

SENATE THIRD READING
SB 1392 (Cortese and Grove)
As Amended August 19, 2026
Majority vote

SUMMARY

Exempts "collector motor vehicles", as defined, and includes model years (MY) that are at least 35 years or older from smog check requirements, as specified.

Major Provisions

- 1) *Beginning on January 1, 2028*, exempts a "collector motor vehicle" manufactured before model year (MY) 1981 from the requirement to obtain a smog check certificate of compliance or noncompliance for initial registration, renewal every two years, or transfer of ownership if the vehicle is at least 35 MYs old and either insured as a collector motor vehicle with proof of insurance submitted to the Department of Motor Vehicles (DMV) at the time of registration, or determined, through a process developed by DMV, to be driven fewer than 1,000 miles per calendar year.
- 2) *Beginning January 1, 2029*, the MY cutoff expands by one additional MY each year until *January 1, 2033*, when the exemption applies to qualifying collector motor vehicles manufactured before MY 1986.
- 3) *Additionally exempts the above vehicles from portions of the test required by subdivision (f) of Section 44012 of the Health and Safety Code if the collector motor vehicle meets one of the following criteria:*
 - a) A motor vehicle with an engine of 16 or more cylinders manufactured prior to 1965; a motor vehicle manufactured in the year 1922 or prior thereto; a vehicle which was manufactured after 1922, is at least 25 years old, and is of historic interest.
 - b) A vehicle of an age that is unaltered from the manufacturer's original specifications and, because of its significance, including, but not limited to, an out-of-production vehicle or a model of less than 2,000 sold in California in a MY, is collected, preserved, restored, or maintained by a hobbyist as a leisure pursuit.
- 4) Redefines "collector motor vehicle" to mean a motor vehicle that meets both of the following criteria:
 - a) The motor vehicle is one of the following:
 - i) At least 35 model years old *and complies with the regulations adopted pursuant to section 5040 of the Vehicle Code that require a motor vehicle to be insured as a collector motor vehicle with proof of insurance submitted to the Bureau of Automotive Repair (BAR) or is driven fewer than 1,000 miles per calendar year as determined through a process developed by BAR.*
 - ii) A motor vehicle with an engine of 16 or more cylinders manufactured prior to 1965.
 - iii) A motor vehicle manufactured in the year 1922 or prior thereto.

- iv) A vehicle which was manufactured after 1922, is at least 25 years old, and is of historic interest.
 - v) A vehicle of an age that is unaltered from the manufacturer's original specifications and, because of its significance, including, but not limited to, an out-of-production vehicle or a model of less than 2,000 sold in California in a MY, is collected, preserved, restored, or maintained by a hobbyist as a leisure pursuit.
 - b) The motor vehicle is used primarily in shows, parades, charitable functions, and historical exhibitions for display, maintenance, and preservation, and is not used as the owner's primary mode of transportation.
- 2) *Requires BAR, in consultation with the DMV, to adopt regulations to implement paragraph (9) of subdivision (a) of Section 44011 of the Health and Safety Code and paragraph (8) of subdivision (d) of Section 4000.1 as follows:*
- a) *On and after January 1, 2028, a motor vehicle that meets the criteria described in subdivision (b) of Section 259 of the Vehicle Code that is insured as a collector motor vehicle, if proof of that insurance is submitted to BAR, shall be exempt from the smog check requirements, if the motor vehicle meets any applicable criterion in paragraph (9) of subdivision (a) of Section 44011 of the Health and Safety Code and paragraph (8) of subdivision (d) of Section 4000.1.*
 - b) *On and after January 1, 2030, a motor vehicle that meets the criteria described in subdivision (b) of Section 259 that is driven fewer than 1,000 miles per calendar year shall be exempt from smog check requirements if the motor vehicle meets any applicable criterion in subparagraphs (C) to (F), inclusive, of paragraph (9) of subdivision (a) of Section 44011 of the Health and Safety Code and in subparagraphs (C) to (F), inclusive, of paragraph (8) of subdivision (d) of Section 4000.1.*
- 3) *Allows BAR and DMV to exchange information as necessary to determine the eligibility of a motor vehicle to qualify as a collector motor vehicle consistent with the adopted regulations.*
- 4) *Requires the regulations to include any forms, procedures, and other requirements necessary for their implementation.*
- 5) *Provides for the collection of fees to recover the reasonable administrative costs incurred by BAR.*
- 6) *Limits the fees to be no more than twice the annual smog abatement fee specified in subparagraph (B) of paragraph (1) of subdivision (d) of Section 44060 of the Health and Safety Code.*

