

HB

87

Municipality of Anchorage



POUCH 6-650
ANCHORAGE, ALASKA 99502-0650
(907) 264-4431

TONY KNOWLES,
MAYOR

OFFICE OF THE MAYOR

Dear Senator:

House Bill 81, relating to motor vehicle inspections, is essential for the Municipality's new vehicle Inspection and Maintenance (I/M) Program, scheduled to begin July 1. The legislation clarifies the authority of the state Division of Motor Vehicles to provide the enforcement mechanism for the I/M Program, as part of the regular license renewal system. It is a simple and effective method.

HB 81 is one of the final pieces necessary for timely and efficient start-up of the I/M Program. Legislation is needed because current statutes are not absolutely clear about the State's authority to withhold vehicle registration for non-compliance with an emissions control program. It would be to no one's advantage to see the I/M Program halted in its first days by a legal challenge.

Failure to pass HB 81 could seriously jeopardize federal highway and sewer funding. The Environmental Protection Agency has already demonstrated its willingness to impose economic sanctions on state or local governments which fail to implement emission reduction programs and show appreciable improvements in air quality.

Anchorage would be vulnerable to such sanctions this year if the vehicle inspection program does not begin July 1, as scheduled. Approximately \$50 million of federal highway funds are spent on critical transportation improvements in the Anchorage area each year. Projects from South Anchorage to Eagle River could be affected. In addition, this year the Municipality received an \$18 million grant from the EPA for construction of the Pt. Woronzof Sewage Treatment Plant. We anticipate receiving more EPA funds for subsequent phases of the project. We cannot afford to jeopardize that funding, in any way.

Anchorage's I/M Program has been developed through a cooperative effort between the State and the Municipality and adopted by ordinance. But the State does have a responsibility. Anchorage's program is a required part of the State implementation plan (SIP) to improve air quality in certain areas. In turn, SIP is a mandated part of the State's certification for the use of federal highway funds in Anchorage.

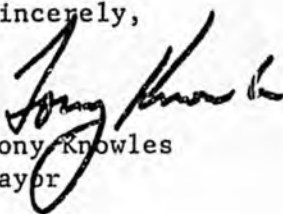
Anchorage wants clean air. We want an improved transportation system. We can have both. At the municipal level, we have responded to our challenges

Senator
Page Two

by crafting an efficient and effective I/M Program. We seek from you the tool of simple enforcement through an existing system. Without this tool, all of our efforts will have been wasted. The program will not work. Rather than a productive partnership, the Municipality will have no alternative but to leave the program, and the problem, on your doorstep.

I look forward to your support and the passage of HB 81. Together we can help Anchorage continue to make the progress which has made us an All-American City.

Sincerely,



Tony Knowles
Mayor

Municipality of Anchorage



POUCH 6-650
ANCHORAGE, ALASKA 99502-0650
(907) 264-4111

TONY KNOWLES
MAYOR

DEPARTMENT OF HEALTH AND ENVIRONMENTAL PROTECTION

Anchorage Vehicle Inspection Program Information Sheet

NEED FOR A VEHICLE INSPECTION PROGRAM

Since 1977, the Environmental Protection Agency has been after the Municipality of Anchorage (MOA) to reduce carbon monoxide levels. In 1984, CO levels in Anchorage exceeded federal standards (9 ppm) 39 times. Since about 90% of the CO comes from vehicles, the most effective means of reducing CO is to reduce vehicle emissions of CO.

The EPA has the power to impose economic sanctions if Anchorage does not demonstrate a good-faith effort to implement an I/M Program and reduce CO levels significantly by the end of 1987.

Under those sanctions, the EPA could cut off federal funding for highways and sewer projects. Anchorage currently receives \$50 million a year in federal highway funds. In addition, failure to implement the I/M Program could jeopardize federal payments for construction of the Pt. Woronzoff Sewage Treatment Plant.

WHICH VEHICLES PARTICIPATE

Cars and trucks, up to 12,000 pounds unladen, registered for street use in Anchorage, 15 years old or newer and gasoline-powered must be inspected. Diesel vehicles will not need emissions inspections but they will require a one-time inspection to verify and record that they are diesel.

Vehicle owners will be notified of the need for an emissions inspection when they receive their annual vehicle registration forms from the state Division of Motor Vehicles. The DMV will not re-register a vehicle without a certificate of inspection.

