S SENATE BILL 857*

Short Title: Eliminate Safety Insp./Emissions Insp. Freq. (Public)

Sponsors: Senators Albertson, Clodfelter and Hartsell.

Referred to: Commerce.

March 26, 2009

1	A BILL TO BE ENTITLED
2	AN ACT TO REPEAL THE REQUIREMENT THAT MOTOR VEHICLES REGISTERED
3	IN THIS STATE HAVE AN ANNUAL SAFETY INSPECTION, TO ELIMINATE THE
4	REQUIREMENT THAT WINDOW TINTING BE INSPECTED AT AN INSPECTION
5	STATION BY A LICENSED SAFETY INSPECTOR, TO ELIMINATE THE
6	AFFIRMATIVE DEFENSE TO AN UNSAFE TIRES CHARGE, TO ELIMINATE THE
7	REQUIREMENT THAT A VEHICLE BE SUBJECT TO A SAFETY INSPECTION
8	BEFORE A CHARGE FOR TINTED WINDOWS MAY BE MADE, TO DEVELOP AND
9	IMPLEMENT A MANAGEMENT IMPROVEMENT PLAN FOR THE MOTOR
10	VEHICLE EMISSIONS INSPECTION PROGRAM, ADMINISTERED BY THE
11	DIVISION OF MOTOR VEHICLES, WHICH WILL INCREASE EFFICIENCY,
12	REDUCE COSTS, AND IMPROVE CUSTOMER SERVICE, TO REQUIRE THE
13	FISCAL RESEARCH DIVISION OF THE GENERAL ASSEMBLY TO CONDUCT A
14	FISCAL REVIEW OF THE DIVISION OF MOTOR VEHICLES EMISSIONS
15	INSPECTION PROGRAM, TO REQUIRE THE DEPARTMENT OF ENVIRONMENT
16	AND NATURAL RESOURCES, DIVISION OF AIR QUALITY, TO STUDY HOW TO
17	COMPLY WITH FEDERAL GUIDELINES RELATED TO THE QUALITY OF
18	AMBIENT AIR WHILE REDUCING THE FREQUENCY OF EMISSIONS
19	INSPECTIONS FOR MOTOR VEHICLES THAT ARE LESS THAN FOUR MODEL
20	YEARS OLD AND TO REDUCE THE FREQUENCY OF EMISSIONS INSPECTION
21	BY EXEMPTING VEHICLES THAT ARE LESS THAN FOUR MODEL YEARS OLD
22	FROM THE EMISSIONS INSPECTION REQUIREMENT, AS RECOMMENDED BY
23	THE PROGRAM EVALUATION DIVISION OF THE GENERAL ASSEMBLY.

The General Assembly of North Carolina enacts:

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SECTION 1. Article 3A of Chapter 20 of the General Statutes reads as rewritten: "Article 3A.

"Safety and Emissions Inspection Program.

"Part 1. Safe Use of Streets and Highways.

"§ 20-183.1: Repealed by Session Laws 1993 (Reg. Sess., 1994), c. 754, s. 3.

"Part 2. Safety and Emissions Inspections of Certain Vehicles.

- "§ 20-183.2. Description of vehicles subject to safety or emissions inspection; definitions.
- (a) Safety. A motor vehicle is subject to a safety inspection in accordance with this Part if it meets all of the following requirements:
 - (1) It is subject to registration with the Division under Article 3 of this Chapter.
 - (2) It is not subject to inspection under 49 C.F.R. Part 396, the federal Motor Carrier Safety Regulations.



- (2) Emissions county. A county listed in G.S. 143-215.107A(c) or designated by the Environmental Management Commission pursuant to G.S. 143-215.107A(d) and certified to the Commissioner of Motor Vehicles as a county in which the implementation of a motor vehicle emissions inspection program will improve ambient air quality.
- (3) Federal installation. An installation that is owned by, leased to, or otherwise regularly used as the place of business of a federal agency.

"§ 20-183.3. Scope of safety inspection and an emissions inspection.

- (a) Safety. A safety inspection of a motor vehicle consists of an inspection of the following equipment to determine if the vehicle has the equipment required by Part 9 of Article 3 of this Chapter and if the equipment is in a safe operating condition:
 - (1) Brakes, as required by G.S. 20-124.
 - (2) Lights, as required by G.S. 20-129 or G.S. 20-129.1.
 - (3) Horn, as required by G.S. 20-125(a).
 - (4) Steering mechanism, as required by G.S. 20-123.1.
 - Windows and windshield wipers, as required by G.S. 20-127. To determine if a vehicle window meets the window tinting restrictions, a safety inspection mechanic must first determine, based on use of an automotive film check card or knowledge of window tinting techniques, if after factory tint has been applied to the window. If after-factory tint has been applied, the mechanic must use a light meter approved by the Commissioner to determine if the window meets the window tinting restrictions.
 - (6) Directional signals, as required by G.S. 20-125.1.
 - (7) Tires, as required by G.S. 20-122.1.
 - (8) Mirrors, as required by G.S. 20-126.
 - (9) Exhaust system and emissions control devices, as required by G.S. 20-128. For a vehicle that is subject to an emissions inspection in addition to a safety inspection, a visual inspection of the vehicle's emissions control devices is included in the emissions inspection rather than the safety inspection.
 - (b) Repealed by Laws 2000-134, s. 12, effective January 1, 2006.
- (b1) Emissions. An emissions inspection of a motor vehicle consists of a visual inspection of the vehicle's emissions control devices to determine if the devices are present, are properly connected, and are the correct type for the vehicle and an analysis of data provided by the on-board diagnostic (OBD) equipment installed by the vehicle manufacturer to identify any deterioration or malfunction in the operation of the vehicle that violates standards for the model year of the vehicle set by the Environmental Management Commission. To pass an emissions inspection a vehicle must pass both the visual inspection and the OBD analysis. When an emissions inspection is performed on a vehicle, a safety inspection must be performed on the vehicle as well.
- (c) Reinspection After Failure. The scope of a reinspection of a vehicle that has been repaired after failing an inspection is the same as the original inspection unless the vehicle is presented for reinspection within 60 days of failing the original inspection. If the vehicle is presented for reinspection within this time limit and the inspection the vehicle failed was a safety inspection, the reinspection is limited to an inspection of the equipment that failed the original inspection. If the vehicle is presented for reinspection within this time limit and the inspection the vehicle failed was an emissions inspection, limit, the reinspection is limited to the portion of the inspection the vehicle failed and any other portion of the inspection that would be affected by repairs made to correct the failure.

§ 20-183.4. License required to perform safety inspection; qualifications for license.

