Date of Hearing: July 14, 2025

ASSEMBLY COMMITTEE ON TRANSPORTATION Lori D. Wilson, Chair SB 712 (Grove) – As Amended May 28, 2025

SENATE VOTE: 32-3

SUBJECT: Smog check: motor vehicles: exemption

SUMMARY: Exempts vehicles smog check requirements that are 35 years old and have both a historical license plate and collector car insurance commencing January 1, 2027. Specifically, **this bill**:

- 1) Exempts motor vehicles from smog check requirements for both biennial inspections and for the initial registration and transfer of ownership, commencing January 2027, if the vehicle meets the following requirements:
 - a) Is at least 35 model years old;
 - b) The motor vehicle has been assigned a special identification plate indicating it's a historical vehicle; and,
 - c) Is insured as a collector motor vehicle.

EXISTING LAW:

- 1) Establishes a motor vehicle inspection and maintenance (smog check) program that the Department of Consumer Affairs administers. (Health and Safety Code (HSC) 44003)
- Requires smog check inspection of motor vehicles upon initial registration, biennially upon renewal of registration, upon transfer of ownership, and in certain other circumstances. (HSC 44011)
- 3) Exempts certain vehicles from being inspected biennially upon renewal of registration, including all motor vehicles manufactured prior to the 1976 model year. (HSC 44011(a)(3))
- 4) Exempts a collector motor vehicle that is insured as a collector motor vehicle from certain portions of the smog test, both biennially and at transfer, if the vehicle is at least 35 model years old, complies with the exhaust emissions standards for that motor vehicle's class and model year, and that also passes a functional inspection of the fuel cap and a visual inspection for liquid fuel leaks. (HSC 44011(c))
- 5) Defines collector motor vehicle as a vehicle that is operated or moved over the highway primarily for the purpose of historical exhibition or other similar purposes. (Vehicle Code (VC) 259)

FISCAL EFFECT: According to the Senate Appropriations Committee, "The Department of Motor Vehicles (DMV) would incur unknown one-time costs, potentially in the mid- to high-hundreds of thousands of dollars, to make IT system changes to allow for the modification of vehicle registration and vehicle transfer service channels to notate vehicle records and provide for certification of smog check exemptions. (Motor Vehicle Account)

Unknown, likely minor to moderate ongoing DMV workload costs to certify that vehicles meet the criteria for the smog check exemption and to process smog check waivers. (Motor Vehicle Account)

Unknown annual loss of smog certification fee revenues, depending on the number of vehicles that meet the eligibility criteria for the smog check exemption established by this bill. This amount could grow annually thereafter as an additional model year would be eligible for the "rolling" exemption each year, should the owners of those vehicles apply for a Historical Vehicle plate and insure their vehicles as collector vehicles. (Vehicle Inspection and Repair Fund)

Unknown increase in fee revenues, to the extent the bill incentivizes vehicle owners to apply for Historical Vehicle special identification plates and pay the one-time \$25 fee. (Environmental License Plate Fund)

COMMENTS: *Why regulate 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 Bureau of Automotive Repair's (BAR) Smog Check Executive Summary Report for 2024, 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 over time. 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 higher NO_x emissions than a MY 2025 vehicle (0 age).

Smog check and exemptions. Prior to 1998, vehicles model-year (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:

- a) The owner must be able to demonstrate that the vehicle is insured as a collector vehicle;
- b) The vehicle must be at least 35 years old;
- c) The vehicle must comply with exhaust emissions standards for that vehicle's class and MY; and,
- d) 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.

According to the author. "SB 712 offers a practical solution for owners of collector vehicles that have difficulty complying with the state's smog check law. The bill would exempt, on an ongoing basis, collector cars whose model year is 35 years or older from the state's smog check law. The bill would also exempt classic cars from the smog check program upon transfer of a vehicle. These classic cars are infrequently driven, carefully maintained, and make up only 1% of cars on the road. They are typically owned for their historical significance and collector value."

Arguments in support. The Specialty Equipment Market Association writes, "SB 712 lowers the bar of entry for prospective car collectors by reducing costs and regulatory burdens. A small fraction (<1%) of the vehicles on the road in California currently meet the age requirement in this bill. Owners of older cars can have a hard time finding smog stations that have the correct equipment and will do it for a reasonable price, because maintaining the BAR-97 emissions equipment required to test these older cars is costly and rarely used.

