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*Bill Analysis*  
*Legislative Service Commission*

**S.B. 120**  
126th General Assembly  
(As Introduced)

Sens. Grendell, Coughlin, Fingerhut

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**BILL SUMMARY**

**Introduction**

- Eliminates the statutes governing the current enhanced motor vehicle inspection and maintenance program, establishes a remote sensing motor vehicle inspection and maintenance program and a new enhanced motor vehicle inspection and maintenance program, and specifies when each is to be implemented as discussed below.

**Remote sensing motor vehicle emissions inspection program**

- Requires the Director of Environmental Protection to implement a remote sensing motor vehicle emissions inspection program in any county in which a motor vehicle inspection and maintenance program is required under the Clean Air Act Amendments unless the implementation of the program does not comply with the Clean Air Act Amendments and the Clean Air Act Amendments require an enhanced motor vehicle inspection and maintenance program in the county.
- Requires the remote sensing program to begin January 1, 2006, and end December 31, 2007, and prohibits the implementation of a remote sensing program after December 31, 2007.
- Requires the Director to adopt rules to facilitate the implementation, supervision, administration, operation, and enforcement of the remote sensing program, and specifies certain criteria, procedures, standards, and other requirements that the rules must address.
- Requires remote sensing inspections and reinspections to be conducted by one or more private contractors, requires the Director of Administrative Services to issue and award contracts for the remote

sensing program pursuant to a request for proposal process, and establishes certain requirements governing the contracts.

- Establishes reinspection procedures and requirements for vehicles that fail a remote sensing inspection, and provides for repair caps and waiver limits for purposes of reinspections.
- Requires the owner or lessee of a motor vehicle that is required to be reinspected to present an inspection certificate issued for that vehicle when registering it.

**Enhanced motor vehicle inspection and maintenance program**

- Requires the Director of Environmental Protection to implement and supervise an enhanced motor vehicle inspection and maintenance program in any county in which a program is required under the Clean Air Act Amendments, and prohibits the implementation of a remote sensing program in that county if a remote sensing program does not comply with the Clean Air Act Amendments and an enhanced motor vehicle inspection and maintenance program is required under the Clean Air Act Amendments.
- If an enhanced program is required in any county, requires the program to begin January 1, 2006, and end December 31, 2007, and prohibits the implementation of the program after December 31, 2007.
- Requires the Director to adopt rules not later than November 1, 2005, to facilitate the implementation, supervision, administration, operation, and enforcement of an enhanced program, and specifies certain criteria, procedures, standards, and other requirements that the rules must address.
- Requires all inspections under the enhanced program to be performed by licensees approved by the Director, limits the term of a license to two years, prohibits a licensee from charging a fee for conducting inspections under the enhanced program, requires a licensee to be reimbursed for the inspections, and establishes a compensation cap of \$19.50 for each inspection conducted.
- Requires the owner of a motor vehicle that is subject to the enhanced program to have the vehicle inspected biennially within 365 days prior to

the registration deadline for the vehicle, and establishes reinspection requirements for a vehicle that fails an inspection.

- Requires the presentation of an inspection certificate issued for a vehicle that is subject to the enhanced program when registering the vehicle.
- Requires the Director to notify by mail owners of motor vehicles that are subject to the enhanced program of the applicable requirements of the program.

#### **Motor vehicles exempt from remote sensing and enhanced programs**

- Exempts certain types of motor vehicles from the remote sensing motor vehicle emissions inspection program and the enhanced motor vehicle inspection and maintenance program, including new vehicles for a period of six years.

#### **Duties of Registrar of Motor Vehicles**

- Revises the applicable duties of the Registrar of Motor Vehicles to reflect the new remote sensing and enhanced programs.

#### **Clean air compliance fee**

- Beginning January 1, 2006, levies a clean air compliance fee of \$3 on motor vehicles weighing 10,000 pounds or less, requires the fee to be paid to the Registrar of Motor Vehicles or a deputy registrar at the time of registration of a motor vehicle, requires the Registrar to deposit the proceeds from the fee to the credit of the Clean Air Act Automobile Emissions Compliance Fund created by the bill, and requires the fee to terminate when emissions testing is no longer required in any area of the state or on December 31, 2007, whichever is earlier.

