



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

SB 19-092

FINAL FISCAL NOTE

Drafting Number: LLS 19-0334 Date: May 29, 2019
Prime Sponsors: Sen. Zenzinger; Cooke Bill Status: Postponed Indefinitely
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Bill Topic: EMISSIONS INSPECTION CHECK ENGINE LIGHT

- Summary of Fiscal Impact: State Revenue, State Expenditure, State Transfer, TABOR Refund, Local Government, Statutory Public Entity

The bill would have prohibited a motor vehicle's illuminated check engine light from being the sole reason that the vehicle fails an emissions test. It would have increased workload in the Department of Public Health and Environment beginning in FY 2019-20.

Appropriation Summary: No appropriation was required.

Fiscal Note Status: This fiscal note reflects the introduced bill. This bill was not enacted into law; therefore the impacts identified in this analysis do not take effect.

Summary of Legislation

The bill prohibits a motor vehicle's illuminated check engine light on the vehicle's dashboard from being the sole reason that the vehicle fails an emissions test. Any rules adopted by the Air Quality Control Commission in the Department of Public Health and Environment (CDPHE) must include this exception.

Background and Assumptions

The Air Pollution Control Division in CDPHE administers the Automobile Inspection and Readjustment (AIR) Program and uses a contractor to test vehicle emissions in Colorado. The state receives \$0.25 from each emissions test, credited to the AIR Account cash fund. New vehicles are exempt from emissions testing for seven years, inspected in the eighth year, and then every two years thereafter. Motor vehicle owners living in the emissions program area must have a certification of emissions compliance in order to register their vehicles.

Inspections between the 8th and 11th vehicle year utilize on-board diagnostic (OBD) testing, which reads trouble codes in the vehicle's computer system in order to detect emissions-related problems. A vehicle will fail the OBD test if the check engine light is illuminated or not functioning. On average, 6.5 percent of vehicles fail the OBD test. Because OBD testing fails more vehicles, OBD testing results in increased emissions reductions. After vehicle year 11, the traditional vehicle tailpipe test is used.

The fiscal note assumes that the bill will require less OBD testing and more tailpipe testing where a check engine light is illuminated. Less OBD testing will result in a loss of emissions reductions benefits. This may require the CDPHE to amend the state's air quality State Implementation Plan required under the federal Clean Air Act. To ensure air quality standard compliance, the state may resume testing vehicle years 4 through 7. These impacts have not been estimated for this fiscal note.

### **State Expenditures**

In FY 2019-20, the bill will increase workload in the CDPHE to perform rulemaking to comply with the bill. In addition, CDPHE will need to determine whether and what additional control measures are necessary; work with stakeholders; and support the bill's implementation. The fiscal note assumes these workload increases can be accomplished within existing appropriations. If additional staff and legal services are determined to be required to comply with federal law, these will be requested through the annual budget process.

### **Effective Date**

The bill was postponed indefinitely by the House Energy and Environment Committee on March 14, 2019.

### **State and Local Government Contacts**

Information Technology

Public Health and Environment

Revenue