"SB 712 provides a practical solution that respects the passion of car collectors while maintaining California's commitment to environmental stewardship. The state can continue to honor its automotive heritage without compromising its air quality goals by exempting these older vehicles from the smog check program."

Arguments in opposition. A coalition of clean air advocacy groups, including the Natural Resources Defense Council, writes, "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 the primary cause of our air quality problems, and Smog Check is crucial for reducing these emissions and meeting federal health-based air quality attainment standards. Smog Check has proven to be an equitable and cost-effective way to cut air pollution.

"Currently, all vehicles model year 1975 and older are exempt from Smog Check. SB 712 would create a "rolling exemption" from the Smog Check program for collector motor vehicles that are 35 years old or older. Under the bill, to be exempted, cars would need to be insured as collector vehicles and carry special plates identifying them as "historical" vehicles. There is no consensus for which vehicles are considered collectible, historical, or of special interest, nor does DMV enforce any standards for them. Therefore, the definition of a "collector motor vehicle" is largely self-defined by the vehicle's owner. This means that any motor vehicle that is at least 35 years old may be exempted from Smog Check under this bill. The number of vehicles exempted could be significantly increased based on subjective claims as to a vehicle's collectability."

Committee amendments. The author and this Committee have agreed to the following amendments:

Section 3 reads as below. Section 5 is the same language as below, only that it is Section 4000.1 of the Vehicle Code.

SEC. 3. Section 44011 is added to the Health and Safety Code, to read: 44011.(a) All motor vehicles powered by internal combustion engines that are registered within an area designated for program coverage shall be required biennially to obtain a certificate of compliance or noncompliance, except for the following:

(1) All motorcycles until the department, pursuant to Section 44012, implements test procedures applicable to motorcycles.

(2) All motor vehicles that have been issued a certificate of compliance or noncompliance or a repair cost waiver upon a change of ownership or initial registration in this state during the preceding six months.

(3) All motor vehicles manufactured prior to the 1976 model year.

(4) (A) Except as provided in subparagraph (B), all motor vehicles four or less model years old.
(B) (i) Beginning January 1, 2005, all motor vehicles six or less model years old, unless the state board finds that providing an exception for these vehicles will prohibit the state from meeting the requirements of Section 176(c) of the federal Clean Air Act (42 U.S.C. Sec. 7401 et seq.) or the state's commitments with respect to the state implementation plan required by the federal Clean Air Act.

(ii) Notwithstanding clause (i), beginning January 1, 2019, all motor vehicles eight or less model years old, unless the state board finds that providing an exception for these vehicles will prohibit the state from meeting the requirements of Section 176(c) of the federal Clean Air Act (42 U.S.C. Sec. 7401 et seq.) or the state's commitments with respect to the state implementation plan required by the federal Clean Air Act.

(iii) Clause (ii) does not apply to a motor vehicle that is seven model years old in year 2018 for which a certificate of compliance has been obtained.

(C) All motor vehicles excepted by this paragraph shall be subject to testing and to certification requirements as determined by the department, if any of the following apply:

(i) The department determines through remote sensing activities or other means that there is a substantial probability that the vehicle has a tampered emission control system or would fail for other cause a smog check test as specified in Section 44012.

(ii) The vehicle was previously registered outside this state and is undergoing initial registration in this state.

(iii) The vehicle is being registered as a specially constructed vehicle.

(iv) The vehicle has been selected for testing pursuant to Section 44014.7 or any other provision of this chapter authorizing out-of-cycle testing.

(D) This paragraph does not apply to diesel-powered vehicles.

(5) In addition to the vehicles exempted pursuant to paragraph (4), any motor vehicle or class of motor vehicles exempted pursuant to subdivision (c) of Section 44024.5. It is the intent of the Legislature that the department, pursuant to the authority granted by this paragraph, exempt at least 15 percent of the lowest emitting motor vehicles from the biennial smog check inspection.
(6) All motor vehicles that the department determines would present prohibitive inspection or repair problems.

(7) Any vehicle registered to the owner of a fleet licensed pursuant to Section 44020 if the vehicle is garaged exclusively outside the area included in program coverage, and is not primarily operated inside the area included in program coverage.

(8) (A) All diesel-powered vehicles manufactured prior to the 1998 model year.

(B) All diesel-powered vehicles that have a gross vehicle weight rating of 8,501 to 10,000 pounds, inclusive, until the department, in consultation with the state board, pursuant to Section 44012, implements test procedures applicable to these vehicles.