#### **Clean Air Act Automobile Emissions Compliance Fund**

- Creates the Clean Air Act Automobile Emissions Compliance Fund to consist of money credited to it from the clean air compliance fee, and requires money in the Fund to be used by the Director of Environmental Protection to compensate a contractor under the remote sensing program, if applicable, to compensate licensees under the enhanced program, if applicable, and to pay the costs associated with the Environmental

Protection Agency's administration, supervision, and enforcement duties under the bill.

**Redesignation of county designated as nonattainment for one-hour standard**

- Requires the Director of Environmental Protection, not later than 30 days after the bill's effective date, to seek redesignation from the United States Environmental Protection Agency of each county in the state that has met the requirements for attainment of the one-hour ozone standard, but that is designated as nonattainment for that standard under the Clean Air Act Amendments.

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## CONTENT AND OPERATION

### Background

The Clean Air Act Amendments of 1990 revised the Clean Air Act requirements for attaining and maintaining national ambient air quality standards. Key provisions of the amendments are aimed at bringing cities and other areas with ozone and carbon monoxide pollution into compliance with federal standards. States are required to devise and carry out state implementation plans to ensure that federal air quality standards are met. Areas that are below federal standards are referred to as nonattainment areas. Nonattainment areas are further classified as marginal, moderate, serious, severe, or extreme nonattainment according to the severity of the pollution in an area. In response to the Clean Air Act Amendments of 1990, the Ohio General Assembly enacted Am. Sub. S.B. 18 in 1993. In order for the state to comply with federal requirements, Am. Sub. S.B. 18 required the Director of Environmental Protection to implement and supervise a motor vehicle inspection and maintenance program in any county classified as moderate, serious, severe, or extreme nonattainment. The Director also was required to implement and supervise a basic or enhanced motor vehicle inspection and maintenance program in a county located in an area classified as nonattainment for carbon monoxide or ozone when such a program was included in the air quality maintenance or contingency plan for the area submitted under the Clean Air Act. (Sec. 3704.14.)

Am. Sub. S.B. 18 also established a process, known as the "opt-in" provision, through which affected local governments could request the Director to implement the enhanced motor vehicle inspection and maintenance program, rather than the basic program, in an area that was classified as moderate nonattainment for ozone or carbon monoxide. Affected metropolitan planning organizations were required to adopt a resolution requesting the implementation of an enhanced motor vehicle inspection and maintenance program, and the legislative authorities of affected counties, municipal corporations, and townships then voted to approve or disapprove enhanced testing. Legislative authorities that failed to approve or disapprove enhanced testing within a certain time period were considered to have approved the enhanced program. After receiving an approved resolution, the Director had to implement an enhanced program in that area. (Sec. 3704.142.)

As a result of the requirements of the Clean Air Act Amendments, the enactment of Am. Sub. S.B. 18, and the "opt-in" process for enhanced motor vehicle inspection and maintenance by local authorities, motorists in 14 counties in the Cleveland-Akron, Dayton, and Cincinnati areas currently are required to have their cars tested under an enhanced motor vehicle inspection and

maintenance program. The enhanced program is operated in these areas under the name "E-Check" by a contractor hired under the authority of Am. Sub. S.B. 18. Under the enhanced motor vehicle inspection and maintenance program, motorists in affected areas are required to have their vehicles inspected biennially. In order to register a motor vehicle, the owner must have proof that an inspection certificate was issued for the vehicle during the previous 12 months. Certain motor vehicles are exempt from enhanced testing requirements under current law, including vehicles two years old or newer. However, the new car exemption expires if ownership of a motor vehicle is transferred during the two-year exemption period.

The current enhanced program agreement with the contractor is scheduled to expire on December 31, 2005 (sec. 3704.14). When the agreement expires, the "E-Check" program expires as well in accordance with a statute that prohibits renewal of the existing contract and awarding of a new contract (sec. 3704.143).