(a) License Required. – A safety inspection must be performed by one of the following methods:

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- (1) At a station that has a safety inspection station license issued by the Division and by a mechanic who is employed by the station and has a safety inspection mechanic license issued by the Division.
- (2)At a place of business of a person who has a safety self-inspector license issued by the Division and by an individual who has a safety inspection mechanic license issued by the Division.
- (b) Station Qualifications. An applicant for a license as a safety inspection station must meet all of the following requirements:
 - Have a place of business that has adequate facilities, space, and equipment to (1)conduct a safety inspection. A place of business designated in a station license that has been suspended or revoked cannot be the designated place for any other license applicant during the period of the suspension or revocation, unless the Division finds that operation of the place of business as an inspection station during this period by the license applicant would not defeat the purpose of the suspension or revocation because the license applicant has no connection with the person whose license was suspended or revoked or because of another reason. A finding made by the Division under this subdivision must be set out in a written statement that includes the finding and the reason for the finding.
 - (2)Regularly employ at least one mechanic who has a safety inspection mechanic license.
 - Designate the individual who will be responsible for the day to day (3) operation of the station. The individual designated must be of good character and have a reputation for honesty.
 - Have equipment and software approved by the Division to transfer (4) information on safety inspections to the Division by electronic means. During the initial implementation of the electronic inspection process, the vendor selected by the Division shall provide the equipment and software at no cost to a station that holds a license on October 1, 2008.
- Mechanic Qualifications. An applicant for a license as a safety inspection (c) mechanic must meet all of the following requirements:
 - Have successfully completed an eight hour course approved by the Division (1) that teaches students about the safety equipment a motor vehicle is required to have to pass a safety inspection and how to conduct a safety inspection using equipment to electronically transmit the vehicle information and inspection results.
 - (2)Have a drivers license.
 - (3)Be of good character and have a reputation for honesty.
- Self-Inspector Qualifications. An applicant for a license as a safety self-inspector (d) must meet all of the following requirements:
 - (1) Operate a fleet of at least 10 vehicles that are subject to a safety inspection.
 - Regularly employ or contract with an individual who has a safety inspection (2)mechanic license and who will perform a safety inspection on the vehicles that are part of the self-inspector's fleet.
- "§ 20-183.4A. License required to perform emissions inspection; qualifications for
- License Required. An emissions inspection must be performed by one of the (a) following methods:
 - At a station that has an emissions inspection station license issued by the (1) Division and by a mechanic who is employed by the station and has an emissions inspection mechanic license issued by the Division.

- (2) At a place of business of a person who has an emissions self-inspector license issued by the Division and by an individual who has an emissions inspection mechanic license.
- (b) Station Qualifications. An applicant for a license as an emissions inspection station must meet all of the following requirements:
 - (1) Have a license as a safety inspection station.
 - (2) Repealed by Session Law 2000-134, s. 15, effective January 1, 2006.
 - (2a) Have equipment to analyze data provided by the on-board diagnostic (OBD) equipment approved by the Environmental Management Commission.
 - (3) Have equipment and software to transfer information on emissions inspections to the Division by electronic means. During the initial implementation of the electronic inspection process, the vendor selected by the Division shall provide the software at no cost to a station that holds a license on October 1, 2008.
 - (4) Regularly employ at least one mechanic who has an emissions inspection mechanic license.
- (c) Mechanic Qualifications. An applicant for a license as an emissions inspection mechanic must meet all of the following requirements:
 - (1) Have a license as a safety inspection mechanic.
 - (2) Repealed by Session Law 2000-134, s. 15, effective January 1, 2006.
 - Have successfully completed an eight-hour course approved by the Division that teaches students about the causes and effects of the air pollution problem, the purpose of the emissions inspection program, the vehicle emission standards established by the United States Environmental Protection Agency, the emission control devices on vehicles, how to conduct an emissions inspection using equipment to analyze data provided by the on-board diagnostic (OBD) equipment approved by the Environmental Management Commission, and any other topic required by 40 C.F.R. § 51.367 to be included in the course. Successful completion requires a passing score on a written test and on a hands-on test in which the student is required to conduct an emissions inspection of a motor vehicle.
- (d) Self-Inspector Qualifications. An applicant for a license as an emissions self-inspector must meet all of the following requirements:
 - (1) Have a license as a safety self-inspector.
 - (2) Operate a fleet of at least 10 vehicles that are subject to an emissions inspection.
 - (3) Repealed by Session Law 2000-134, s. 15, effective January 1, 2006.
 - (3a) Have, or have a contract with a person who has, equipment to analyze data provided by the on-board diagnostic (OBD) equipment approved by the Environmental Management Commission.
 - (4) Regularly employ or contract with an individual who has an emissions inspection mechanic license and who will perform an emissions inspection on the vehicles that are part of the self-inspector's fleet.

"§ 20-183.4B. Application for license; duration of license; renewal of mechanic license.

(a) Application. – An applicant for a license issued under this Part must complete an application form provided by the Division. The application must contain the applicant's name and address and any other information needed by the Division to determine whether the applicant is qualified for the license. The Division must review an application for a license to determine if the applicant qualifies for the license. If the applicant meets the qualifications, the Division must issue the license. If the applicant does not meet the qualifications, the Division must deny the application and notify the applicant in writing of the reason for the denial.

- (b) Duration of License. A safety inspection mechanic license expires four years after the date it is issued. An emissions mechanic inspection license expires two years after the date it is issued. A safety inspection station license, anAn emissions inspection station license, license and a self-inspector license are effective until surrendered by the license holder or suspended or revoked by the Division.
- (c) Renewal of Mechanic License. A safety or anAn emissions inspection mechanic may apply to renew a license by filing an application with the Division on a form provided by the Division. To renew an emissions inspection mechanic license, an applicant must have successfully completed a four-hour emissions refresher course approved by the Division within nine months of applying for renewal. Successful completion requires a passing score on a written test and on a hands-on test in which the student is required to conduct an emissions inspection of a motor vehicle.

"§ 20-183.4C. When a vehicle must be inspected; three-day trip permit.

- (a) Inspection. A vehicle that is subject to a <u>safety inspection</u>, an emissions <u>inspection</u>, or both inspection must be inspected as follows:
 - (1) A new vehicle must be inspected before it is sold at retail in this State. Upon purchase, a receipt approved by the Division must be provided to the new owner certifying compliance.
 - (1a) A new motor vehicle dealer who is also licensed pursuant to this Article may, notwithstanding subdivision (1) of this section, examine the safety and emissions control devices on a new motor vehicle and perform such services necessary to ensure the motor vehicle conforms to the required specifications established by the manufacturer and contained in its predelivery check list. The completion of the predelivery inspection procedure required or recommended by the manufacturer on a new motor vehicle shall constitute the inspection required by subdivision (1) of this section. For the purposes of this subdivision, the date of inspection shall be deemed to be the date of the sale of the motor vehicle to a purchaser.
 - (2) A used vehicle must be inspected before it is offered for sale at retail in this State by a dealer. Upon purchase, a receipt approved by the Division must be provided to the new owner certifying compliance.
 - (3) Repealed by Session Law 2007-503, s. 5, effective October 1, 2008.
 - (4) A new or used vehicle acquired by a resident of this State from outside the State must be inspected before the vehicle is registered with the Division.
 - (5) A vehicle owned by a new resident of this State who transfers the registration of the vehicle from the resident's former home state to this State must be inspected before the vehicle is registered with the Division.
 - (5a) Repealed by Session Law 2007-503, s. 5, effective October 1, 2008.
 - (6) A vehicle that has been inspected in accordance with this Part must be inspected by the last day of the month in which the registration on the vehicle expires.
 - (7) A vehicle that is required to be inspected in accordance with this Part may be inspected 90 days prior to midnight of the last day of the month as designated by the vehicle registration sticker.
 - (8) A new or used vehicle acquired from a retailer in this State and registered with the Division with a new registration or a transferred registration must be inspected in accordance with this Part when the current registration expires.
 - (9) A used vehicle acquired from a private sale in this State must be inspected in accordance with this Part before the vehicle is registered with the Division unless it has received a passing inspection within the previous 12 months.