COMMENTS

Mobile source emissions. Mobile sources of air pollution are vehicles or equipment that can be moved from place to place and emit pollutants as they operate. These sources include on-road vehicles like cars, trucks, and buses, as well as non-road vehicles such as aircraft, construction equipment, and marine vessels. Mobile sources and the fossil fuels that power them are the largest contributors to the formation of ozone, greenhouse gas (GHG) emissions, fine particulate

matter (PM_{2.5}), and toxic diesel particulate matter (DPM). Statewide, more than 21 million out of over 39 million Californians live in areas that exceed the federal ozone standards; within these areas, there are many low-income and disadvantaged communities that are exposed to not only ozone, but also particulate and toxic, pollutant levels significantly higher than the federal standards which have immediate and detrimental health effects.

In California, mobile sources are responsible for approximately 80% of smog-forming nitrogen oxide (NO_x) emissions. They also represent about 50% of GHG emissions when including emissions from fuel production, and more than 95% of toxic DPM emissions.

The National Ambient Air Quality Standard (NAAQS). The Clean Air Act of 1970 instructs the U.S. Environmental Protection Agency (US EPA) to set primary NAAQS to protect public health, and secondary NAAQS to protect plants, forests, crops and materials from damage due to exposure to six criteria air pollutants. These pollutants include: particulate matter, ozone, nitrogen oxides, sulfur oxides, carbon monoxide, and lead.

Federal law (42 United States Code 7409 and 7410) requires that all states attain the NAAQS and develop State Implementation Plans (SIP) for nonattainment areas to attain the NAAQS, and attainment areas to maintain attainment. Failure of a state to reach attainment of the NAAQS by the target date can trigger penalties, including withholding of federal highway funds.

State law (HSC 39602) requires the California Air Resources Board (CARB) to develop SIP emission reduction strategies for cars, trucks, and other mobile sources to meet the requirements in the Clean Air Act. Local air districts are primarily responsible for controlling emissions from stationary sources such as factories and power plants. CARB coordinates closely with local air districts (such as SCAQMD) in the development of attainment plans which are then incorporated into the SIP.

Older vehicles emit more air pollution. According to the 2024 Bureau of Automotive Repair's (BAR) Smog Check Executive Summary Report, 935,694 vehicles failed their initial smog check tests, which accounts for 8.6% of the total initial tests conducted. The failure rate for all tests combined was slightly higher at 9.1%. For vehicles 35 years or older (i.e. 1990 or older), the failure rate was 5.6% of the total smog check failures, which translates to approximately 51,935 vehicles.

Older vehicles tend to have higher failure rates due to outdated emissions technology and wear. Furthermore, the US EPA's 2020 Automotive Trends report notes "vehicles from model year 1990 or older emit significantly more GHG compared to 2020 model-year vehicles. On average, older vehicles can emit up to 10 times more GHG per mile than modern vehicles, depending on maintenance and driving conditions." The report notes this disparity is due to advancements in emissions control technologies, fuel efficiency, and stricter environmental regulations implemented over the years. Lastly, according to CARB, in 2025, a MY 1982 vehicle (with 43 years of deterioration) in compliance with a smog check will have 123 times greater NO_x emissions than a MY 2025 vehicle (0 age).

Smog check and exemptions. Prior to 1998, vehicles MY 1973 and earlier were exempt from smog check. Subsequently, SB 42 (Kopp), Chapter 801, Statutes of 1997 established the "30-year rolling exemption," allowing vehicles to be exempt from smog check once they reached 30 years of age. The Department of Consumer Affairs opposed SB 42, stating that while the initial number of vehicles exempted by the bill was modest, that number was responsible for a

significant share of the smog test failure rate of the entire fleet. CARB also opposed the bill, arguing that it would make it even more difficult to attain federal air quality standards in areas such as the South Coast Air Quality Management District. AB 2683 (Lieber), Chapter 704, Statutes of 2004 repealed the 30-year rolling exemption and instead applied the smog check exemption to vehicles manufactured prior to MY 1976.