### **Introduction**

The bill eliminates the statutes governing the current enhanced motor vehicle inspection and maintenance program (secs. 3704.14, 3704.142, and 3704.17). It then establishes a remote sensing motor vehicle emissions inspection program and a new enhanced motor vehicle inspection and maintenance program. The bill requires the Director of Environmental Protection to implement a remote sensing program in any county in which a motor vehicle inspection and maintenance program is required under the Clean Air Act Amendments unless the implementation of the program in that county does not comply with the requirements of the Clean Air Act Amendments and regulations adopted under it and the Clean Air Act Amendments require an enhanced motor vehicle inspection and maintenance program in the county. In such a situation, the bill prohibits the implementation of a remote sensing program and requires an enhanced motor vehicle inspection and maintenance program in that county. Finally, the bill indicates that the current preclusion against renewing an existing contract or entering into a new contract for the implementation of a motor vehicle inspection and maintenance program does not apply to the remote sensing program or enhanced program established under the bill (sec. 3704.143).

### **Remote sensing motor vehicle emissions inspection program**

Unless an enhanced motor vehicle inspection and maintenance program is required (see "**Enhanced motor vehicle inspection and maintenance program**," below), the bill requires the Director of Environmental Protection to implement and supervise a remote sensing motor vehicle emissions inspection program in any county in which a motor vehicle inspection and maintenance program is required under the Clean Air Act Amendments (sec. 3704.20(B)). It defines "remote

sensing" to mean the measurement of motor vehicle emissions through electronic or light-sensing equipment from a remote location such as the roadside (sec. 3704.20(A)(3)).

The remote sensing program must begin upon the expiration of all contracts in existence on the bill's effective date that were entered into for the purpose of conducting emissions inspections under the former "E-Check" program. In addition, the bill requires the remote sensing program to be implemented for a period beginning January 1, 2006, and ending December 31, 2007. The bill prohibits the implementation of a remote sensing program after December 31, 2007. (Sec. 3704.20(B).)

### **Rules**

The bill requires the Director to adopt rules in accordance with the Administrative Procedure Act to facilitate the implementation, supervision, administration, operation, and enforcement of the remote sensing program. The rules must provide for all of the following:

(1) Criteria for selecting a contractor to conduct remote sensing motor vehicle inspections and reinspections under the program;

(2) Inspection procedures and standards, including, but not limited to, emission standards to be used in remote sensing motor vehicle inspections and emission standards for reinspections, and the use of remote sensing equipment that includes devices to detect and record a vehicle's registration or other identification number;

(3) Procedures for the notification by mail of owners of motor vehicles the district of registration of which is or is located in any county that is subject to the remote sensing program;

(4) Procedures for providing notification and instructions to the owner of a motor vehicle that is not exempt from the bill and that has failed a remote sensing motor vehicle inspection, including a requirement that the owner have the vehicle reinspected and receive an inspection certificate in accordance with the bill (see "**Reinspections**," below);

(5) Procedures for notifying the Registrar of Motor Vehicles when a vehicle has failed a remote sensing motor vehicle inspection;

(6) Procedures for coordinating with the Registrar regarding vehicles that are subject to the remote sensing program and for which multi-year registrations apply, and procedures for providing a notice to the Registrar that an owner who

has obtained a multi-year registration for a vehicle has not yet had that vehicle inspected;

(7) A system for the maintenance and reporting of remote sensing inspection data and reinspection data;

(8) The manner of identifying exempt vehicles;

(9) The locations of reinspection stations conducting reinspections of motor vehicles that fail a remote sensing motor vehicle inspection;

(10) Standards for engine tune-ups that are required under the remote sensing program and the establishment of a waiver amount (see "Reinspections," below);

(11) The establishment of a repair cap for the purposes of the repair requirements (see "Reinspections," below); and

(12) Any other requirements and procedures that are necessary to implement, supervise, administer, operate, and enforce the remote sensing program. (Sec. 3704.20(B).)

#### *Use of private contractors to conduct remote sensing program*

The bill requires the remote sensing inspections and the reinspections conducted under the remote sensing program to be conducted by one or more private contractors. The Director of Administrative Services must issue and award all contracts pursuant to a request for proposal process. The Director must use the Director's best efforts to secure as many proposals as possible for each contract, which must include the division of the state into independent zones for the purpose of submission of the proposals and awarding of the contracts. Each such zone must consist of a consolidated metropolitan statistical area or, if such an area does not exist, of a metropolitan statistical area as defined by the Bureau of the Census in the United States Department of Commerce. (Sec. 3704.20(C).)