THE STATE'S ROLE

The DMV plays an essential role in the I/M Program by providing the enforcement mechanism. Some states and urban areas in other parts of the country have used a sticker program instead of the registration system. However, the sticker programs have been much more difficult to enforce and much less successful than the programs tied to vehicle registration.

The problems with a sticker system are so serious that, should the state withdraw from participation in the I/M Program, it might be dropped altogether. At the very least, a change at this point would result in lengthy delays, which could jeopardize federal funding.

PROGRAM FUNDING

<u>Source</u>	<u>Received</u>		
	<u>ADEC</u>	<u>Anchorage</u>	<u>Fairbanks</u>
<u>EPA</u>	\$120,000 (start up, 50% to DMV)	\$230,000 (start-up)	\$180,000 (start-up)
<u>State</u>	No direct funds, staff support from ADEC only		
<u>MOA</u>	N/A	\$2 million ('85) \$297,000 ('84) 18,000 ('83)	N/A

INSPECTION PROCESS** (Should take 20-30 minutes)

The Anchorage Assembly opted for a decentralized program, in which private service stations, dealers and garages become certified to either perform the inspection only, or to perform both inspections and repairs.

The inspection process for vehicles 1975 and newer includes a visual and functional under-hood check of emission control devices, and a tailpipe test of the actual emissions. Earlier models (1970-74) will only be tested for the tailpipe emissions, since emission control devices came into wide usage only after 1974.

The emission standards vary according to make and year; the nswer the car, the tougher the standard.

**The administration is considering recommending the elimination of two components from the program in order to streamline the process. One is a "safety inspection," a walk-around check of lights, windshield, etc. In its present form, the safety inspection is mandatory but repairs are voluntary. The other component that may be eliminated is the "Plumbtesmo" test, which checks for presence of leaded gas in vehicles designed to use unleaded gas. For further information about these components, contact Ken Lauzen or Patty Ginsburg, at the I/M Administration Office (264-4975).

CERTIFICATION

In order to participate in the I/M Program, mechanics and stations must be certified. Certification of mechanics requires either: 1) Passing a challenge test and successful completion of an 8-hour course on the I/M Program, or 2) Successful completion of a 40-hour course offered by the Alaska Vocational Technical Center.


Service stations, car dealers and garages are required to obtain an Alaska certified Test Analyzer System (the computer which actually tests the car) and any additional equipment required. Some facilities are certified to inspect only; others are certified to perform both inspections and repairs.



**Fairbanks
North
Star
Borough**

Mayor: B.B. Allen

M E M O R A N D U M

TO: Linda Anderson, Legislative Liaison
FROM: Lee Husson, Vehicle I/M Program Administrator 
SUBJ: VEHICLE INSPECTION AND MAINTENANCE I/M PROGRAM
DATE: March 21, 1985

Enclosed are the copies of Ordinance 84-24, Resolution 84-39, and the I/M Program Design that you have requested.

Also enclosed is a copy of the script from the slide presentation that has been developed for our public education program that highlights some of the background and focal points of the program.

Please feel free to contact me in regards to any further questions that may arise concerning any portion of the program.

LH/cmj

Attachments

LH/HOLD

Section 1

SUMMARY

This document contains the requirements, specifications, and procedures for a motor vehicle inspection and maintenance (I/M) Program which has been designed for Fairbanks North Star Borough. The information this document contains is relatively technical in nature and is principally intended for use by the operators of Certified I/M Stations and the staff of the Borough's I/M Program Administration Office. Separate publications are available from the I/M Program Administration Office which more concisely describe the requirements of the program for the general public.

Under the I/M Program, owners of model year 1975 and newer cars and trucks are required to have their vehicles inspected for emissions problems each year, or upon initial registration in the State. The model year of vehicles subject to the program changes over time because inspections are not required for vehicles that are more than fifteen years old. Vehicles determined to have excessive pollution levels are required to be repaired prior to renewal of registration by the Alaska Division of Motor Vehicles (DMV).

Inspections required under the I/M Program must be made at a Certified I/M Station, except under special circumstances. A fee may be charged for the inspections, and vehicles which fail the inspection because of defects in their emission control system must be repaired and then retested by a Certified I/M Station.

Repairs required under the I/M Program may be performed by anyone, including vehicle owners. However, incentives are provided for the repair of vehicles by Certified I/M Mechanics working at Certified I/M Stations. Except for certain Fleet Operator owned vehicles, vehicle owners are guaranteed of either passing the retest or receiving a waiver if they have repairs performed at a Certified I/M Station. In addition, there is a ceiling on the cost of repairs required for all work done by Certified I/M Stations (except for vehicles owned by Fleet Operators who also own or operate Certified I/M Stations). Work done or parts purchased and installed by vehicle owners or at uncertified facilities will not count toward this cost ceiling.

