CHAPTER 29

AN ACT concerning motor vehicle inspections and amending chapter 8 of Title 39 of the Revised Statutes.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. R.S.39:8-1 is amended to read as follows:

Motor vehicle inspections, exceptions.

39:8-1. a. Every motor vehicle registered in this State which is used over any public road, street, or highway or any public or quasi-public property in this State, and every vehicle subject to enhanced inspection and maintenance programs pursuant to 40 C.F.R. s.51.356, except motorcycles, historic motor vehicles registered as such, collector motor vehicles designated as such pursuant to this subsection, and those vehicles over 8,500 pounds gross weight that are under the inspection jurisdiction of the commission pursuant to Titles 27 and 48 of the Revised Statutes, shall be inspected by designated inspectors or at official inspection facilities to be designated by the commission or at licensed private inspection facilities. Passenger automobiles registered in accordance with R.S.39:3-4 or R.S.39:3-27 and noncommercial trucks registered in accordance with section 2 of P.L.1968, c.439 (C.39:3-8.1) or R.S.39:3-27 inspected pursuant to this section shall only be inspected for emissions and emission-related items such as emission control equipment and on-board diagnostics. The commission shall adopt rules and regulations establishing a procedure for the designation of motor vehicles as collector motor vehicles, which designation shall include consideration by the commission of one or more of the following factors: the age of the vehicle, the number of such vehicles originally manufactured, the number of such vehicles that are currently in use, the total number of miles the vehicle has been driven, the number of miles the vehicle has been driven during the previous year or other period of time determined by the commission, and whether the vehicle has a collector classification for insurance purposes.

b. The commission shall determine the official inspection facility or private inspection facility at which a motor vehicle, depending upon its characteristics, shall be inspected. The commission, with the concurrence of the Department of Environmental Protection, may exclude by regulation from this inspection requirement any category of motor vehicle if good cause for such exclusion exists, unless the exclusion is likely to prevent this State from meeting the applicable performance standard established by the United States Environmental Protection Agency. The commission may determine that a vehicle is in compliance with the inspection requirements of this section if the vehicle has been inspected and passed under a similar inspection program of another state, district, or territory of the United States.

2. R.S.39:8-2 is amended to read as follows:

Inspectors of motor vehicles; rules, regulations.

39:8-2. a. The commission may designate and appoint, subject to existing laws, competent inspectors of motor vehicles to conduct examinations, other than the periodic inspections required pursuant to subsection b. of this section, of motor vehicles required to be inspected in accordance with the provisions of this chapter. The inspectors may be delegated to enforce the provisions of the motor vehicle and traffic law.

b. (1) The commission shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations consistent with P.L.1966, c.16

(C.26:2C-8.1 et seq.) and with the requirements of the federal Clean Air Act with respect to the type and character of the inspections to be made, the facility at which the vehicle shall be inspected, the frequency of inspections of motor vehicles and the approval or rejection of motor vehicles as a result of these inspections. These rules and regulations shall require the use of inspection tests that are designed to meet the enhanced inspection and maintenance requirements of the federal Clean Air Act and that have been proven to be feasible and effective for the inspection of large numbers of motor vehicles, except that these tests shall not include the "I/M 240" test. Nothing in this subsection shall preclude the use of the "I/M 240" test in sampling for performance evaluations only or the use of the test at the option of a private inspection facility. The rules and regulations may distinguish between vehicles based on model year, type, or other vehicle characteristics in order to facilitate inspections or to comply with the federal Clean Air Act.

(2) The Department of Environmental Protection and the commission shall investigate advanced testing technologies, including but not limited to remote sensing and onboard diagnostics, and shall, to the extent permitted by law, pursue the use of such technologies, other than the "I/M 240" test, in motor vehicle emission inspections required by the United States Environmental Protection Agency pursuant to the federal Clean Air Act. The commission shall adopt, to the extent practicable, advanced technologies to facilitate the retrieval of testing and other information concerning motor vehicles, which technologies shall include but not be limited to the use of computer bar codes and personal cards containing encoded information, such as a person's operating license, motor vehicle registration, and motor vehicle insurance, the inspection status of a motor vehicle, and mass transit fares, that can be accessed quickly by a computer.

c. Except as modified by the commission to distribute evenly the volume of inspections, all motor vehicles required by the commission, in accordance with the provisions of R.S.39:8-1, to be inspected under this chapter shall be inspected biennially, except that:

(i) after certification by the commission of the federal approval by the Environmental Protection Agency of the State waiver request, model year 2006 and newer motor vehicles shall be inspected no later than five years from the last day of the month in which they were initially registered and thereafter biennially and a decal affixed thereto shall so indicate. Motor vehicles five model years old or newer, purchased in a foreign jurisdiction, and to be registered in this State, shall be subject to inspection not later than five years from the last day of the last calendar month of the model year of the vehicle, and thereafter, inspected biennially and a decal affixed thereto shall so indicate. Whenever a used motor vehicle five model years old or newer is purchased in this or any other state which has affixed thereto an unexpired decal issued pursuant to this paragraph or an unexpired New Jersey inspection certificate of approval and is initially registered by the purchaser in this State, the unexpired decal or unexpired New Jersey inspection certificate of approval displayed on the windshield shall be valid for the remaining time indicated thereon. Upon expiration of the decal or inspection certificate of approval, such vehicle shall be subject to inspection and inspected biennially thereafter; and

