

Agenda Item: 17-42 **Request for Approval of Proposed Rule Revisions, Fiscal Note, and to Proceed to Public Hearing on Inspection/Maintenance (I/M) Rules to Incorporate Session Law 2017-10 Section 3.5 Applicability to Vehicles with Model Year within 20 Years of Current Year and for Readoption of 15A NCAC 02D Section .1000 (544)**

Explanation:

In response to North Carolina Session Law 2017-10 (An Act to Provide Further Regulatory Relief to the Citizens of North Carolina), the Division of Air Quality (DAQ) is proposing to amend its motor vehicle emission inspection rules to comply with the new legislation.

Currently, annual emission inspections are required in 48 counties for motor vehicles that meet the following criteria: (1) a 1996 or later model and older than the three most recent model years or (2) a 1996 or later model and has 70,000 miles or more on its odometer. Session Law 2017-10 Section 3.5(a) reduces the number of affected counties from 48 to 22, and section 3.5(b) changes the vehicle coverage as follows: (1) a vehicle with a model year within 20 years of the current year and older than the three most recent model years or (2) a vehicle with a model year within 20 years of the current year and has 70,000 miles or more on its odometer. The DAQ is proposing to revise 15A NCAC 02D .1002, Applicability to comply with section 3.5(b) which modifies the vehicle model year coverage requirements in the 22 remaining counties.

A fiscal note was submitted to the Office of State Budget and Management (OSBM) in accordance with G.S.150B-21.4. OSBM approved the fiscal note and they determined that the rule changes have substantial economic impact on state, local and private entities.

In accordance with Office of Administrative Hearings (OAH) guidelines, several minor housekeeping rule amendments are also proposed. Additionally, the remaining rules in Section 02D .1000 are proposed to be readopted as part of Session Law 2013-413 (H74). The readoption request applies to rules .1001, .1003, .1005, .1006, and .1008.

Recommendation:

The Director recommends that the Commission approve the package of proposed rule amendments, readoptions, and fiscal note, authorize a public hearing on the proposed rules and fiscal note, and that the Chairman appoint a member of the Commission to serve as hearing officer.