

**CENTRALIZED I/M
TESTIMONY OF BRUCE E. DIEHL
TO THE SUBCOMMITTEE ON TRANSPORTATION SAFETY
FEBRUARY 25, 1992**

Good morning Mr. Chairman and members of the Subcommittee on Transportation Safety. I am Bruce E. Diehl, Director of the Maryland Vehicle Emissions Inspection Program, (VEIP). I have been requested to provide testimony on the existing Maryland centralized contractor operated emissions testing program and our plans for program expansion and modification to comply with the mandates of the 1990 Clean Air Act Amendments.

Perhaps a few comments on my background and experience may be of value to you in relation to my testimony.

Prior to being selected as director of VEIP, I was a member of the Maryland State Police for 27 years. The last 19 years with the state police, I was involved with the Maryland used vehicle inspection program. This time included development, implementation, administration, and enforcement of a decentralized safety inspection program.

The Maryland VEIP law was enacted in 1979 authorizing the emissions program. The law was basically enabling legislation but it did establish certain criteria for program development;

- the program was only authorized to the extent required by federal law;
- the program would be a centralized system and if the Motor Vehicle Administration determined the system could be installed and operated more effectively and economically by an independent contractor, the installation and operation could be awarded to an independent contractor in accordance with state bidding procedures;
- the facilities would be provided, equipped and maintained by the contractor;
- the operating personnel would be employees of the contractor and not of the state;
- the system would consist of testing facilities established in strategically locations that would best serve the public convenience;
- the test fee would not exceed 9 dollars;
- the test fee would be collected by the contractor at the time of inspection;
- a specific portion of the test fee would be paid to the Motor Vehicle Administration to cover the cost of supervision of the program; and,
- the program would terminate on a specific date unless it was extended by the legislature.

The development, implementation, administration and enforcement was handled by regulation required for proposal and contractual procedures.

Because a contractor operated system would be more effective and more economical, Maryland opted for the contractor operated system. Under this option, land, capital and operation costs would be borne by the contractor while only administrative costs would be borne by the state. Additionally, the private sector had better knowledge, expertise and experience to develop a program in a more timely manner.

To minimize travel distance of vehicle owners, stations were to be located where 85 per cent of the vehicles registered in an emissions area would be within a 12 mile straight line distance and the remaining 15 per cent would be within a 20 mile straight line distance. The system would be designed to accommodate approximately 1/12 of the vehicles on a monthly basis. The number of test lanes at each station would be dependent upon the number of vehicles within the 12 mile and 20 mile requirements. At least 150 lineal feet of paved queuing area was required for each test lane. Each station was required to have at least one test bay capable of handling oversized vehicles.

After the successful bidder was selected, a contract was negotiated. Because of the "sunset clause" in the law, the contract was for a 5 year period and would terminate December 31, 1988, the same date the program was scheduled to terminate.

The 1988 General Assembly extended and modified the program. The program was extended through December 31, 1991 and beginning January 1, 1989, testing was on a biennial basis, inspection of the catalyst and fuel filler inlet restrictor and testing of gasoline fueled trucks up to and including 26,000 pounds registered gross vehicle weight were included. Additionally, the maximum test fee was deleted from law and the test fee was to be established by the Motor Vehicle Administration.

Because of the relatively short period of time available between the effective date of the legislation, July 1, 1988, and the implementation date, December 1, 1988, an Invitation

For Bid (IFB) was issued. This procedure is a two part process, a sealed technical proposal and a separate sealed price proposal. Only if a technical proposal was deemed acceptable would a price proposal be opened.

Also, because of the relatively short period of time available, the station network design remained relatively the same. However, to improve public service, some minor communications requirements were added.

Bids were received from two vendors, one of which was the current contractor. The other bidder's technical proposal did not meet the network design criteria and was deemed nonresponsive. The current contractor was awarded the contract and through negotiations, a biennial test fee of \$8.50 was established. The fee included \$2.20 per

initial test to be paid to the state to cover administrative costs of approximately 2.4 million dollars.

With the enactment of the 1990 Clean Air Act Amendments, there was uncertainty of the type of future emissions testing. Therefore, an extension of the 1989-1991 contract was negotiated. The extension is for two years with an option for one additional year. This will permit the current program to continue unchanged through at least 1993 and through 1994 at the latest. Based on information currently available, this should provide sufficient time to develop an enhanced program.

We are currently developing a RFP to develop and implement a centralized contractor program to meet the requirements of the 1990 Clean Air Act Amendments.

General issues being considered:

- Type of test
 - I/M 240 for at least 1981 and newer passenger cars, light trucks and heavy duty (up to 26,000 lbs) trucks.
 - We are undecided as to the type of test for 1980 and older vehicles. This may be the I/M 240 or a Loaded Two Speed Idle Test.
- Motorist convenience/safety
 - Station location - will use current 12 miles/85 percent and 20 miles/15 percent requirements
 - Waiting times (15 minutes)
 - Impacted by number of stations/lanes
 - Impacted by increased hours of operation
 - Safe and convenient motorist waiting areas
 - Convenient entrance and exit to station property
 - Impact on locality, including traffic zoning, etc..
 - Permitting any vehicle to be tested or retested at any station
 - Providing adequate communications requirements between stations and MVA

- Permitting sufficient time for repairs
- Keep costs to a minimum (\$15-\$20 test fee excluding state administrative costs)

Specific issues being considered:

- o Heavy vehicle testing equipment requirements
 - Equipment capable of testing heavy duty and light duty vehicles
- o Full time four-wheel drive vehicles
 - Cost effectiveness of requiring special equipment
 - Possible separate proposal

Costs for current program versus estimated costs for an enhanced program:

- o Current cost to motorist - \$8.50 which includes one (1) free retest and state administrative costs of \$2.252 million.
 - This does not include the assessment of a late fee of \$10 for each month or part of a month a vehicle is tested late.
- o Estimated costs to the motorist for an enhanced program
 - Several factors will determine the actual cost to the motorist.
 - The state plans to assume ownership of the properties, stations and equipment before, during or at the end of the initial contract.
 - The RFP will require a separate proposal for the design, development and equipping a network of stations with provisions for expansion to accommodate increases in vehicle volumes and a separate proposal for the operation of the system. The initial contract will be to the same vendor for a three year period. This will ensure the network design is such that any future vendor may operate it.
 - With the state assuming ownership of the network, repayment of the debt will vary depending on the type of financing, rate of interest and the repayment period.

- The state administrative costs will increase to approximately \$4.5 million as a result of an expanded testing area and testing changes.

As indicated previously, we estimate the fee would be in the \$20 range.