Contracts must include provisions for consequential damages, but cannot include provisions requiring compensation for lost or anticipated profits. A contract must require a contractor to be in good standing with the laws of Ohio and with the laws of political subdivisions of this state and must require a contractor to periodically submit an affidavit attesting to that fact. (Sec. 3704.20(C).)

The bill states that contracts that are awarded for the operation of the remote sensing program are subject to the provision in the Public Improvements Law that requires preference to be given to contractors having their principal place

of business in Ohio. For the purpose of that requirement, the bill deems the operation of the remote sensing program to be a public improvement. (Sec. 3704.20(C).)

Under the bill, the Department of Administrative Services may issue to the Environmental Protection Agency (EPA) a release and permit pursuant to which the EPA may issue and award a contract or contracts for the operation of the remote sensing program. If a release and permit is issued, any reference to the Director of Administrative Services under the bill's provisions concerning the awarding of contracts is deemed to be a reference to the Director of Environmental Protection. (Sec. 3704.20(C).)

### **Reinspections**

Except as otherwise provided in the bill and rules adopted under it, if a motor vehicle the district of registration of which is or is located in a county that is subject to the remote sensing program fails a remote sensing inspection, the owner of the vehicle must have the vehicle reinspected by a contractor in accordance with the requirements discussed below and rules adopted under the bill not later than 30 days after notification of the failure of the remote sensing inspection is provided to the owner in accordance with those rules (sec. 3704.20(D)(1)).

**First reinspection.** If a vehicle that is required to be reinspected passes the reinspection, the contractor must give the owner an inspection certificate for the vehicle (sec. 3704.20(D)(2)). If the vehicle fails the reinspection, the owner must have the cost of repairs necessary to pass the reinspection estimated by a repair facility, which must include the cost of an engine tune-up. The owner then must proceed as follows:

If the cost of the repairs that are necessary for the vehicle to pass the reinspection does not exceed the waiver limit established in rules adopted under the bill, the owner must have the repairs performed on the vehicle. The owner then must have the vehicle reinspected again by a contractor. (Sec. 3704.20(D)(3)(a).)

**Second reinspection.** If the vehicle passes the second reinspection, the contractor must give the owner an inspection certificate for the vehicle. If the vehicle fails the second reinspection, and the cost of the repairs already performed on the vehicle is less than the applicable waiver limit, the owner must have additional repairs costing up to the waiver limit performed on the vehicle in order to enable it to pass a third reinspection. (Sec. 3704.20(D)(3)(a).)

**Third reinspection.** If, after repairs costing at least the applicable waiver limit have been performed on the vehicle, the vehicle passes the third reinspection,

the contractor must give the owner an inspection certificate for the vehicle. However, if, after repairs costing at least the applicable waiver limit have been performed on the vehicle, the vehicle fails the third reinspection, but the third reinspection indicates an improvement in emissions of the pollutant concerning which the vehicle initially failed and if, following the repairs, no emission levels increase above the standards established in rules adopted under the bill for any pollutant concerning which the vehicle did not initially fail, the contractor must give the owner an inspection certificate for the vehicle that includes a waiver indicating that the vehicle did not pass the required reinspection, but that the owner had repairs costing at least the applicable waiver limit performed on the vehicle. (Sec. 3704.20(D)(3)(a).)

**Cost of repairs for reinspection and waiver limit.** If the cost of the repairs that are necessary for the vehicle to pass an emissions reinspection is estimated to be more than the applicable waiver limit, the owner need not have all of those repairs performed on the vehicle, but must have an engine tune-up performed on the vehicle that meets the standards established in rules adopted under the bill as well as any other necessary repairs the cost of which, together with the cost of the engine tune-up, equals at least the applicable waiver limit. Upon the owner's presentation of original repair receipts attesting that repairs costing at least the applicable waiver limit, including, without limitation, the engine tune-up, have been performed on the vehicle, the contractor must perform a reinspection of the vehicle to determine the effectiveness of the required engine tune-up and other repairs. If the reinspection indicates an improvement in emissions of the pollutant concerning which the vehicle initially failed and if, following the repairs, no emission levels increase above the standards established in rules adopted under the bill for any pollutant concerning which the vehicle did not initially fail, the contractor must give the owner an inspection certificate for the vehicle that includes a waiver indicating that the vehicle did not pass the required reinspection, but that the owner complied with all requirements governing waivers. (Sec. 3704.20(D)(3)(b).)