(ii) classes of vehicles that require more frequent inspections, such as school buses, shall be inspected at such shorter intervals as may be established by the commission after consultation with the Department of Environmental Protection. At any time, the commission may require the owner, lessee, or operator of a motor vehicle to submit the vehicle for inspection.

d. The commission shall furnish to designated inspectors or to other persons authorized to conduct inspections official certificates of approval and rejection stickers, the form,

content and use of which it shall establish. The certificates of approval and rejection stickers shall be of a type, such as a windshield sticker or license plate decal, that can be attached to the vehicle or license plate in a location that is readily visible to anyone viewing the vehicle. If a certificate of approval cannot be issued, the driver shall be provided with a written inspection report describing the reasons for rejection and, if appropriate, the repairs needed or likely to be needed to bring the vehicle into compliance with applicable standards.

e. The commission may, with the approval of the State House Commission, purchase, lease or acquire by the exercise of the power of eminent domain any property for the purpose of assisting it in carrying out the provisions of this chapter. This property may also be used by the commission for the exercise of the duties and powers conferred upon it by the other chapters of this Title.

f. For the purpose of implementing the motor vehicle inspection requirements of the federal Clean Air Act and subject to the approval of the Attorney General, the State Treasurer, prior to January 1, 1997, may:

(1) Purchase, lease or acquire by eminent domain any property for vehicle inspection purposes. Any other provision of law to the contrary notwithstanding, no further approval shall be required for transactions authorized by this paragraph, except that a proposed purchase, lease or acquisition by eminent domain shall require the approval of the Joint Budget Oversight Committee, and shall be submitted to the Joint Budget Oversight Committee, which shall review the proposed purchase, lease or acquisition by eminent domain within 15 business days; and

(2) Sell or lease, or grant an easement in, any property acquired, held or used for vehicle inspection purposes or any other suitable property held by the State that is not currently in use or dedicated to another purpose. For the purpose of this paragraph and notwithstanding any provision of R.S.52:20-1 et seq. to the contrary, the sale or lease of, or the granting of an easement in, real property owned by the State shall be subject to the approval of the State House Commission, which shall meet at the call of the Governor to act on a proposed sale or lease or grant of an easement pursuant to this paragraph. A member of the State House Commission may permit a representative to act on that member's behalf in considering and voting on a sale or lease or grant of an easement pursuant to this paragraph. Any other provision of law to the contrary notwithstanding, any moneys derived from a sale, lease or granting of an easement by the State pursuant to this paragraph shall not be expended unless approved by the Joint Budget Oversight Committee for the purpose of purchasing, leasing or acquiring property pursuant to paragraph (1) of this subsection, except that any moneys derived therefrom and not approved for that purpose shall be appropriated to the Department of Transportation to provide for mass transit improvements.

g. The commission shall conduct roadside examinations of motor vehicles required to be inspected, using such inspection equipment and procedures, and standards established pursuant to section 1 of P.L.1966, c.16 (C.26:2C-8.1), including, but not limited to, remote sensing technology, as the commission shall deem appropriate to provide for the monitoring of motor vehicles pursuant to this subsection. At least 20,000 vehicles or 0.5 percent of the total number of motor vehicles required to be inspected under this chapter, whichever is less, shall be inspected during each inspection cycle by roadside examination teams under the supervision of the commission. The commission may require any vehicle failing a roadside examination to be inspected at an official inspection facility or a private inspection facility within a time period fixed by the commission. Failure to appear and pass inspection within the time period fixed by the commission shall result in registration suspension in addition to any other penalties provided in this Title. The commission shall conduct an aggressive

roadside inspection program to ensure that all motor vehicles that are required to be inspected in this State are in compliance with State law.

h. The commission, and, when appropriate, the Department of Environmental Protection, shall conduct inspections and audits of licensed private inspection facilities, official inspection facilities and designated inspectors to ensure accurate test equipment calibration and use, and compliance with proper inspection procedures and with the provisions of P.L.1995, c.112 (C.39:8-41 et al.) and any regulations adopted pursuant thereto by the commission or by the Department of Environmental Protection. These inspections and audits shall be conducted at such times and in such manner as the commission, upon consultation with the Department of Environmental Protection, shall determine in order to provide quality assurance in the performance of the inspection and maintenance program.

i. (1) The commission shall make a charge of \$2.50 for the initial inspection for each vehicle subject to inspection, which amount shall be paid to the commission or its representative when payment of the registration fees fixed in chapter 3 of this Title is made which inspection charge shall be considered a service charge and shall be subject to the calculation of proportional revenue remitted to the commission pursuant to section 105 of P.L.2003, c.13 (C.39:2A-36); provided however, that on and after January 1, 1999, a school bus as defined pursuant to section 3 of P.L.1999, c.5 (C.39:3B-20) and having a registration period commencing on or after January 1, 1999, shall be subject to an inspection fee for each in-terminal or in-lieu-of terminal inspection in accordance with the following schedule:

