



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 747 (as enrolled)
Sponsor: Senator Mat J. Dunaskiss
Senate Committee: Transportation and Tourism
House Committee: Conservation, Environment and Great Lakes

PUBLIC ACT 166 of 1996

Date Completed: 1-10-97

RATIONALE

In 1990, Congress enacted amendments to the Federal Clean Air Act to set new requirements for attaining air quality standards and for regulating stationary and mobile sources of air pollution. States that were not in attainment with air quality standards were required to prepare a State Implementation Plan and implement programs in the plan according to a specific timetable. Areas in Michigan identified as moderate nonattainment areas were the Metropolitan Statistical Areas of Grand Rapids and Muskegon, and the Consolidated Metropolitan Statistical Area of Detroit and Ann Arbor. In response to the Federal requirements, Michigan enacted a number of measures in 1993. These included Public Act 232 of 1993, which established a motor vehicle emissions testing program in southeastern Michigan. (The Act was subsequently recodified in the Natural Resources and Environmental Protection Act.)

Public Act 232 authorized the Michigan Department of Transportation (DOT) to implement and administer a decentralized motor vehicle emissions inspection test and repair program in Wayne, Oakland, and Macomb Counties. The Act required the program to be implemented only under one of the following conditions: 1) as a contingency measure included in a redesignation maintenance plan, if an actual violation of ozone standards was observed; 2) if implementation was a condition of redesignation; or 3) if redesignation was not approved and the program was required to comply with the Clean Air Act. Since Public Act 232 was enacted, the Environmental Protection Agency (EPA) redesignated southeastern Michigan as an attainment area. Although the State still must implement contingency measures to address violations of ozone standards, a vehicle emissions testing program is only one of various ways to meet air quality standards. Other options include the use of reformulated gasoline and vapor recovery devices, for example. In addition, the

new program was not implemented, although the Department of State continued to operate a testing program that originally was authorized in 1980 (and was ordered by the Governor to terminate at the end of 1995). In view of these circumstances, it was suggested that the southeastern Michigan program be eliminated except as a contingency measure required by the EPA.

CONTENT

The bill amended the Natural Resources and Environmental Protection Act to eliminate a requirement that the Michigan Department of Transportation implement a vehicle emissions test and repair program in Wayne, Oakland and Macomb Counties; provide that the owner of a motor vehicle in any of those counties is not required to have the vehicle tested or repaired unless an emissions test program is implemented; and allow the DOT to implement a test program only as a contingency measure.

The bill eliminated a requirement that the DOT by January 1, 1996, to implement and administer in Wayne, Oakland, and Macomb Counties a decentralized motor vehicle emissions inspection test and repair program in compliance with provisions of the Federal Clean Air Act that were in effect before November 15, 1990. The bill also provides that, on or after the bill's effective date, the owner of a motor vehicle who resides in Wayne, Oakland, or Macomb County is not required to have the vehicle tested or repaired under the Act unless an emissions inspection test program is implemented by the DOT.

Previously, the DOT could implement and administer in Wayne, Oakland, and Macomb Counties a decentralized test and repair program designed to meet Environmental Protection Agency performance standards using bar 90 testing equipment or an equivalent system

approved by the EPA, only under one of the following conditions:

- 1) As a contingency measure included in the maintenance plan approved by the EPA as part of the redesignation as an ozone attainment area. The contingency measure had to include authority to expand the program to Washtenaw County if other measures were not sufficient to meet the maintenance plan. The DOT could implement the contingency measure only if an actual violation of the ozone national ambient air quality standard during the maintenance period was observed.
- 2) An application for redesignation as an ozone attainment area was approved by the EPA but a condition of that approval required implementing the program in order to comply with the Clean Air Act.
- 3) An application for redesignation as an ozone attainment area was not approved by the EPA and the program was required to meet the requirements of the Clean Air Act. The program could be expanded to include Washtenaw County, and if necessary to meet the basic emissions inspection and maintenance program requirements of the Clean Air Act, the DOT could expand the program to St. Clair, Livingston, and/or Monroe Counties if other measures were not sufficient to meet Clean Air Act requirements. The DOT could exercise this contingency only if it notified the Legislature that this event had occurred and that the contingency would be implemented after a period of 45 days, and the Legislature failed to amend these requirements within the 45-day period.

The bill eliminated the second and third conditions while maintaining the first condition; however, the DOT may exercise this contingency only if the Department notifies the Legislature that the event has occurred and that the contingency will be implemented after 45 days, and the Legislature fails to amend these requirements within the 45-day period. Further, the bill authorizes the DOT to implement an emissions *test* program (rather than a test and repair program) under these circumstances, and eliminated the requirement that the program be “decentralized”.

The Act provided that a testing station could not charge a fee to issue a certificate of compliance

for a vehicle that had qualified for and received a low emission tune up. The bill eliminated this provision.

The Act prohibits a person from engaging in motor vehicle inspections unless the person has received a license to operate a testing station from the DOT. The bill eliminated a requirement that the person also be a registered motor vehicle repair facility.

MCL 324.6506 et al.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

Since the vehicle emissions testing program required by Public Act 232 was never implemented, and southeastern Michigan has been designated as an attainment area, the bill has removed the statutory requirements that this program be established. The bill, however, preserves statutory authority to establish an emissions testing program in southeastern Michigan as a contingency measure, but the program may not be implemented until the Legislature has a chance to amend the requirements.

Legislative Analyst: S. Margules

FISCAL IMPACT

The annual cost of the auto emissions testing program administered by the Department of State in FY 1994-95 (Wayne, Oakland, Macomb) was \$1.8 million General Fund/General Purpose. Public Act 451 of 1994 provided that the Department of Transportation would assume administration of this program not later than January 1, 1996. The Act also provided that \$3 of the testing fee would be remitted to the Department of Treasury to support the program. That fee would have generated approximately \$6.9 million annually.

Fiscal Analyst: B. Bowerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.