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- An unregistered vehicle must be inspected before the vehicle is registered (10)with the Division unless it has received a passing inspection within the previous 12 months.
- A person who owns a vehicle located outside of this State when its (11)emissions inspection becomes due may obtain an emissions inspection in the jurisdiction where the vehicle is located, in lieu of a North Carolina emissions inspection, as long as the inspection meets the requirements of 40 C.F.R. § 51.
- Permit. The Division may issue a three-day trip permit to a person that authorizes (b) the person to drive an insured vehicle whose inspection authorization or registration has expired. The permit must describe the vehicle whose inspection authorization or registration has expired. The permit authorizes the person to drive the described vehicle only from the place the vehicle is parked to an inspection station, repair shop, or Division or contract agent registration office.

The Division may issue a 10-day temporary permit to a person that authorizes the person to drive a vehicle that failed to pass the emissions inspection. The permit must describe the vehicle that failed to pass inspection and the date that it failed to pass inspection.

"§ 20-183.4D. Procedure when a vehicle is inspected.

- Receipt. When a safety inspection mechanic or an emissions inspection mechanic inspects a vehicle, the mechanic must give the person who brought the vehicle in for inspection an inspection receipt. The inspection receipt must state the date of the inspection, identify the mechanic performing the inspection, identify the station or self-inspector where the inspection was performed, and list the components of the inspection performed and indicate for each component whether the vehicle passed or failed. A vehicle that fails a component of an inspection may be repaired at any repair facility chosen by the owner or operator of the vehicle.
- Electronic Inspection Authorization. When a vehicle that is subject to a safety inspection only passes the safety inspection, the safety inspection mechanic who performed the inspection must issue an electronic inspection authorization to the vehicle at the place designated by the Division. When a vehicle that is subject to both a safety inspection and an emissions inspection passes both inspections or passes the safety inspection and or has a waiver for the emissions inspection, the emissions mechanic performing the inspection must issue an electronic inspection authorization to the vehicle at the place designated by the Division.
 - (d) Repealed by Session Law 2007-503, s. 6, effective October 1, 2008. (c),
- When Electronic Inspection Authorization Expires. An electronic inspection (e) authorization issued under this Part expires at midnight of the last day of the month designated by the vehicle registration sticker of the following year.

"§ 20-183.5. When a vehicle that fails an emissions inspection may obtain a waiver from the inspection requirement.

- Requirements. The Division may issue a waiver for a vehicle, excluding a vehicle (a) owned or being held for retail sale by a motor vehicle dealer, that meets all of the following requirements:
 - Fails an emissions inspection because it passes the visual inspection but fails (1) the analysis of data provided by the on-board diagnostic (OBD) equipment.
 - Has documented repairs costing at least the waiver amount made to the (2) vehicle to correct the cause of the failure. The waiver amount is two hundred dollars (\$200.00).
 - (3) Is reinspected and again fails the inspection because it passes the visual inspection but fails the analysis of data provided by the on-board diagnostic (OBD) equipment.
 - (4) Meets any other waiver criteria required by 40 C.F.R. § 51.360, or as designated by the Division.

(b)

- the Division. Before issuing a waiver, an employee of the Division must review the inspection receipts issued for the inspections of the vehicle, review the documents establishing what repairs were made to the vehicle and at what cost, review any statement denying warranty coverage of the repairs made, and do a visual inspection of the vehicle, if appropriate, to determine if the documented repairs were made. The Division must issue a waiver if it determines that the vehicle qualifies for a waiver. A person to whom a waiver is issued must present the waiver to the self-inspector or inspection station performing the inspection to obtain an electronic inspection authorization.
- (c) Repairs. The following repairs and their costs cannot be considered in determining whether the cost of repairs made to a vehicle equals or exceeds the waiver amount:
 - (1) Repairs covered by a warranty that applies to the vehicle.
 - (2) Repairs needed as a result of tampering with an emission control device of the vehicle.

Procedure. – To obtain a waiver, a person must contact a local enforcement office of

- (3) Repairs made by an individual who is not professionally engaged in the business of repairing vehicles.
- (4) OBD diagnostics without corresponding repairs.
- (d) Electronic Inspection Authorization. An electronic inspection authorization issued to a vehicle after the vehicle receives a waiver from the requirement of passing the emissions inspection expires at the same time it would if the vehicle had passed the emissions inspection.

§ 20-183.5A. When a vehicle that fails a safety inspection because of missing emissions control devices may obtain a waiver.

- (a) Requirements. The Division may issue a waiver for a vehicle that meets all of the following requirements:
 - (1) Fails a safety inspection because it does not have one or more emissions control devices.
 - (2) Has documented repairs within the previous calendar year to replace missing emissions control devices costing at least the waiver amount made to the vehicle to correct the cause of the failure. The waiver amount is two hundred dollars (\$200.00) if the vehicle is a 1996 or newer model.
- (b) Procedure. To obtain a waiver, a person must contact a local enforcement office of the Division. Before issuing a waiver, an employee of the Division must review the inspection receipts issued for the inspections of the vehicle, review the documents establishing what repairs were made to the vehicle and at what cost, review any statement denying warranty coverage of the repairs made, and do a visual inspection of the vehicle, if appropriate, to determine if the documented repairs were made. The Division must issue a waiver if it determines that the vehicle qualifies for a waiver. A person to whom a waiver is issued must present the waiver to the self-inspector or inspection station performing the inspection to obtain an electronic inspection authorization.
- (c) Repairs. The following repairs and their costs cannot be considered in determining whether the cost of repairs made to a vehicle equals or exceeds the waiver amount:
 - (1) Repairs covered by a warranty that applies to the vehicle.
 - (2) Repairs needed as a result of tampering with an emission control device of the vehicle.
 - (3) Repairs made by an individual who is not professionally engaged in the business of repairing vehicles.
- (d) Electronic Inspection Authorization Expiration. An electronic inspection authorization issued to a vehicle after the vehicle receives a waiver from the requirement of passing the safety inspection expires at the same time it would if the vehicle had passed the safety inspection.

