

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 777

PRINTER NO. 917

AMOUNT

See Fiscal Impact

FUND

Motor License Fund

DATE INTRODUCED

June 17, 2021

PRIME SPONSOR

Senator Langerholc

DESCRIPTION

Senate Bill 777 amends Section 4702 (relating to requirement for periodic inspection of vehicles) of Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes to provide an exception for late model vehicles from emissions testing, including up to five years after the vehicle’s date of manufacture.

This legislation provides for all of the following:

- Provides that a subject vehicle shall be exempt from the requirements for emission inspection for five years after the vehicle is manufactured;
- Requires a one-time certificate of exemption be affixed to the subject vehicle for the entire duration of the exemption;
- Requires the Pennsylvania Department of Transportation (department) to periodically notify official inspection stations of vehicles exempt from the requirements for emission inspection;
- Provides that the exemption shall not apply to the extent that federal funding would not be received by the Commonwealth due to the exemption;
- Provides that notice of nonapplicability shall be transmitted by the department to the Legislative Reference Bureau for publication in the Pennsylvania Bulletin;
- Removes the gas cap test requirement for subject vehicles that were manufactured without a gas cap to determine whether or not the subject vehicle’s gas cap is functioning as designed; and
- Mandates that the five most recent model year vehicles shall be subject to visual anti-tampering inspections for the presence of emissions control components installed on the vehicle by manufacturers, which may occur during the annual safety inspection.

This act shall take effect in 60 days.

FISCAL IMPACT:

According to data from the department, there are approximately 2.1 million vehicles tested annually that would qualify for the five-year exemption provided for in Senate Bill 777. The department utilizes a subcontractor to administer the emissions program, but according to supplemental information from the Joint State Government

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Commission related to Senate Resolution 168 of 2017 and an October 2018 Advisory Committee Report, the department collects \$1.65 per vehicle, per emissions test as a program management fee. Therefore, the department would collect approximately \$3.4 million less from the program management fee each year.

In addition, the department estimates nearly \$600,000 will be needed to make all necessary system changes to implement Senate Bill 777. Cost savings to consumers from the exception to the emissions testing requirement will be offset by the loss of income to inspection stations.