School Bus Specification Inspection	\$50 per bus
School Bus Inspection	\$25 per bus
School Bus Reinspection	\$25 per bus

subject to the conditions set forth below

The specification inspection is required when a school bus is put into service in New Jersey, whether a new bus or a bus from another state. The specification inspection is conducted to ensure that the school bus meets New Jersey specification standards. The school bus inspection fees shall be charged to the operator for each in-terminal or in-lieu-of terminal inspection. School Vehicle Type I and School Vehicle Type II buses shall be inspected semiannually. Retired school buses shall be inspected annually. No school bus inspection fee shall be charged for any reinspection conducted by the commission if the reinspection is conducted on the same day as the inspection that necessitated the reinspection. If an additional trip is required by the commission's inspectors, a fee of \$25 per bus shall be charged. School bus inspection fees shall be paid to the commission or the commission's designee subject to the terms and conditions prescribed by the commission and shall be considered service charges of the commission and not subject to the calculation of proportional revenue remitted to the commission pursuant to section 105 of P.L.2003, c.13 (C.39:2A-36). Any law or rule or regulation adopted pursuant thereto to the contrary notwithstanding, a registration fee authorized pursuant to chapter 3 of Title 39 of the Revised Statutes shall not be increased for the purpose of paying any costs associated in any manner with the establishment, implementation or operation of the motor vehicle inspection and maintenance program established pursuant to P.L.1995, c.112 (C.39:8-41 et al.).

(2) The commission shall establish by regulation a fee to cover the costs of inspecting any vehicle that is required, or has the option, under federal law to be inspected in this State but is registered in another state or is owned or leased by the federal government. In determining these costs, the commission shall include all capital and direct and indirect operating costs associated with the inspection of these vehicles including, but not limited to, the costs of the actual inspection, the creation and maintenance of the vehicle inspection record, administrative, oversight and quality assurance costs and the costs associated with reporting inspection information to the owner, the federal government and agencies of other states. All fees collected pursuant to this subsection shall be paid to the State Treasurer and deposited in the "Motor Vehicle Inspection Fund" established pursuant to subsection j. of this section.

j. There is established in the General Fund a special dedicated, non-lapsing fund to be known as the "Motor Vehicle Inspection Fund," which shall be administered by the State Treasurer. The State Treasurer shall deposit into the "Motor Vehicle Inspection Fund" \$11.50 from each motor vehicle registration fee received by the State after June 30, 1995. This fee shall be considered a service charge of the commission and shall be subject to the calculation of proportional revenue remitted to the commission pursuant to section 105 of P.L.2003, c.13 (C.39:2A-36). The Legislature shall annually appropriate from the fund an amount necessary to pay the reasonable and necessary expenses of the implementation and operation of the motor vehicle inspection program. The State Treasurer shall:

(1) Pay to a private contractor or contractors contracted to design, construct, renovate, equip, establish, maintain and operate official inspection facilities under a contract or contracts entered into with the State Treasurer pursuant to subsection a. of section 4 of P.L.1995, c.112 (C.39:8-44) from the fund the amount necessary to meet the costs agreed to under the contract or contracts; and

(2) Transfer from the fund to the commission as provided pursuant to section 105 of P.L.2003, c.13 (C.39:2A-36) and the Department of Environmental Protection the amounts necessary to finance the costs of administering and implementing all aspects of the inspection and maintenance program, and to the Office of Telecommunications and Information Systems in the Department of the Treasury the amount necessary for computer support upgrades;

Moneys remaining in the fund and any unexpended balance of appropriations from the fund at the end of each fiscal year shall be reappropriated for the purposes of the fund. Any interest earned on moneys in the fund shall be credited to the fund.

3. R.S.39:8-3 is amended to read as follows:

Certificate of approval, issuance; owner's obligation for safety.

39:8-3. a. No certificate of approval shall be issued by an examiner, official inspection facility or private inspection facility until the motor vehicle inspected successfully passes inspections for emissions and emission-related items such as emission control equipment and on-board diagnostics required by the chief administrator and the mechanism, brakes and equipment of the motor vehicle inspected have been found to be in a proper and safe condition and complying with the laws of this State.

b. Notwithstanding subsection a. of this section, passenger automobiles registered in accordance with R.S.39:3-4 or R.S.39:3-27 and noncommercial trucks registered in accordance with section 2 of P.L.1968, c.439 (C.39:3-8.1) or R.S.39:3-27 that are only inspected for emissions and emission-related items such as emission control equipment and on-board diagnostics pursuant to R.S.39:8-1 and that successfully pass such inspections shall be issued a certificate of approval.

c. Notwithstanding the issuance or non-issuance of a certificate of approval, the obligation to ensure that a vehicle is in a proper and safe condition rests with the owner, operator or lessee, as appropriate, of the vehicle.

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4. This act shall take effect on July 1, 2010. General implementation of section 3 of this act is to be completed no later than the 30th day following enactment.

Approved June 29, 2010.