However, if the reinspection does not show an improvement in emissions of the pollutant concerning which the vehicle initially failed or if emission levels increase above the standards established in rules adopted under the bill for any pollutant concerning which the vehicle did not initially fail, the owner of the motor vehicle must have repairs performed on the vehicle the cost of which, together with repairs already performed on the vehicle, equals at least the amount of the repair cap established in rules adopted under the bill. The owner must present receipts to the contractor indicating that the owner has had repairs performed in an amount at least equal to the repair cap. Upon presentation of the receipts, the contractor must give the owner an inspection certificate for the vehicle that includes an indication that the vehicle did not pass the required reinspection, but

that repairs costing an amount that is at least equal to the repair cap have been performed on the vehicle. (Sec. 3704.20(D)(3)(b).)

### **Valid and unexpired emission performance warranty**

The bill states that if a motor vehicle that is required to be reinspected under the remote sensing program is covered by a valid and unexpired emission performance warranty as provided under the Clean Air Act Amendments, the owner must have any repairs necessary for the vehicle to pass the reinspection performed on the vehicle under that warranty. The bill's waiver and repair cap requirements do not apply to such a vehicle. (Sec. 3704.20(E).)

### **Leased motor vehicles**

The bill authorizes the owner of a motor vehicle that is required to be reinspected, but that is leased to another person to require the lessee to have the vehicle reinspected and obtain an inspection certificate on behalf of the owner (sec. 3704.20(F)(1)).

### **Registration of motor vehicles**

The bill requires the owner or lessee of a motor vehicle that is required to be reinspected to present an inspection certificate issued for that vehicle by a contractor when registering the vehicle under the Licensing of Motor Vehicles Law. Proof that an inspection certificate was issued for a motor vehicle, if required by the bill, must be provided before the Registrar of Motor Vehicles may issue license plates for that vehicle. (Sec. 3704.20(F)(2).)

### **Enhanced motor vehicle inspection and maintenance program**

The bill requires the Director of Environmental Protection to implement and supervise an enhanced motor vehicle inspection and maintenance program in any county in which a motor vehicle inspection and maintenance program is required under the Clean Air Act Amendments, and prohibits the Director from implementing a remote sensing motor vehicle emissions inspection program in that county, if both of the following apply:

(1) Implementation of a remote sensing program in that county does not comply with requirements of the Clean Air Act Amendments and regulations adopted under it by the United States Environmental Protection Agency; and

(2) In lieu of a remote sensing program, an enhanced motor vehicle inspection and maintenance program is required under the Clean Air Act Amendments for that county.

If an enhanced program is required in any county, the Director must implement and supervise the program beginning January 1, 2006, and ending December 31, 2007. The bill prohibits the implementation of an enhanced program after December 31, 2007. (Sec. 3704.21(B).)

### **Rules**

For purposes of facilitating the implementation, supervision, administration, operation, and enforcement of the enhanced program, and not later than November 1, 2005, the Director must adopt rules in accordance with the Administrative Procedure Act that establish all of the following:

(1) Motor vehicle inspection standards and procedures, including, but not limited to, emissions standards and procedures for the issuance of inspection certificates. The standards and procedures must ensure that motor vehicles required to be inspected under the enhanced program are not required to be inspected more than once during any two consecutive annual motor vehicle registration periods;

(2) Standards and procedures governing waivers for motor vehicles that are unable to pass an inspection conducted under the program and the issuance of inspection certificates for those vehicles;

(3) Requirements and procedures governing the issuance of licenses to inspection stations, including, but not limited to, application requirements. The rules must authorize the Director to include terms and conditions as part of a license in order to ensure compliance with the bill and rules adopted under it. The rules must require a licensee to be in good standing at all times with the laws of Ohio and with the laws of political subdivisions of this state and must require a licensee to periodically submit an affidavit attesting to that fact;