"§ 20-183.6: Repealed by Session Laws 2007-503, s. 10, effective October 1, 2008, and applicable to offenses committed on or after that date.

"§ 20-183.6A. Administration of program; duties of license holders.

- (a) Division. The Division is responsible for administering the safety inspection and the emissions inspection programs.program. In exercising this responsibility, the Division must:
 - (1) Conduct performance audits, record audits, and equipment audits of those licensed to perform inspections to ensure that inspections are performed properly.
 - (2) Ensure that Division personnel who audit license holders are knowledgeable about audit procedures and about the requirements of both the safety inspection and the emissions inspection programs.program.
 - (3) Perform an emissions inspection on a vehicle when requested to do so by a vehicle owner so the owner can compare the result of the inspection performed by the Division with the result of an inspection performed at an emissions inspection station.
 - (4) Investigate complaints about a person licensed to perform inspections and reports of irregularities in performing inspections.
 - (5) Establish written procedures for the issuance of electronic inspection authorizations to persons licensed to perform electronic inspection authorizations.
 - (6) Submit information and reports to the federal Environmental Protection Agency as required by 40 C.F.R. Part 51.
- (b) License Holders. A person who is licensed by the Division under this Part must post the license at the place required by the Division and must keep a record of inspections performed. The inspection record must identify the vehicle that was inspected, indicate the type of inspection performed and the date of inspection, and contain any other information required by the Division. A self-inspector or an inspection station must send its records of inspections to the Division in the form and at the time required by the Division. An auditor of the Division may review the inspection records of a person licensed by the Division under this Part during normal business hours.

"§ 20-183.7. Fees for performing an inspection and issuing an electronic inspection authorization to a vehicle; use of civil penalties.

(a) Fee Amount. – When a fee applies to an inspection of a vehicle or the issuance of an electronic inspection authorization, the fee must be collected. The following fees apply to an inspection of a vehicle and the issuance of an electronic inspection authorization:

TypeInspectionAuthorizationSafety Only\$12.75\$0.85Emissions and Safety23.50\$9.136.50.\$7.27.

The fee for performing an inspection of a vehicle applies when an inspection is performed, regardless of whether the vehicle passes the inspection. The fee for an electronic inspection authorization applies when an electronic inspection authorization is issued to a vehicle. The fee for an inspection sticker does not apply to a replacement inspection sticker for use on a windshield replaced by a business registered with the Division pursuant to G.S. 20-183.6. The fee for inspecting after-factory tinted windows shall be ten dollars (\$10.00), and the fee applies only to an inspection performed with a light meter after a safety inspection certified mechanic determined that the window had after-factory tint. A safety inspection certified mechanic shall not inspect an after-factory tinted window of a vehicle for which the Division has issued a medical exception permit pursuant to G.S. 20-127(f).

A vehicle that is inspected at an inspection station and fails the inspection is entitled to be reinspected at the same station at any time within 60 days of the failed inspection without paying another inspection fee.

The inspection fee for an emissions and safety-inspection set out in this subsection is the maximum amount that an inspection station or an inspection mechanic may charge for an emissions and safety-inspection of a vehicle. An inspection station or an inspection mechanic may charge the maximum amount or any lesser amount for an emissions and safety-inspection of a vehicle. The inspection fee for a safety only inspection set out in this subsection may not be increased or decreased. The authorization fees set out in this subsection may not be increased or decreased.

- (b) Self-Inspector. The fee for an inspection does not apply to an inspection performed by a self-inspector. The fee for issuing an electronic inspection authorization to a vehicle applies to an inspection performed by a self-inspector.
- (c) Fee Distribution. Fees collected for electronic inspection authorizations are payable to the Division of Motor Vehicles. The amount of each fee listed in the table below shall be credited to the Highway Fund, the Emissions Program Account established in subsection (d) of this section, the Telecommunications Account established in subsection (d1) of this section, the Volunteer Rescue/EMS Fund established in G.S. 58-87-5, the Rescue Squad Workers' Relief Fund established in G.S. 58-88-5, and the Division of Air Quality of the Department of Environment and Natural Resources:

Recipient	Safety Only	Emissions and
	Electronic	Safety
	Authorization	Electronic
		Authorization
Highway Fund	.55	.55
Emissions Program Account	.00	3.00 <u>4.04</u>
Telecommunications Account	.00	1.75 2.36
Volunteer Rescue/EMS Fund	.18	.18
Rescue Squad Workers' Relief Fund	.12	.12
Division of Air Quality	.00	.65. .87.

- (d) Emissions Program Account. The Emissions Program Account is created as a nonreverting account within the Highway Fund. The Division shall administer the Account. Revenue in the Account may be used only to fund the vehicle emissions inspection and maintenance program.
- (d1) Telecommunications Account. The Telecommunications Account is created as a nonreverting account within the Highway Fund. The Division shall administer the Account. Revenue in the Account may be used only to provide equipment and telecommunications services associated with the vehicle safety and emissions inspection and maintenance program.
 - (d2) Repealed by Session Law 2001-504, s. 3, effective July 1, 2007.
- (e) Civil Penalties. Civil penalties collected under this Part shall be credited to the Highway Fund as nontax revenue. The clear proceeds of all civil penalties, civil forfeitures, and civil fines that are collected by the Division pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.
- (f) Inspection Stations Required to Post Fee Information. The Division shall approve the form and style of one or more standard signs to be used to display the information required by this subsection. The Division shall require that one or more of the standard signs be conspicuously posted at each inspection station in a manner reasonably calculated to make the information on the sign readily available to each person who presents a motor vehicle to the station for inspection. The sign shall include the following information:

- (1) The maximum and minimum amounts of the inspection fee authorized by this section.
- (2) The amount of the inspection fee charged by the inspection station and a statement that clearly indicates that the amount of the inspection fee is determined by the inspection station, that the inspection fee is retained by the inspection station to compensate the station for performing the inspection, and that the inspection fee is not paid to the State.
- (3) The amount of the electronic inspection authorization fee, if the motor vehicle passes the inspection, a statement that the electronic inspection authorization fee is paid to the State, and a brief summary of the purposes for which the electronic inspection authorization fee is collected.

(4) The total fee to be charged if the motor vehicle passes the inspection.

 (5) A statement that a vehicle that fails an inspection may be reinspected at the same station within 30 days of the inspection without payment of another inspection fee.

(g) Information on Receipt. – The information set out in subdivisions (1) through (5) of subsection (f) of this section shall be set out in not smaller than 12 point type and shall be shown graphically in the form of a pie chart on the inspection receipt.

 (h) Subsections (f) and (g) of this section apply only to inspection stations that perform both emissions and safety inspections.

§ 20-183.7A. Penalties applicable to license holders and suspension or revocation of license for safety violations.