(C) All diesel-powered vehicles that have a gross vehicle weight rating from 10,001 pounds to 14,000 pounds, inclusive, until the state board and the Department of Motor Vehicles determine the best method for identifying these vehicles, and until the department, in consultation with the state board, pursuant to Section 44012, implements test procedures applicable to these vehicles.(D) All diesel-powered vehicles that have a gross vehicle weight rating of 14,001 pounds or greater.

(9) A motor vehicle that is at least 35 model years old and meets the following criteria:

(9) A motor vehicle that was manufactured prior to the 1981 model year and meets the following criteria:

(A) The motor vehicle has been assigned a special identification plate indicating that it is a historical vehicle, pursuant to Section 5004 of the Vehicle Code.

(B) The motor vehicle is insured as a collector motor vehicle. *vehicle, as shall be required by regulation of the bureau.*

(10) A motor vehicle exempted pursuant to paragraph (9), as follows:

(A) On January 1, 2028, paragraph (9) shall apply to a motor vehicle that was manufactured prior to the 1982 model year.

(B) On January 1, 2029, paragraph (9) shall apply to a motor vehicle that was manufactured prior to the 1983 model year.

(C) On January 1, 2030, paragraph (9) shall apply to a motor vehicle that was manufactured prior to the 1984 model year.

(D) On January 1, 2031, paragraph (9) shall apply to a motor vehicle that was manufactured prior to the 1985 model year.

(E) On January 1, 2032, paragraph (9) shall apply to a motor vehicle that was manufactured prior to the 1986 model year.

(b) Vehicles designated for program coverage in enhanced areas shall be required to obtain inspections from appropriate smog check stations operating in enhanced areas.

(c) For purposes of subdivision (a), a collector motor vehicle, as defined in Section 259 of the Vehicle Code, is exempt from those portions of the test required by subdivision (f) of Section 44012 if the collector motor vehicle meets all of the following criteria:

(1) Submission of proof that the motor vehicle is insured as a collector motor vehicle, as shall be required by regulation of the bureau.

(2) The motor vehicle is at least 35 model years old.

(3) The motor vehicle complies with the exhaust emissions standards for that motor vehicle's class and model year as prescribed by the department, and the motor vehicle passes a functional inspection of the fuel cap and a visual inspection for liquid fuel leaks.

(d) This section shall become operative on January 1, 2027.

Previous and related legislation. AB 467 (Grayson) 2022, would have exempted a collector of special interest vehicles with designated specialty plates, as provided, from the smog check requirements, as specified, if certain criteria were met, including a requirement that proof that the motor vehicle is insured as a collector motor vehicle is submitted to the Department of Motor Vehicles. This bill was held in the Assembly Transportation Committee.

SB 1239 (Gaines) 2016, would have expanded the existing smog check exemption from pre-1976 model year vehicles to pre-1981 model year vehicles, as specified. This bill was held on the Senate floor.

AB 2683 (Lieber), Chapter 704, Statutes of 2004, repealed the 30-year rolling exemption and instead applied the smog check exemption strictly to vehicles manufactured prior to MY 1976.

SB 42 (Kopp), Chapter 801, Statutes of 1997, established a 30-year rolling exemption, as specified, allowing vehicles to be exempt from smog check tests once the vehicle reached 30 years of age.

REGISTERED SUPPORT / OPPOSITION:

Support

International Historical Commission of the Federation Internationale De L'automobile San Joaquin County Supervisor Mario Gardea San Joaquin County Supervisor Robert Rickman Specialty Equipment Market Association Twenty-Three Individuals

Oppose

7th Generation Advisors Active San Gabriel Valley Alliance of Nurses for Healthy Environments American Lung Association Bay Area Air Quality Management District California Air Pollution Control Officers Association California Nurses for Environmental Health and Justice Cleanearth4kids.org Coalition for Clean Air National Association of Pediatric Nurse Practitioners, Los Angeles Natural Resources Defense Council Physicians for Social Responsibility - San Francisco Bay Area Chapter **Regional Asthma Management and Prevention** San Francisco Bay Physicians for Social Responsibility Sierra Club Sally Lieber, Vice Chair, California State Board of Equalization Union of Concerned Scientists

Analysis Prepared by: Aaron Kurz / TRANS. / (916) 319-2093