The following sections of this document describe in detail how the I/M Program is to be conducted. Section 2 describes the general requirements of the program and defines terms which are frequently used in the program.

Section 3 describes the organization and responsibilities of the I/M Program Administration Office. Included in this section are the procedures to be used for dispute resolution, program enforcement, public information, program evaluation, and quality control.

Section 4 describes the requirements and procedures used by the I/M Program Administration Office for the certification of I/M Stations, mechanics, equipment, and training courses required under the I/M Program.

Section 5 contains the detailed requirements which must be met by Certified I/M Stations.

Section 6 describes the content of the training course which will be available for mechanics who wish to become Certified I/M Mechanics.

Section 7 describes all of the vehicle inspection, quality control, and repair procedures which are to be used at Certified I/M Stations.

Section 8 contains the standards which are to be used during the inspection of vehicles at Certified I/M Stations.

Modification to the information and requirements contained herein may be periodically made by the I/M Program Administration Office to the extent that such changes are necessary to reflect changes in the specifications of available instrumentation or vehicles, and improvements in inspection and repair procedures that are developed based on I/M program experience. In the event that instrumentation specifications are changed so as to effect the hardware that is acceptable for use, stations owning previously certified instruments shall be allowed to use such instruments for a period of at least three years. Software changes to instrumentation may be required upon 90 days notice.

-- end of section --



Official Business

COMMITTEE:

DATE: 4/9/85

SIGN IN

Subject of meeting:

HB 81, HERBELL,
HB 50

1

NAME	ADDRESS	PHONE	REPRESENTING	DO YOU WANT TO TESTIFY? WHICH BILL?
S W HUNBERFORD	ADEC Dept Env Conser. PO BOX POUCH O JUNEAU	465-2666	ADEC	yes, if questions (No 81)
Bill Brown	Pouch N	465-4335	DMV	HB 81 if questions
Resa King	134 No. Franklin	586-1740	Alaska Chapter Associated General Contractors	HB 50
Mary Knowles	6-650 ANCHORAGE 99501	264-4430	ANCHORAGE	HB 81 Yes ✓
Bob Link	Dept of Admin	465-2250	Dept of Admin	HB 50
MARY HALLOREAN	POUCH V	-3720	REP. GROSSENDORF	HB 50
LISA NELSON	POUCH KC	3428	LAW	yes. HB 81 ✓

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

GC
sig # 5

Page 1 of 2

Revision Date: _____

REQUEST
Bill/Resolution No.: HB 81 No 1
Title: An Act relating to an
emission control program
Sponsor: _____
Requestor: _____
Date of Request: _____

FISCAL DETAIL
Agency Affected: Public Safety
Program Category Affected: _____
Life and Property Protection
BRU, Program or Subprogram(s) Affected: _____
Division of Motor Vehicles

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING						

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE		200.0	216.0	233.3	252.0	272.2
----------------	--	-------	-------	-------	-------	-------

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary Covers Revenue Only

The emission control inspection program will begin on July 1, 1985, in both Anchorage and Fairbanks. The division of motor vehicles has been tasked with enforcement of the program. The Department of Law has decided the current statutes do give us the authority to enforce the program if we adopt regulations, but the regulatory process does not allow the division to recover any funds expended in the enforcement of the program. This proposed statute would

(cont.)
Prepared By: Charles R. Hosack *CRH/BBB* Phone: 269-5561
Division: Motor Vehicles Date: 1-15-85

Approved by Commissioner: [Signature] Date: 1-16-85
Agency: Public Safety

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

7/1/84

MOTOR VEHICLES

ANALYSIS (continued)

allow the division to collect a prescribed fee in addition to the registration fee for those vehicles required to be inspected. These fees would be used to reimburse the General Fund for the expenditures incurred to enforce this program.