(a) Kinds of Violations. The civil penalty schedule established in this section applies to safety self-inspectors, safety inspection stations, and safety inspection mechanics. The schedule categorizes safety violations into serious (Type I), minor (Type II), and technical (Type III) violations. A serious violation is a violation of this Part or a rule adopted to implement this Part that directly affects the safety or emissions reduction benefits of the safety inspection program. A minor violation is a violation of this Part or a rule adopted to implement this Part that reflects negligence or carelessness in conducting a safety inspection or complying with the safety inspection requirements but does not directly affect the safety benefits or emission reduction benefits of the safety inspection program. A technical violation is a violation that is not a serious violation, a minor violation, or another type of offense under this Part.

(b) Penalty Schedule. – The Division must take the following action for a violation:

(1) Type I.—For a first or second Type I violation within three years by a safety self-inspector or a safety inspection station, assess a civil penalty of two hundred fifty dollars (\$250.00) and suspend the license of the business for six months. For a third or subsequent Type I violation within three years by a safety self-inspector or a safety inspection station, assess a civil penalty of one thousand dollars (\$1,000) and revoke the license of the business for two years. For a first or second Type I violation within seven years by a safety inspection mechanic, assess a civil penalty of one hundred dollars (\$100.00) and suspend the mechanic's license for six months. For a third or subsequent Type I violation within seven years by a safety inspection mechanic, assess a civil penalty of two hundred fifty dollars (\$250.00) and revoke the mechanic's license for two years.

(2) Type II. For a first or second Type II violation within three years by a safety self inspector or a safety inspection station, assess a civil penalty of one hundred dollars (\$100.00). For a third or subsequent Type II violation within three years by a safety self-inspector or a safety inspection station, assess a civil penalty of two hundred fifty dollars (\$250.00) and suspend the

- license of the business for 90 days. For a first or second Type II violation within seven years by a safety inspection mechanic, assess a civil penalty of fifty dollars (\$50.00). For a third or subsequent Type II violation within seven years by a safety inspection mechanic, assess a civil penalty of one hundred dollars (\$100.00) and suspend the mechanic's license for 90 days.
- (3) Type III. For a first or second Type III violation within seven years by a safety self inspector, a safety inspection station, or a safety inspection mechanic, send a warning letter. For a third or subsequent Type III violation within seven years by the same safety license holder, assess a civil penalty of twenty-five dollars (\$25.00).
- (c) Station or Self-Inspector Responsibility. It is the responsibility of a safety inspection station and a safety self-inspector to supervise the safety inspection mechanics it employs. A violation by a safety inspection mechanic is considered a violation by the station or self-inspector for whom the mechanic is employed.
- (d) Multiple Violations. If a safety self-inspector, a safety inspection station, or a safety inspection mechanic commits two or more violations in the course of a single safety inspection, the Division shall take only the action specified for the most significant violation.
- (e) Mechanic Training. A safety inspection mechanic whose license has been suspended or revoked must retake the course required under G.S. 20 183.4 and successfully complete the course before the mechanic's license can be reinstated. Failure to successfully complete this course continues the period of suspension or revocation until the course is completed successfully.

§ 20-183.7B. Acts that are Type I, II, or III safety violations.

- (a) Type I. It is a Type I violation for a safety self-inspector, a safety inspection station, or a safety inspection mechanic to do any of the following:
 - (1) Issue a safety electronic inspection authorization to a vehicle without performing a safety inspection of vehicle.
 - (2) Issue a safety electronic inspection authorization to a vehicle after performing a safety inspection of the vehicle and determining that the vehicle did not pass the inspection.
 - (3) Allow a person who is not licensed as a safety inspection mechanic to perform a safety inspection for a self-inspector or at a safety station.
 - (4) Sell, issue, or otherwise give an electronic inspection authorization to another, other than as the result of a vehicle inspection in which the vehicle passed the inspection.
 - (5) Be unable to account for five or more electronic inspection authorizations at any one time upon the request of an officer of the Division.
 - (6) Perform a safety only inspection on a vehicle that is subject to both a safety and an emissions inspection.
 - (7) Transfer an electronic inspection authorization from one vehicle to another.
 - (8) Conduct a safety inspection of a vehicle without driving the vehicle and without raising the vehicle and without opening the hood of the vehicle to check equipment located therein.
 - (9) Solicit or accept anything of value to pass a vehicle other than as provided in this Part.
- (b) Type II. It is a Type II violation for a safety self inspector, a safety inspection station, or a safety inspection mechanic to do any of the following:
 - (1) Issue a safety electronic inspection authorization to a vehicle without driving the vehicle and checking the vehicle's braking reaction, foot brake pedal reserve, and steering free play.

- inspected in accordance with this Part, as evidenced by the vehicle's lack of a current electronic inspection authorization or otherwise.
- Allows an electronic inspection authorization to be issued to a vehicle (2) owned or operated by that person, knowing that the vehicle was not inspected before the electronic inspection authorization was issued or was not inspected properly.
- Issues an electronic inspection authorization on a vehicle, knowing or having (3) reasonable grounds to know that an inspection of the vehicle was not performed or was performed improperly. A person who is cited for a civil penalty under G.S. 20-183.8B for an emissions violation involving the inspection of a vehicle may not be charged with an infraction under this subdivision based on that same vehicle.
- Alters the original certified configuration or data link connectors of a vehicle (4) in such a way as to make an emissions inspection by analysis of data provided by on-board diagnostic (OBD) equipment inaccurate or impossible.

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- subsection (a) of this section:
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- Defenses to Infractions. Any of the following is a defense to a violation under (b)
 - The vehicle was continuously out of State for at least the 30 days preceding (1) the date the electronic inspection authorization expired and a current electronic inspection authorization was obtained within 10 days after the vehicle came back to the State.
 - (2) The vehicle displays a dealer license plate or a transporter plate, the dealer repossessed the vehicle or otherwise acquired the vehicle within the last 10 days, and the vehicle is being driven from its place of acquisition to the dealer's place of business or to an inspection station.
 - Repealed by Session Law 1997-29, s. 5. (3)
 - The charged infraction is described in subdivision (a)(1) of this section, the (4) vehicle is subject to a safety inspection or an emissions inspection and the vehicle owner establishes in court that the vehicle was inspected after the citation was issued and within 30 days of the expiration date of the inspection sticker that was on the vehicle or the electronic inspection authorization was issued to the vehicle when the citation was issued.
 - (c) Felony. – A person who does any of the following commits a Class I felony:
 - Forges an inspection sticker or inspection receipt. (1)
 - (2) Buys, sells, issues, or possesses a forged inspection sticker or electronic inspection authorization.
 - (3) Buys, sells, issues, or possesses an electronic inspection authorization other than as the result of either of the following:
 - Having a license as an inspection station, a self-inspector, or an inspection mechanic and obtaining the electronic inspection authorization from the Division through an electronic authorization vendor in the course of business.
 - b. A vehicle inspection in which the vehicle passed the inspection or for which the vehicle received a waiver.
 - (4) Solicits or accepts anything of value in order to pass a vehicle that fails a safety or an emissions inspection.
 - Fails a vehicle for any reason not authorized by law. (5)

"§ 20-183.8A. Civil penalties against motorists for emissions violations; waiver.

