

Senate Transportation Committee Hearing on Vehicle Emissions and Electrification September 27, 2021 Testimony of Kurt Myers, PennDOT Deputy Secretary for Driver and Vehicle Services

Good morning. My name is Kurt Myers, and I am the Deputy Secretary for Driver and Vehicle Services at the Pennsylvania Department of Transportation (PennDOT). On behalf of Secretary Gramian, thank you for the opportunity to discuss Senate Bill 777, which would amend Title 75 changing the requirements for the Pennsylvania Vehicle Emissions Inspection Program.

Pennsylvania's vehicle emission inspection program is required for approximately 7 million subject vehicles registered in 25 designated vehicle emission inspection counties and requires the testing of 1975 and newer model year vehicles that are gasoline-powered and 9,000 pounds or less gross vehicle weight rating. The type of test varies from region to region and is also dependent on the model year of the vehicle. The current program allows for a first model year exemption from emission inspection for subject vehicles.

PennDOT has concerns with language in the proposed legislation that could create uncertainties. The legislation would change the current program to allow an exemption for all new subject vehicles for the first five years after manufacture and the discontinuance of gas cap testing for vehicles without a gas cap.

The legislation indicates that the period of exception starts in the year the vehicle is manufactured. This period of exception could be confusing for the vehicle owner as this information is generally unknown. The age of a vehicle is typically referred to by its model year, which could potentially span a three-year manufacturing period. The model year is also printed on the vehicle's registration card that is viewed by the station prior to inspection. As such we would suggest the exception be tied to the model year as opposed to the year of manufacture.

PennDOT would like to provide clarification regarding gas cap testing for vehicles manufactured without a gas cap. While conducting a gas cap test on a vehicle that has not been manufactured with a gas cap appears illogical, in reality the emission analyzers are designed to account for a gas capless fuel system and ensures that the system is properly sealed. For this reason, we would suggest the gas cap requirements be kept as currently applied.

From a practical perspective, since the legislation requires PennDOT to issue a one-time certificate of exemption for new subject vehicles, it is unknown if any vendor would guarantee a sticker's adherence performance for five years. Additionally, these vehicles would be required to undergo an annual visual anti-tampering inspection. It is unclear how this inspection would be tracked to ensure compliance and what criteria a subject vehicle would have to meet to pass this type of inspection. Since a vehicle owner would still have to present the vehicle for the annual visual anti-tampering inspection, we can speculate that stations may continue to charge the same or similar fee for the annual visual anti-tampering inspection, in lieu of an emission inspection, and therefore the vehicle owner may not recognize any real



savings to either cost or time. The emissions program is market driven so inspection station determine charges for services.

Additionally, the emissions program is self-funded through a program management fee (PMF), currently a \$1.57 per emission test charged to the customer and paid to PennDOT's contracted vendor to provide program management services. The program manager charges a program management fee to authorized inspection stations for each emission transaction they conduct on the emission analyzers. If the visual anti-tampering inspection for each of the five years of the exemption continues to be entered into the emission analyzer, the program management fee will be charged to the station and there would be no significant impact to the vendor. However, should subject vehicles that qualify for the five-year exemption be exempted from emissions testing and the visual anti-tampering inspection is not run through the emission analyzers, the program manager would experience lost contract revenue based on the anticipated reduction in the number of vehicles subject to emissions inspection. In 2020, there were approximately 2.08 million vehicles that were tested during that calendar year that would qualify under SB 777 for the 5-year manufacture exemption.

Besides the change in terminology to "model year" from "manufacture," PennDOT suggests an approach that would require an annual certificate of exemption that would be placed on an exempt vehicle after the visual anti-tampering inspection is successfully completed. Using this approach, PennDOT would create a unique certificate of exemption that would be replaced annually after the successful completion of the visual anti-tampering inspection. This approach would utilize the current process for exemptions. This approach would allow PennDOT the ability to continue to capture the exemptions on the emission program equipment to include in the annual report to the EPA.

PennDOT has estimated that it would take 18 months to implement SB 777, as proposed.

Finally, the legislation potentially creates a socioeconomic equity concern for customers who can afford a new vehicle versus those who cannot afford to purchase a new vehicle. New vehicles are covered by the manufacturer's warranty that would cover most needed repairs. These vehicles will be exempted while older vehicles owned by lower income residents may be forced to bear the burden of increased fees.

As I noted earlier pricing for the emission test is market driven and as such it is possible that the reduced number of tests and the corresponding impact to emission station revenue may create unintended consequences for lower income residents. The current average cost for an On-board Diagnostic (OBD) emission test charged by the independent inspection stations is approximately \$40.38. In comparison, the average cost for a visual anti-tampering inspection is approximately \$35.64.

Thank you again for the opportunity to discuss this legislation. I would be happy to take any questions from the committee at this time.