

UPDATED INFORMATIVE DIGEST

AMENDMENTS TO AIR RESOURCES BOARD VOLUNTARY ACCELERATED VEHICLE RETIREMENT REGULATIONS MINIMIZE DIFFERENCES BETWEEN ARB AND BAR VAVR REGULATIONS AND ALLOW PARTS RECYCLING AND RESALE OF NON-EMISSION-RELATED AND NON-DRIVE TRAIN PARTS

Title/Sections Affected - Amendments sections 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609 and 2610, of title 13, California Code of Regulations (CCR), and the adoption of section 2611 and Appendices C and D, the ARB Voluntary Accelerated Vehicle Retirement (VAVR) regulations.

Background – At the behest of many interested parties (classic car clubs, after-market parts manufacturers, scrap dealers, and local air districts), the ARB staff re-examined the VAVR vehicle eligibility requirements. Staff concluded that many suggestions to change the eligibility requirements to match the BAR eligibility requirements had merit. In particular, the statutes clearly specify that the two programs should be harmonious with respect to each other. Furthermore, since ARB staff considered the impact on air quality to be minimal, no justification emerged dictating that the ARB regulations be different from BAR's with respect to eligibility requirements.

In relation to parts recovery, some stakeholders argue that parts recovery is mandated by existing statutes. However, ARB staff believes the current ARB regulations provide for this via a mandatory 7-day waiting period before a vehicle can be scrapped. This mandatory waiting period provision meets both the intent and text of the Health and Safety Code, Section 44210 (b). Specifically, as per the Health and Safety Code, the purpose of the mandatory waiting period is to "allow for trading, sale, and resale of the vehicles between licensed auto dismantlers or other appropriate parties to maximize the salvage value of the vehicles through the recycling, sales, and use of parts of the vehicles".

During this 7-day period, the regulations require the dismantler to notify the local district and provide a description of the vehicle and the date and approximate time when the vehicle is scheduled to be delivered for final sale to the enterprise operator. In addition, ARB regulations require the district to publish this information with the intent to allow car collector enthusiasts and those interested in affordable transportation to examine the car and purchase the vehicle before it is otherwise sold to the enterprise operator. If the vehicle is sold, the regulations disallow the dismantler to receive any emission reduction credits.

Notwithstanding the above discussion, interested parties, such as classic car collectors, aftermarket parts manufacturers perceived a conflict between ARB regulations and existing statutes.

The Amendments – The amendments make two sets of changes to the ARB Voluntary Accelerated Vehicle Retirement (VAVR) regulations: (1) Amend the ARB VAVR regulations to match the Bureau of Automotive Repair regulations with only two exceptions; i.e.; maintain a requirement to drive in reverse and require continuous registration for 120 days prior to retirement; and (2) Amend the ARB VAVR regulations to allow parts recovery for non-emission-related and non-drive train parts. The amendments were described in detail in the Staff Report (Initial Statement of Reasons for Proposed Rulemaking) released on November 30, 2001.

Board Action - At the Board Hearing on February 21, 2002, the Board adopted the proposed amendments and directed further outreach relative to options for the 7-day waiting period. Participants at a public workshop on March 20, 2002, overwhelmingly and with unanimous consensus suggested that the 7-day waiting period be extended to 10 days plus 7-days if interest is shown by a third party. In addition, the waiver allowing former owners to dictate the fate of vehicles sold to the program was discussed at the workshop. Upon urging by unanimous consensus of the participants, staff agreed to eliminate the waiver. Subsequently, a 15-day public comment period produced comments relative to the extended waiting period.