

## RULE SUMMARY

Subject: Amendment Exempting Certain Motor Vehicles from Emission Inspections (517)

Rule Citation	What is Changed	Purpose of Change (Why)	Who is Affected and How	Impacts
<p>15A NCAC 02D .1002, Applicability</p> <p>15A NCAC 02D .1003, Definitions</p> <p>15A NCAC 02D .1005, On-Board Diagnostic Standards</p> <p>15A NCAC 02D .1006, Sale and Service of Analyzers</p> <p>15A NCAC 02D .1009, Model Year 2008 and Subsequent Model Year Heavy-Duty Diesel Vehicle Requirements</p>	<p>In Session law 2012-199 the North Carolina General Assembly revised G.S. 20-183.2(b)(3) extending the emissions inspection exemption from the current model year vehicles independent of odometer mileage to the three most recent model years with less than 70,000 miles on their odometer.</p> <p>15A NCAC 02D .1009 is proposed to be repealed.</p>	<p>The revision is to bring the related DAQ rules into agreement with the revised statute.</p> <p>The EMC adopted the California on-road heavy-duty diesel (HDD) regulations by reference in 2004 as a backstop in case the U.S. EPA delayed or relaxed their HDD regulations. Given that EPA did not delay or relax their HDD regulations and the California rule is equivalent to and duplicative of EPA HDD rules, DAQ recommends eliminating the 02D .1009 Rule.</p>	<p>There are three groups of affected parties:</p> <ol style="list-style-type: none"> <li>1. Owners of new and recent model year vehicles will save money by not having an emissions inspection.</li> <li>2. Owners of vehicle inspection stations will lose revenue by not performing as many emissions inspections.</li> <li>3. State government agencies (Department of Transportation and Division of Air Quality) will receive less revenue in the future than they would have absent the exemption due to the reduced number of inspection fees collected.</li> </ol> <p>There will be no net adverse effect on air quality in the affected 48 counties.</p>	<p>The total fiscal impacts of the amendment are realized in State fiscal year (SFY) 2015 and SFY-2016, reaching \$13.9 million and \$14.5 million, respectively. The respective 2015 and 2016 SFY annual revenue losses for the station owners (\$9.3 million and \$9.7 million) and the state government agencies (\$4.6 million and \$4.8 million) equal the savings for the affected vehicle owners (\$13.9 million and \$14.5 million).</p>