(4) Procedures for compensating licensees for conducting inspections from money credited to the Clean Air Act Automobile Emissions Compliance Fund created by the bill (see "**Clean Air Act Automobile Emissions Compliance Fund**," below). The rules must require a licensee to submit evidence in the form of an invoice for purposes of verifying the completion of an inspection. Compensation cannot exceed \$19.50 for each inspection conducted;

(5) Procedures for coordinating with the Registrar of Motor Vehicles regarding vehicles that are subject to the program and for which multi-year registrations apply; and

(6) Any other requirements or procedures that the Director determines are necessary for the implementation, supervision, administration, operation, and

enforcement of the enhanced program, including the maintenance of records by licensees. (Sec. 3704.21(C).)

### **Use of licensees to conduct inspections**

The bill requires all inspections conducted under the enhanced motor vehicle inspection and maintenance program to be performed by licensees who meet the requirements for the issuance of a license established in rules adopted under the bill. The Director must issue licenses for inspection stations for the purposes of the enhanced program. The term of a license cannot be more than two years. (Sec. 3704.21(D)(1).)

The bill requires a licensee to conduct inspections under the enhanced program as required in rules adopted under it (sec. 3704.21(D)(2)). In addition, a licensee cannot charge a fee for conducting inspections under the enhanced program, but must be reimbursed as required in rules adopted under the bill (sec. 3704.21(D)(3)). Finally, a licensee must maintain and make available for inspection by the Director or the Director's authorized representative accurate records as required in rules adopted under the bill (sec. 3704.21(D)(4)).

### **Inspections**

The bill requires the owner of a motor vehicle the district of registration of which is or is located in a county that is subject to the enhanced program to have the vehicle inspected biennially within 365 days prior to the registration deadline for the vehicle established pursuant to rules adopted under Licensing of Motor Vehicles Law. The inspection, any required reinspection, and any issuance of a waiver for the motor vehicle must be conducted by a licensee in accordance with rules adopted under the bill. (Sec. 3704.21(E)(1).)

**Reinspection.** A motor vehicle that fails an inspection must be reinspected. A licensee must give the owner of a vehicle an inspection certificate if either of the following applies:

- (1) The motor vehicle passes an inspection or reinspection; or
- (2) The motor vehicle has met the standards for a waiver established in rules adopted under the bill. (Sec. 3704.21(E)(2).)

**Leased motor vehicle.** The bill authorizes the owner of a motor vehicle that is required to be inspected under the enhanced program, but that is leased to another person to require the lessee to have the vehicle inspected and obtain an inspection certificate on behalf of the owner. In such cases, the references to "owner" include the lessee. (Sec. 3704.21(E)(3).)

**Inspection certificate required for vehicle registration**

The owner of a motor vehicle that must be inspected under the enhanced program must present an inspection certificate issued for that vehicle by a licensee when registering the vehicle under the Licensing of Motor Vehicles Law (sec. 3704.21(E)(4)).

**Valid and unexpired emission performance warranty**

If a motor vehicle that is required to be inspected under the enhanced program is covered by a valid and unexpired emission performance warranty as provided under the Clean Air Act Amendments, the owner must have any repairs necessary for the vehicle to pass the inspection performed on the vehicle under that warranty. Such a vehicle is not eligible for a waiver under rules adopted under the bill. (Sec. 3704.21(E)(5).)

**Notice to owners of motor vehicles subject to enhanced program**

The bill requires the Director to notify by mail the owners of motor vehicles, the district of registration of which is or is located in a county that is subject to the enhanced program, of the applicable requirements of the program (sec. 3704.21(F)).

