginning in March of 2000.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