This type of approach places the cost of the program only on those affected by the program, and is similar in the approach used by the local governments to recover their costs. The goal at both the state and local levels is to make the program self-supporting from user fees. Between Anchorage and Fairbanks, approximately 180,000 to 200,000 vehicles will be inspected the first year. Together with the \$80,000 start-up grant, the \$1.00 fee imposed on these vehicles will allow the State to recover its costs.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Sup #4

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 81 No. 2
 Title: An Act Relating to Motor Vehicle Emission Inspection
 Sponsor: _____
 Requestor: by request of Governor
 Date of Request: January 10, 1985

FISCAL DETAIL

Agency Affected: Dept. of Env. Conservation
 Program Category Affected: NRMEC
 BRU, Program or Subprogram(s) Affected: _____
 Division of Environmental Quality

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 SUPPLIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 CRANTS, CLAIMS	0	0	0	0	0	0
800 MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	None					
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REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: Leonard D. Verrelli Phone: 465-2666
 Division: Environmental Quality Date: Jan. 15, 1985

Approved by Commissioner: Richard A. Nene Date: 1-16-85
 Agency: ADEC

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

7/1/84

ENVIRONMENTAL QUALITY



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

HB 81

al

January 18, 1985

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that gives the Department of Public Safety explicit authority to refuse to register a motor vehicle if the vehicle does not meet the standards of a state-operated emission control program or a state-approved local emission inspection program. The bill would also impose a \$1 administrative fee, in addition to the annual registration fee, to compensate the state for the cost of this enforcement program.

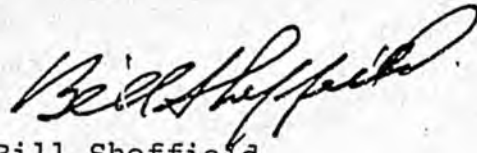
To implement the state's Air Quality Control Plan, the Municipality of Anchorage and the Fairbanks North Star Borough have recently adopted local vehicle inspection and maintenance (I/M) programs. The most effective way to ensure compliance with local inspection programs is through the state motor vehicle registration process. Before a person can obtain or renew a vehicle registration, the person must show evidence of compliance with the I/M program. This method has been chosen in preference to a "sticker" enforcement program, in which the owners or operators of all cars inspected and found to be in compliance would be required to display a sticker on their cars. National statistics have shown that the sticker enforcement method is 30 percent less effective than the registration method.

The \$1 fee is imposed to compensate the state for the costs of the additional administrative burden placed upon the Department of Public Safety. Proceeds from the fee will be placed in the state's general fund.

The quality and cleanliness of the air in Alaska's two largest cities are obviously of utmost importance to the health and well-being of the residents. Strict enforcement of motor vehicle emission standards is a crucial part of our

overall efforts to control air pollution. Since this bill will allow more effective enforcement of these standards, I urge prompt passage of the bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Sheffield". The signature is written in a cursive, flowing style with a large initial "B".

Bill Sheffield
Governor

Proposed Amendment to Section 1 of HB 81

On page 2, lines 1-4, amend existing language to read:

(a) the vehicle is subject to [AN EMISSION INSPECTION PROGRAM UNDER AS 46.03.190 OR] a state-approved local emission inspection program adopted by municipal ordinance under AS 46.03.210, and the vehicle does not meet the standards of that program. *unless the veh*

uses a fuel source that does not emit CO₂

Proposed Amendment to Section 2 of HB 81

Sec. 28.10.423. EMISSION CONTROL INSPECTION PROGRAM FEES. In addition to the annual registration fee specified in AS 28.10.421, a \$1 fee is imposed upon every vehicle required to be inspected under an emission control program established under [AS 46.03.190 OR] AS 46.03.210. This fee must be collected at the same time and in the same manner as the registration fee.

**Municipality
of
Anchorage**



HB 81
POUCH 6-650
ANCHORAGE, ALASKA 99502-0650
(907) 264-4111

TONY KNOWLES,
MAYOR

DEPARTMENT OF HEALTH AND ENVIRONMENTAL PROTECTION

Date: March 1, 1985
To: State Legislators
From: Chip Dennerlein, Manager of Intergovernmental Affairs, Municipality of Anchorage
Re: House Bill 81 - Motor Vehicle Emission Inspections

On July 1, 1985, the Municipality of Anchorage will begin a Vehicle Inspection and Maintenance (I&M) Program to reduce excessive levels of carbon monoxide. HB 81 will enable the State Division of Motor Vehicles to cooperate with Anchorage and other local governments implementing such programs.

HB 81 will do two things: 1) Clarify DMV's authority to withhold registration for non-compliance with a state-approved local I&M program; and 2) add \$1 to the annual vehicle registration fee, to recover state costs incurred for cooperating in local I&M programs. Only local governments with I&M programs will be affected by the legislation.