**Motor vehicles exempt from remote sensing and enhanced programs**

The bill exempts the following motor vehicles from the remote sensing motor vehicle emissions inspection program and the enhanced motor vehicle inspection and maintenance program:

(1) Vehicles over 25 years old, as determined by model year, on the date on which a remote sensing motor vehicle emissions inspection is conducted under the bill or on which proof of a biennial inspection otherwise would be required to be submitted with an application for registration of the vehicles under the enhanced inspection program and the Licensing of Motor Vehicles Law, as applicable;

(2) Vehicles registered to military personnel assigned to military reservations outside Ohio, the district of registration of which is or is located in a county that is subject to the program;

(3) Passenger cars and noncommercial motor vehicles that weigh over 10,000 pounds gross vehicle weight;

(4) Commercial cars having a taxable gross vehicle weight of more than 10,000 pounds;

- (5) Registered historical vehicles;
- (6) Licensed collector's vehicles;
- (7) Registered parade and exhibition vehicles;
- (8) Motorcycles;
- (9) Electrically powered and alternatively fueled vehicles, including at least those that are equipped to operate using primarily 100% propane, butane, hydrogen, alcohol, or natural gas as fuel;
- (10) Recreational vehicles; and
- (11) A motor vehicle, the legal title to which has never been transferred by a manufacturer, distributor, or dealer to an ultimate purchaser, for a period of six years commencing on the date on which the first certificate of title to the vehicle was issued on behalf of the ultimate purchaser. A motor vehicle is exempt for the six-year period regardless of whether legal title to the motor vehicle is transferred during that period. (Secs. 3704.143 and 3704.22.)

### **Duties of Registrar of Motor Vehicles**

Although the bill eliminates the current enhanced motor vehicle inspection and maintenance program, it retains the duties of the Registrar of Motor Vehicles under that program, but revises them as necessary to reflect the new remote sensing and enhanced programs (secs. 4503.03, 4503.10, 4503.102, 4503.103, and 4503.51).

### **Clean air compliance fee**

Beginning January 1, 2006, the bill levies a clean air compliance fee of \$3 on motor vehicles that weigh 10,000 pounds gross vehicle weight or less in addition to the annual license tax levied on the operation of motor vehicles under the Licensing of Motor Vehicles Law. The clean air compliance fee must be paid to the Registrar of Motor Vehicles or a deputy registrar at the time that application is made for the registration of a motor vehicle. The Registrar must deposit the proceeds from the fee into the state treasury to the credit of the Clean Air Act Automobile Emissions Compliance Fund created by the bill (see "**Clean Air Act Automobile Emissions Compliance Fund**," below). (Sec. 4503.043.)

The bill prohibits the issuance of a certificate of registration, numbered license plates, and validation stickers, or validation stickers alone, for a motor vehicle that is subject to the fee unless the owner has paid the fee. The bill requires the fee to terminate at such time as emissions inspections are no longer

required in any area of the state under the Clean Air Act Amendments or on December 31, 2007, whichever is earlier. (Sec. 4503.043.)

**Clean Air Act Automobile Emissions Compliance Fund**

The bill creates in the state treasury the Clean Air Act Automobile Emissions Compliance Fund consisting of money credited to the Fund from the clean air compliance fee (see above). Money in the Fund must be used by the Director of Environmental Protection to compensate a contractor who has entered into a contract to conduct remote sensing inspections, if applicable, to compensate licensees under the enhanced emissions inspection program, if applicable, and to pay the costs associated with the EPA's administration, supervision, and enforcement of the programs established under the bill. (Sec. 3704.23.)

**Redesignation of county designated as nonattainment for one-hour standard**

With respect to each county in Ohio that has met the requirements for attainment of the one-hour standard for ozone under the Clean Air Act Amendments on the bill's effective date, but that is designated as nonattainment for that one-hour standard, the bill requires the Director of Environmental Protection to seek to have the county redesignated as attainment by preparing and submitting to the Administrator of the United States Environmental Protection Agency a demonstration that such attainment has been achieved and maintained in that county. The Director must take whatever actions are necessary to prepare and submit such a demonstration not later than 30 days after the bill's effective date. (Section 3.)

**Technical changes**

The bill makes technical and conforming changes to reflect the elimination of the statutes governing E-Check and the establishment of new inspection programs (secs. 3704.035, 3704.05, 3704.141, 3704.16, 3704.99, 3706.01, 5552.01, and 5739.02).

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**HISTORY**

ACTION	DATE	JOURNAL ENTRY
Introduced	04-07-05	p. 371

s0120-i-126.doc/kl