Pre-1976 exemption vs. collector car exemption. Current law exempts older cars from smog checks in two ways. First, collector cars are exempted from some portions of smog check, provided they meet the following criteria:

- 1) The owner must be able to demonstrate that the vehicle is insured as a collector vehicle;
- 2) The vehicle must be at least 35 years old;
- 3) The vehicle must comply with exhaust emissions standards for that vehicle's class and MY; and,
- 4) The vehicle must pass a functional inspection of the fuel cap and a visual inspection for liquid fuel leaks.

Second, a collector vehicle meeting these requirements is exempt from the visual or functional check of emission control devices, including the catalytic converter, but must undergo the other portions of the smog test. The visual check is important because it is generally much easier to tamper with older vehicles' emissions controls (e.g., to increase engine performance) because older systems are less sophisticated.

Committee comments. There have been many legislative attempts to exempt certain vehicles from smog check. Last year, SB 712 (Grove) was held under suspense in the Assembly Appropriations Committee. This bill takes the lessons learned from past attempts to provide a narrow definition for newly defined collector vehicles. Incorporating the structure that the Assembly Transportation Committee set up in 2025 for SB 712, this bill provides for a narrowed smog exemption, only applying to specified vehicles, and does not allow for exempting additional model years after 2032.

According to the Author

"SB 1392 provides a tailored exemption for a limited pool of pre-1986 vehicles. To qualify, a vehicle must be between the model years of 1976 and 1985, meet the statutory definition of a collector motor vehicle, and either have collector vehicle insurance or be driven less than 1,000 miles annually. The bill does not create a permanent rolling exemption or alter the broader smog program. This measure reflects proportional regulation. It maintains the integrity of California's emissions program while aligning the treatment of late-1970s and early-1980s vehicles with their actual use and impact."

Arguments in Support

The Specialty Equipment Market Association, the sponsors of this bill, writes, "California has a thriving specialty automotive aftermarket industry. This industry significantly contributes to the state's economy, generating \$40.44 billion in economic impact. This translates to supporting 149,325 jobs, \$13.47 billion in total wages and benefits, and \$6.16 billion in taxes paid.

"SB 1392 lowers the bar of entry for prospective car collectors by reducing costs and regulatory burdens. A small fraction of the vehicles on California roads currently meet the age requirement in this bill. Owners of older cars have a hard time finding smog stations with the proper BAR-97 equipment and at a reasonable price, because maintaining the equipment required to test these cars is costly and rarely used.

"Cost is also a significant barrier. According to BAR's statewide survey², customers can end up paying over \$200 for a BAR-97 inspection. This is a heavy burden for classic car owners and working-class enthusiasts, particularly younger individuals seeking to enter the car restoration community. The alternative to these increasing barriers is a sensible exemption process, which SB 1392 provides, ensuring only historically recognized and properly insured vehicles qualify."

Arguments in Opposition

The California Air Pollution Control Officers Associations writes, "While we understand and appreciate California's rich automotive heritage, the overwhelming majority of Californians breathe air that does not meet federal or state health-based standards. Many California residents live in areas with unhealthy air quality during certain times of the year, which can lead to severe medical conditions including asthma, lung cancer, and heart disease. Emissions from cars and trucks are primarily responsible for our air quality problems and Smog Check is crucial for reducing these emissions and meeting federal health-based air quality attainment standards. It is an equitable and cost-effective way to cut air pollution. This bill comes at a time when numerous federal actions have undermined California's ability to meet healthful air quality attainment standards and protect public health. During its March 26, 2026 meeting, California Air Resources Board (CARB) staff apprised the CARB Board that a 165 ton per day NOx deficit has been created due to these federal rollbacks. Passing this bill would be a self-inflicted impediment to California's clean air goals by adding to that significant deficit."

"Further, current law allows collector motor vehicles meeting specific criteria to forego the visual equipment inspection portion of smog check as long as the vehicle continues to meet emissions standards. Changing the definition of collector motor vehicle in the manner that SB 1392 proposes significantly expands the universe of vehicles eligible for the abbreviated smog check inspection because it no longer requires that a vehicle be unaltered from the manufacturer's original specifications, or meet other criteria intended to ensure the vehicle is actually a collector. In effect, if a vehicle is at least 35 MY old and the owner obtains collector car insurance, the owner can pursue the exemption, meaning vehicles whose emissions control equipment has been tampered with can bypass this important review. This expanded rolling exemption is unwise and will harm air quality."