Back-up materials attached:

I&M Program Summary
Municipality of Anchorage ordinance No. 84-110
DMV paper (outline of role, page 2)

POSITION PAPER
MUNICIPALITY OF ANCH

VEHICLE INSPECTION & MAINTENANCE PROGRAM

On July 1, 1985, the Municipality of Anchorage will begin a Vehicle Inspection and Maintenance (I/M) Program to monitor and reduce the level of carbon monoxide emissions from Anchorage vehicles.

HOW IT WORKS

If your vehicle requires inspection, you will receive a notice from the State Division of Motor Vehicles along with the annual vehicle registration form. Inspections will be required for vehicles which are all of the following:

- * gasoline powered
- * registered for street use
- * weigh less than 12,000 pounds, unladen
- * 15 years old or newer (1970-1985 models)

Under certain circumstances, some vehicles may qualify for waivers. Diesel-powered vehicles will require a one-time I/M registration. About 70% of the vehicles tested are expected to pass the initial inspection. Those that fail must be repaired and retested. Inspection certificates will be issued when either the vehicle passes inspection or when it qualifies for a waiver.

VEHICLES REQUIRING AN INSPECTION CERTIFICATE WILL NOT BE REGISTERED
BY THE DMV WITHOUT THE CERTIFICATE.

WHERE TO GO

Inspections must be performed at a certified I/M facility. Look for an official I/M emblem:



Repairs required to reduce emissions may be performed by anyone. However, a free retest and a ceiling on repair costs apply only when repairs are performed at a certified I/M facility.

WHAT IT COSTS

\$10	Inspection Certificate
\$40 Maximum	Inspection
\$150 Maximum	Repairs, if needed, in 1985

Cost repair ceilings in subsequent years depend on whether the vehicle's emission control devices have been removed or altered. Ceilings are higher if removal or alterations have occurred.

All 1986 and later models must meet emission standards, regardless of cost.

FOR ADDITIONAL INFORMATION OR TO ARRANGE FOR A SPEAKER, CONTACT THE I/M HOTLINE.
264-4975

PG1/dPRI



ASSEMBLY AND APPROVED
DATE 6-19-84

Submitted by: Chairman of the Assembly
at the request of the Mayor
Prepared by: Department of Law
For Reading: May 22, 1984

ANCHORAGE, ALASKA
AO No. 84- 110

AN ORDINANCE ADDING A NEW CHAPTER 15.80 TO THE ANCHORAGE
MUNICIPAL CODE ESTABLISHING A VEHICLE INSPECTION AND MAINTENANCE
PROGRAM

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. A new Section 15.80.010 of the Anchorage
Municipal Code is enacted to read as follows:

15.80.010 Inspection and Maintenance of Motor Vehicles.

- A. Every owner of a vehicle registered within the Municipality of Anchorage shall have each such vehicle inspected and maintained in accordance with the requirements specified in the document entitled "I/M Program Design, Municipality of Anchorage, Private Garage Option" dated May 3, 1984 and referred to as the "I/M Program Design." The I/M Program Design is adopted by reference as part of this ordinance, as are measures adopted by the Program Administrator pursuant to Paragraph I of this section.
- B. Every owner of more than ten (10) vehicles which are primarily used in the Municipality of Anchorage shall have such vehicles inspected and maintained in accordance with the requirements of the I/M Program Design regardless of whether such vehicles are registered with the Municipality of Anchorage.
- C. A Certificate of Inspection issued in accordance with the procedures specified in the I/M Program Design shall be required prior to vehicle registration or vehicle registration renewal with the Alaska Division of Motor Vehicles for all vehicles subject to the requirements of the I/M Program Design.
- D. The Director of the Department of Health and Environmental Protection shall have principal responsibility for the implementation and enforcement of the I/M Program and shall designate one employee of the Department as the I/M Program Administrator.