- Civil Penalties. The Division must assess a civil penalty against a person who owns or leases a vehicle that is subject to an emissions inspection and who engages in any of the emissions violations set out in this subsection. As provided in G.S. 20-54, the registration of a vehicle may not be renewed until a penalty imposed under this subsection has been paid. The civil penalties and violations are as follows:
 - Fifty dollars (\$50.00) for failure to have the vehicle inspected within four (1) months after it is required to be inspected under this Part.
 - Two hundred fifty dollars (\$250.00) for instructing or allowing a person to (2) tamper with an emission control device of the vehicle so as to make the device inoperative or fail to work properly.
 - Two hundred fifty dollars (\$250.00) for incorrectly stating the vehicle's (3) county of registration to avoid having an emissions inspection of the vehicle.
- Waiver. The Division must waive the civil penalty assessed under subdivision (a)(1) of this section against a person who establishes the following:
 - The person was continuously out of the State on active military duty from (1) the date the inspection sticker expired to the date the four-month grace period expired.

- (2) No person operated the vehicle from the date the inspection sticker expired to the date the four-month grace period expired.
- (3) The person obtained a current inspection sticker within 30 days after returning to the State.

"§ 20-183.8B. Civil penalties against license holders and suspension or revocation of license for emissions violations.

(a) Kinds of Violations. – The civil penalty schedule established in this section applies to emissions self-inspectors, emissions inspection stations, and emissions inspection mechanics. The schedule categorizes emissions violations into serious (Type I), minor (Type II), and technical (Type III) violations.

A serious violation is a violation of this Part or a rule adopted to implement this Part that directly affects the emission reduction benefits of the emissions inspection program. A minor violation is a violation of this Part or a rule adopted to implement this Part that reflects negligence or carelessness in conducting an emissions inspection or complying with the emissions inspection requirements but does not directly affect the emission reduction benefits of the emissions inspection program. A technical violation is a violation that is not a serious violation, a minor violation, or another type of offense under this Part.

- (b) Penalty Schedule. The Division must take the following action for a violation:
 - (1) Type I. For a first or second Type I violation by an emissions self-inspector or an emissions inspection station, assess a civil penalty of two hundred fifty dollars (\$250.00) and suspend the license of the business for six months. For a third or subsequent Type I violation within three years by an emissions self-inspector or an emissions inspection station, assess a civil penalty of one thousand dollars (\$1,000) and revoke the license of the business for two years.

For a first or second Type I violation by an emissions inspection mechanic, assess a civil penalty of one hundred dollars (\$100.00) and suspend the mechanic's license for six months. For a third or subsequent Type I violation within seven years by an emissions inspection mechanic, assess a civil penalty of two hundred fifty dollars (\$250.00) and revoke the mechanic's license for two years.

(2) Type II. – For a first or second Type II violation by an emissions self-inspector or an emissions inspection station, assess a civil penalty of one hundred dollars (\$100.00). For a third or subsequent Type II violation within three years by an emissions self-inspector or an emissions inspection station, assess a civil penalty of two hundred fifty dollars (\$250.00) and suspend the license of the business for 90 days.

For a first or second Type II violation by an emissions inspection mechanic, assess a civil penalty of fifty dollars (\$50.00). For a third or subsequent Type II violation within seven years by an emissions inspection mechanic, assess a civil penalty of one hundred dollars (\$100.00) and suspend the mechanic's license for 90 days.

- (3) Type III. For a first or second Type III violation by an emissions self-inspector, an emissions inspection station, or an emissions inspection mechanic, send a warning letter. For a third or subsequent Type III violation within three years by the same emissions license holder, assess a civil penalty of twenty-five dollars (\$25.00).
- (c) Station or Self-Inspector Responsibility. It is the responsibility of an emissions inspection station and an emissions self-inspector to supervise the emissions mechanics it employs. A violation by an emissions inspector mechanic is considered a violation by the station or self-inspector for whom the mechanic is employed.

- (d) Missing Stickers. The Division must assess a civil penalty against an emissions inspection station, a windshield replacement station, or an emissions self-inspector that cannot account for an emissions inspection sticker issued to it. A station or a self-inspector cannot account for a sticker when the sticker is missing and the station or self-inspector cannot establish reasonable grounds for believing the sticker was stolen or destroyed by fire or another accident.
- (\$25.00) for each missing stickers. The amount of the penalty is twenty-five dollars (\$25.00) for each missing sticker. If a penalty is imposed under subsection (b) of this section as the result of missing stickers, the monetary penalty that applies is the higher of the penalties required under this subsection and subsection (b); the Division may not assess a monetary penalty as a result of missing stickers under both this subsection and subsection (b) of this section. Imposition of a monetary penalty under this subsection does not affect suspension or revocation of a license required under subsection (b) of this section.
- (e) Mechanic Training. An emissions inspection mechanic whose license has been suspended or revoked must retake the course required under G.S. 20-183.4A and successfully complete the course before the mechanic's license can be reinstated. Failure to successfully complete this course continues the period of suspension or revocation until the course is completed successfully.

"§ 20-183.8C. Acts that are Type I, II, or III emissions violations.

- (a) Type I. It is a Type I violation for an emissions self-inspector, an emissions inspection station, or an emissions inspection mechanic to do any of the following:
 - (1) Issue an emissions electronic inspection authorization on a vehicle without performing an emissions inspection of the vehicle.
 - (1a) Issue an emissions electronic inspection authorization to a vehicle after performing an emissions inspection of the vehicle and determining that the vehicle did not pass the inspection.
 - (2) Use a test-defeating strategy when conducting an emissions inspection by changing the emission standards for a vehicle by incorrectly entering the vehicle type or model year, or using data provided by the on-board diagnostic (OBD) equipment of another vehicle to achieve a passing result.
 - (3) Allow a person who is not licensed as an emissions inspection mechanic to perform an emissions inspection for a self-inspector or at an emissions station.
 - (4) Sell, issue, or otherwise give an electronic inspection authorization to another other than as the result of a vehicle inspection in which the vehicle passed the inspection or for which the vehicle received a waiver.
 - (5) Be unable to account for five or more electronic inspection authorizations at any one time upon the request of an auditor of the Division.
 - (6) Perform a safety-only inspection on a vehicle that is subject to both a safety and an emissions inspection.
 - (7) Transfer an electronic inspection authorization from one vehicle to another.
- (b) Type II. It is a Type II violation for an emissions self-inspector, an emissions inspection station, or an emissions inspection mechanic to do any of the following:
 - (1) Use the identification code of another to gain access to an emissions analyzer or to equipment to analyze data provided by on-board diagnostic (OBD) equipment.
 - (2) Keep compliance documents in a manner that makes them easily accessible to individuals who are not inspection mechanics.
 - (3) Issue a safety electronic inspection authorization or an emissions electronic inspection authorization on a vehicle that is required to have one of the following emissions control devices but does not have it:

a. Catalytic converter.
b. PCV valve.
c. Thermostatic air control.
d. Oxygen sensor.

- e. Unleaded gas restrictor.
- f. Gasoline tank cap.
- g. Air injection system.
- h. Evaporative emissions system.
- i. Exhaust gas recirculation (EGR) valve.
- (4) Issue a safety electronic inspection authorization or an emissions electronic inspection authorization on a vehicle without performing a visual inspection of the vehicle's exhaust system and checking the exhaust system for leaks.
- (5) Impose no fee for an emissions inspection of a vehicle or the issuance of an emissions electronic inspection authorization or impose a fee for one of these actions in an amount that differs from the amount set in G.S. 20-183.7.
- (c) Type III. It is a Type III violation for an emissions self-inspector, an emissions inspection station, or an emissions inspection mechanic to do any of the following:
 - (1) Fail to post an emissions license issued by the Division.
 - (2) Fail to send information on emissions inspections to the Division at the time or in the form required by the Division.
 - (3) Fail to post emissions information required by federal law to be posted.
 - (4) Repealed by Session Law 2007-503, s. 16, effective October 1, 2008.
 - (5) Fail to put the required information on an inspection receipt in a legible manner.
 - (6) Repealed by Session Laws 2007-503, s. 16, effective October 1, 2008.
- (d) Other Acts. The lists in this section of the acts that are Type I, Type II, or Type III violations are not the only acts that are one of these types of violations. The Division may designate other acts that are a Type I, Type II, or Type III violation.

"§ 20-183.8D. Suspension or revocation of license.

- (a) Safety. The Division may suspend or revoke a safety self-inspector license, a safety inspection station license, and a safety inspection mechanic license issued under this Part if the license holder fails to comply with this Part or a rule adopted by the Commissioner to implement this Part.
- (b) Emissions. The Division may suspend or revoke an emissions self-inspector license, an emissions inspection station license, and an emissions inspection mechanic license issued under this Part for any of the following reasons:
 - (1) The suspension or revocation is imposed under G.S. 20-183.8B.
 - (2) Failure to pay a civil penalty imposed under G.S. 20-183.8B within 30 days after it is imposed.

"§ 20-183.8E: Recodified as G.S. 20-183.8G at the direction of the Revisor of Statutes.

- "§ 20-183.8F. Requirements for giving license holders notice of violations and for taking summary action.
- (a) Finding of Violation. When an auditor of the Division finds that a violation has occurred that could result in the suspension or revocation of an inspection station license, a self-inspector license, or a mechanic license, or the registration of a person engaged in the business of replacing windshields, the auditor must give the affected license holder written notice of the finding. The notice must be given within five business days after the completion of the investigation that resulted in the discovery of the violation. The notice must state the period of suspension or revocation that could apply to the violation and any monetary penalty that could apply to the violation. The notice must also inform the license holder of the right to a hearing if the Division charges the license holder with the violation.

- (b) Notice of Charges. When the Division decides to charge an inspection station, a self-inspector, a mechanic, or a person who is engaged in the business of replacing windshields or a mechanic with a violation that could result in the suspension or revocation of the person's license, an auditor of the Division must deliver a written statement of the charges to the affected license holder. The statement of charges must inform the license holder of this right, instruct the person on how to obtain a hearing, and inform the license holder of the effect of not requesting a hearing. The license holder has the right to a hearing before the license is suspended or revoked. G.S. 20-183.8E sets out the procedure for obtaining a hearing.
- (c) Exception for Summary Action. The right granted by subsection (b) of this section to have a hearing before a license is suspended or revoked does not apply if the Division summarily suspends or revokes the license after a judge has reviewed and authorized the proposed action. A license issued to an inspection station, a self-inspector, or a mechanic is a substantial property interest that cannot be summarily suspended or revoked without judicial review.
- (d) A notice or statement prepared pursuant to this section or an order of the Division that is directed to a mechanic may be served on the mechanic by delivering a copy of the notice, statement, or order to the station or to the place of business of the self-inspector where the mechanic is employed.

"§ 20-183.8G. Administrative and judicial review.

- (a) Right to Hearing. A person who applies for a license or registration under this Part or who has a license or registration issued under this Part has the right to a hearing when any of the following occurs:
 - (1) The Division denies the person's application for a license or registration.
 - (2) The Division delivers to the person a written statement of charges of a violation that could result in the suspension or revocation of the person's license.
 - (3) The Division summarily suspends or revokes the person's license following review and authorization of the proposed adverse action by a judge.
 - (4) The Division assesses a civil penalty against the person.
 - (5) The Division issues a warning letter to the person.
 - (6) The Division cancels the person's registration.
- (b) Hearing After Statement of Charges. When a license holder receives a statement of charges of a violation that could result in the suspension or revocation of the person's license, the person can obtain a hearing by making a request for a hearing. The person must make the request to the Division within 10 days after receiving the statement of the charges. A person who does not request a hearing within this time limit waives the right to a hearing.

The Division must hold a hearing requested under this subsection within three business days after receiving the request unless the person requesting the hearing asks for additional time to prepare for the hearing. A person may ask for no more than seven additional business days to prepare. If the additional time requested is within this limit, the Division must grant a person the additional time requested. The hearing must be held at the location designated by the Division. Suspension or revocation of the license is stayed until a decision is made following the hearing.

If a person does not request a hearing within the time allowed for making the request, the proposed suspension or revocation becomes effective the day after the time for making the request ends. If a person requests a hearing but does not attend the hearing, the proposed suspension or revocation becomes effective the day after the date set for the hearing.

(c) Hearing After Summary Action. – When the Division summarily suspends a license issued under this Part after judicial review and authorization of the proposed action, the person whose license was suspended or revoked may obtain a hearing by filing with the Division a written request for a hearing. The request must be filed within 10 days after the person was

notified of the summary action. The Division must hold a hearing requested under this subsection within 14 days after receiving the request.

- (d) All Other Hearings. When this section gives a person the right to a hearing and subsection (b) or (c) of this section does not apply to the hearing, the person may obtain a hearing by filing with the Division a written request for a hearing. The request must be filed within 10 days after the person receives written notice of the action for which a hearing is requested. The Division must hold a hearing within 90 days after the Division receives the request.
- (e) Review by Commissioner. The Commissioner may conduct a hearing required under this section or may designate a person to conduct the hearing. When a person designated by the Commissioner holds a hearing and makes a decision, the person who requested the hearing has the right to request the Commissioner to review the decision. The procedure set by the Division governs the review by the Commissioner of a decision made by a person designated by the Commissioner.
- (f) Decision. A decision made after a hearing on the imposition of a monetary penalty against a motorist for an emissions violation or on a Type I, II, or III emissions violation by an emissions license holder must uphold any monetary penalty, license suspension, license revocation, or warning required by G.S. 20-183.8A or G.S. 20-183.8B, respectively, if the decision contains a finding that the motorist or license holder committed the act for which the monetary penalty, license suspension, license revocation, or warning was imposed. A decision made after a hearing on any other action may uphold or modify the action.
- (g) Judicial Review. Article 4 of Chapter 150B of the General Statutes governs judicial review of an administrative decision made under this section."

SECTION 2. G.S. 20-87 reads as rewritten:

"§ 20-87. Passenger vehicle registration fees.

- (a) These fees shall be paid to the Division annually for the registration and licensing of passenger vehicles, according to the following classifications and schedules:
 - (1) For-Hire Passenger Vehicles. The fee for a passenger vehicle that is operated for compensation and has a capacity of 15 passengers or less is seventy-eight dollars (\$78.00). The fee for a passenger vehicle that is operated for compensation and has a capacity of more than 15 passengers is one dollar and forty cents (\$1.40) per hundred pounds of empty weight of the vehicle.
 - (2) U-Drive-It Vehicles. U-drive-it vehicles shall pay the following tax:

Trucks under 7,000 pounds that do not haul products for hire:

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- (12) Low-Speed Vehicles. The fee for a low-speed vehicle is the same as the fee for private <u>passengers passenger</u> vehicles of not more than 15 passengers.
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 - (b) An additional fee of one dollar (\$1.00) is imposed on each vehicle registered under this section, in addition to the base fee and any other additional fee required. The revenue derived from this fee shall be distributed as follows:

total fee.

2	Recipient	Amount
3 4	Highway Fund	<u>.78</u>
5	Volunteer Rescue/EMS Fund	<u>.13</u>
6	Rescue Squad Workers' Relief Fund	<u>.09.</u> "

SECTION 3. G.S. 20-88 is amended by adding a new subsection to read:

"(b1) An additional fee of one dollar (\$1.00) is imposed on each vehicle registered under this section, in addition to the base fee and any other additional fee required. The revenue derived from this fee shall be distributed as follows:

,	Recipient	Amount
	Highway Fund	<u>.78</u>
,	Volunteer Rescue/EMS Fund	<u>.13</u>
)	Rescue Squad Workers' Relief Fund	<u>.09.</u> "

SECTION 4. G.S. 20-122.1(b) reads as rewritten:

"(b) The driver of any vehicle who is charged with a violation of this section shall be allowed 15 calendar days within which to bring the tires of such vehicle in conformance with the requirements of this section. It shall be a defense to any such charge that the person arrested produce in court, or submit to the prosecuting attorney prior to trial, a certificate from an official safety inspection equipment station showing that within 15 calendar days after such arrest, the tires on such vehicle had been made to conform with the requirements of this section or that such vehicle had been sold, destroyed, or permanently removed from the highways. Violation of this section shall not constitute negligence per se."

SECTION 5. G.S. 20-127(d) reads as rewritten:

- "(d) Violations. A person who does any of the following commits a misdemeanor of the class set in G.S. 20-176:
 - (1) Applies tinting to the window of a vehicle that is subject to a safety inspection in this State and the resulting tinted window does not meet the window tinting restrictions set in this section.
 - (2) Drives on a highway or a public vehicular area a vehicle that has a window that does not meet the window tinting restrictions set in this section."

SECTION 6. The Division of Motor Vehicles, with the assistance of the Department of Environment and Natural Resources, Division of Air Quality, shall develop and implement a management improvement plan for the Motor Vehicle Emissions Inspection program, authorized by Article 3A of Chapter 20 of the General Statutes, administered by the Division of Motor Vehicles, to increase efficiency, reduce costs, and improve customer service. The plan shall include:

- (1) Reviews on how inspection program data is managed and analyzed.
- (2) Performance metrics for program assessment as defined by the Division and the Office of State Budget and Management.
- (3) An assessment of the types of reports that would be most useful to agencies, including field staff and management, the General Assembly, industry personnel, the Environmental Protection Agency, and the public.
- (4) A roadmap for how program information will be collected, analyzed, monitored, and presented.
- (5) Appropriate allocation of personnel and resources to accomplish program oversight.

The plan shall meet both federal and State reporting requirements.

SECTION 7. The Division of Motor Vehicles shall present the management improvement plan for the Motor Vehicle Emissions Inspection program, authorized by Article 3A of Chapter 20 of the General Statutes, to the Joint Legislative Transportation Oversight Committee and the Joint Environment and Natural Resources Oversight Committee no later than December 31, 2009. The Division of Motor Vehicles shall report to the Joint Legislative Transportation Oversight Committee annually, not later than January 15 of each year, on the prior fiscal year and include any recommended legislation that will increase efficiency, reduce costs, and improve customer service.

SECTION 8. The Fiscal Research Division of the General Assembly shall conduct a fiscal review of the Motor Vehicle Emissions Inspection program. The fiscal review shall include:

(1) A determination of whether the fees charged for inspections is adequate.

(2) An assessment of revenue projections.

 (3) A determination of whether adjustments need to be made to current inspection fees.

 (4) A proposal for how inspection fees should be determined.

(5) An assessment of how inspection program budgets are planned and what changes are needed to improve efficiency.The Fiscal Research Division of the General Assembly shall report its findings to

The Fiscal Research Division of the General Assembly shall report its findings to the Joint Legislative Transportation Oversight Committee, the Joint Environment and Natural Resources Oversight Committee, the Joint Program Evaluation Oversight Committee, and the Program Evaluation Division of the General Assembly no later than May 1, 2010.

SECTION 9. The Department of Environment and Natural Resources, Division of Air Quality, shall study how to comply with the federal requirements for ambient air quality while reducing the frequency of emissions inspections on motor vehicles that are less than four model years old. This study should determine the impact on ambient air quality and the ability of the State to meet the federal air quality standards if vehicles that are less than four model years old are exempted from the emissions inspection requirements of Article 3A of Chapter 20 of the General Statutes. This study should also include revenue estimates showing any cost savings to the inspection program within the Division of Motor Vehicles, any loss of funding from the federal government for air quality programs, and revenue loss to other programs for uncollected fees.

SECTION 10. The Department of Environment and Natural Resources, Division of Air Quality, shall report its findings to the Joint Legislative Transportation Oversight Committee, Joint Environment and Natural Resources Oversight Committee, the Joint Program Evaluation Oversight Committee, the Program Evaluation Division, and the Fiscal Research Division not later than December 31, 2009. The report shall include all findings of the study and any recommended legislation appropriate to address the study findings.

SECTION 11. G.S. 20-183.2(b)(3) is amended by adding a new subdivision to read:

"(b) Emissions. – A motor vehicle is subject to an emissions inspection in accordance with this Part if it meets all of the following requirements:

(3) <u>Vehicles that are four or more model years old. It is a 1996 or later model.</u>

SECTION 12. Sections 1, 2, and 3 of this act become effective October 1, 2009, and apply to motor vehicles inspected or registered on or after that date. Section 11 of this act is effective when the Division of Air Quality certifies that the Environmental Protection Agency has approved the State's plan to exclude motor vehicles that are less than four model years old from the emissions inspection requirement. The remainder of this act is effective when it becomes law.