

T

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2 – HB 11

January 8, 2019

SUMMARY OF BILL: Authorizes an owner or operator of a motor vehicle with an illuminated malfunction indicator lamp (MIL) at the time of testing to have the option of electing a tailpipe emissions test in lieu of an onboard diagnostic (OBD) test. The proposed legislation will be effective on January 1 following the date on which the United States Environmental Protection Agency (EPA) approves a revised state implementation plan (SIP) consistent with the proposed legislation, or the date that any existing contract between TDEC and a vehicle inspection vendor or a contract existing between Davidson County and a vehicle inspector vendor is set to expire, or the date such contracts are set to be renewed by amendment.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – To the extent the Environmental Protection Agency amends the state implementation plan to allow for tailpipe testing, the cost of implementing the tailpipe test would be passed on from the emissions testing vendor to motor vehicle owners and would not significantly impact state or local expenditures.

Assumptions:

- Federal regulations require light duty motor vehicles after 1996 to have an OBD system. According to the Department of Environment and Conservation (TDEC), approximately 95 percent of motor vehicles tested have an OBD system.
- Tailpipe tests are no longer available at emission testing facilities.
- The proposed legislation will not become effective until the EPA approves a SIP consistent with the proposed legislation. TDEC would have to request the amendment to the SIP. Upon such an amendment being approved, the tailpipe test would be made available to motor vehicle owners.
- According to TDEC, the vendor with which TDEC and Metropolitan Government of Nashville and Davidson County contract would bear the cost of implementing the tailpipe test.
- The vendor would pass this cost along to motor vehicle owners and not the state or Metro Nashville.
- To the extent the EPA approves an amendment to the SIP; the proposed legislation will not significantly impact state or local expenditures.

- Pursuant to Tenn. Code Ann. § 68-201-119, the vehicle emissions testing program implemented by TDEC will be eliminated once the state receives EPA approval to do so.
- It is anticipated that TDEC will submit the SIP amendment request associated with Tenn. Code Ann. § 68-201-119 to EPA in the spring of 2020. The EPA has, by federal statute, up to 18 months to review the request.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/abw