FISCAL COMMENTS

According to the Senate Appropriations Committee:

"Because this bill exempts certain vehicles from the need to undergo smog checks and pay associated fees, it will result in foregone state revenue of an unknown but potentially significant amount. In addition, the bill requires significant administrative work of the Bureau of Automotive Repair (BAR) and DMV, with initial and ongoing costs to each agency likely in the hundreds of thousands of dollars annually. Finally, the bill may create cost pressure on the Air Resources Board (ARB) to quantify foregone emission reductions as a result of this bill.

"Costs to affected agencies are as follows:

- 1) "DMV anticipates one-time and ongoing costs of an unknown amount, potentially in the hundreds of thousands of dollars, to promulgate regulations; update its forms, publications, and web content; process smog check waivers for collector motor vehicles; and make information technology (IT) system changes to allow for the modification of its vehicle registration and vehicle transfer systems to allow a registered owner to certify that the vehicle is identified as a collector motor vehicle and to create a method of tracking annual mileage (Motor Vehicle Account (MVA)). DMV notes that given the scope of its ongoing IT modernization effort, it would not be able to make the programming or regulatory changes required by this bill by January 1, 2027. The department further notes the MVA is projected to become insolvent as early as fiscal year (FY) 2028–29.
- 2) "BAR anticipates potentially significant ongoing costs of an unknown amount for Referee facilities – facilities that provide an abbreviated and specialized inspection process for qualifying collector cars – to determine smog check exemption eligibility and conduct a greater number of abbreviated inspections, which may require additional facilities, equipment, staffing, and operational support. In addition, BAR has a no-cost-to-the-state contract that provides IT services at all smog check stations. However, this contract requires BAR to cover the difference if revenue drops beyond a designated amount. As a consequence of lost revenue from smog check and change of ownership transaction fees, BAR projects it will owe approximately \$10,000 the first year after the bill takes effect, with that amount increasing gradually year after year as additional vehicles become eligible (Vehicle Inspection and Repair Fund (VIRF)).

"BAR additionally anticipates ongoing annual revenue losses of an unknown amount from a reduction in transaction and change of ownership fees. Existing law requires a vehicle owner subject to smog check requirements to pay a fee of \$8.25 upon passage of a smog test. This bill will likely result in an annual loss of smog certification fee revenue of an unknown amount. This amount would likely increase annually for five years as an additional MY would be eligible for the "rolling" exemption each year until January 1, 2032. Eventually, annual revenue losses would likely be in the low hundreds of thousands of dollars (VIRF). It is unclear how many vehicle owners would claim the exemption when a vehicle is registered or upon transfer of ownership, so the magnitude of the revenue loss is unknown. The VIRF had a reserve of over \$140 million at the end of the current FY, but expenditures have exceeded new revenues by over \$30 million annually in recent years, so the fund is in a declining condition.

- 3) "[C]ARB is likely to incur some costs to quantify foregone emission reductions as a result of this bill. While the smog check program is under the jurisdiction of BAR, [C]ARB relies on the program to meet federal Clean Air Act requirements for areas of the state with unhealthy levels of criteria pollutants. Therefore, the bill may result in cost pressures to [C]ARB to achieve emissions reductions from other sectors to make up for foregone emissions reductions.

"For its part, [C]ARB estimates ongoing annual costs of approximately \$1.3 million to hire about seven staff (VIRF) to develop an extensive test program to evaluate emission impacts, coordinate with BAR, DMV, and local air districts, incorporate data into air quality models, revise federally required plans, and other tasks.

VOTES**SENATE FLOOR: 30-6-4**

YES: Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Ochoa Bogh, Padilla, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Strickland, Umberg, Valladares

NO: Allen, Blakespear, Cabaldon, Menjivar, Stern, Wiener

ABS, ABST OR NV: Niello, Pérez, Wahab, Weber Pierson

ASM TRANSPORTATION: 13-0-3

YES: Wilson, Davies, Aguiar-Curry, Ahrens, Carrillo, Harabedian, Hoover, Jackson, Macedo, Papan, Ransom, Sharp-Collins, Ward

ABS, ABST OR NV: Hart, Lackey, Rogers

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Hoover, Arambula, Calderon, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

SENATE FLOOR: 39-0-1

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Ochoa Bogh, Padilla, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

ABS, ABST OR NV: Niello

SENATE FLOOR: 29-5-6

YES: Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Ochoa Bogh, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Strickland, Umberg, Valladares

NO: Blakespear, Menjivar, Padilla, Stern, Wiener

ABS, ABST OR NV: Allen, Cabaldon, Niello, Pérez, Wahab, Weber Pierson

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