742-84

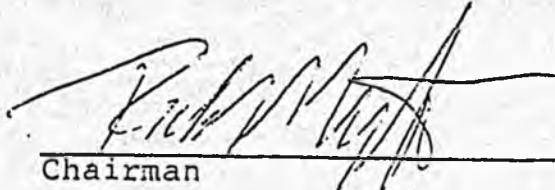
- E. The I/M Program Administrator shall certify mechanics, vehicle test or service facilities (stations), equipment and training courses meeting all certification requirements specified in Section 4 of the I/M Program Design.
- F. All inspections, ~~repair and maintenance~~ required under the I/M Program Design shall be done in a manner consistent with the requirements of Section 7 of the I/M Program Design when performed by certified I/M stations.
- G. Certifications shall be suspended or revoked by the I/M Program Administrator for repeated or serious violations of procedures or requirements specified in the I/M Program Design.
- H. No facility may advertise itself as a Certified I/M Station unless it is certified as such by the I/M Program Administrator.
- I. Upon ~~thirty~~ ^{sixty (60)} ~~(30)~~ days' advance notice to certified I/M stations and the public, the I/M Program Administrator shall make such changes to the I/M Program Design as are necessary to:
 - 1. maintain an overall failure rate of 30 percent or less; and
 - 2. require the use of inspection and repair procedures which are cost-effective and which reflect changes in the motor vehicle fleet.
- J. The Program Administrator shall sell blank Certificates of Inspection to certified I/M stations for a fee not to exceed \$10.00. The same fee shall be charged for Certificates of Inspection issued by the Program Administrator to vehicles qualifying for a waiver under the I/M Program Design. The precise level of the Certificate of Inspection fee shall be established based on the cost of operating the Program Administrator's office and shall from time to time be modified to reflect changes in the Program Administrator's office operating costs.

K. *

** Section 2, 3. This ordinance shall be effective immediately


upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this
19th day of June, 1984.



Chairman

ATTEST:

Deputy


Municipal Clerk

*K. An average of four (4) random checks per year per inspection station shall occur.

** Section 2. That the referee station as anticipated in this plan shall be offered for operation by the private sector.

1. New APEA contracts call for a 5% pay increase effective July 16, 1985. This will increase first year personnel costs to \$170,000.
2. The U.S. Post Office predicts a 15% postage increase in October 1984. Postage costs will be \$10,200.
3. The state will begin a system of user chargeback for data processing services in FY-86. The exact amount for DP services will be difficult to assess at this point but \$25,000 for programming, file storage, and machine use would be reasonable.
4. With the new computer system started in May, it is not possible to use the old computer terminals. New terminals, printers, and DP charges for the four counter employees will be \$40,000.

With these changes the new estimate for the first year charges will be \$288,700. Some of these costs, such as the equipment costs, must be incurred in this fiscal year prior to start-up. It will also be necessary to hire the new personnel on April 1, 1985 so they are adequately trained prior to start-up. This will incur approximately \$40,000 for salaries in FY-85.

Operational Considerations

1. The mailout renewal notices will be changed from a self-contained mailer to a mail stuffer system so that information on the program will be sent only to applicable Zip Code areas.
2. Renewal notices will be sent out 90 days in advance rather than 60 days to allow more time for inspection.
- 3. A one digit field in the vehicle record will indicate liability for inspection. Initially this will be determined by Zip Code area, vehicle class, and vehicle year for current records. The records will then be updated as vehicle transactions occur or waivers are obtained.
- 4. Applications for registration without an inspection or waiver certificate will not be accepted. They will be refused at the counter or returned by mail. Disputes concerning liability will be referred to the municipality or borough.
- 5. Inspection certificate numbers may be recorded on the registration but will not be placed in the data file. Inspection certificates will not be microfilmed with vehicle records but will, instead, be returned to local government offices.
6. Registration extensions or seasonal registrations will not be considered as part of this program.

File DMU

Meeting w/DMU,
DEC, MOA, FNSB
1-0-1

Registration Enforcement
I/M Program

Basic Concept

Municipalities will define what vehicles must be inspected under the program. DMV will not permit registration of these vehicles unless they have a valid inspection or waiver certificate. This will be essentially what has been referred to as "Option A" in previous meetings.

Time Schedule

August '84	Draft legislation for Commissioner's approval
September '84	1. Order equipment for mailing process 2. Design and order forms
October- '84 November	Initial programming effort to identify vehicles subject to inspection
January '85	Draft procedures for field offices
February '85	Mailing equipment and forms received and tested
March '85	1. Start hiring process for new positions 2. Test print and production programs
April '85	Train field personnel
May '85	Print and mail July renewal notices
July '85	Begin enforcement

Program Funding

1. DEC or EPA will provide DMV with \$80,000 for start-up costs mainly for equipment.
2. Other state costs will be recovered by charging an extra fee at the time of registration for vehicles subject to registration. Legislation will authorize the charge and allow the fee to be used by DMV in the operating budget. Initial estimate is \$1 per vehicle.

Cost Proposals

Earlier estimates for Option A enforcement costs totaled \$224,300 annually with personnel and contractual costs being valid for the first two years. Since that time it has been necessary to make the following revisions to that estimate: