Senate Bill 12-012

Legislation Resulting From the Vehicle Emission Program Performance Audit Department of Revenue

Concerning the Timing of Performance and Equipment Audits of Emissions Test Facilities Recommendations No. 2a, Page 29 and 3a, Page 33

What Would This Bill Do?

This Bill would amend Section 42-4-305, C.R.S., to change the number of performance and equipment audits that the Department of Revenue (Department) must complete annually at the State's emission testing facilities. The amended audit requirements would be consistent with standards established by the federal Environmental Protection Agency (EPA). This bill also changes the requirement for performance audits, which test whether emissions inspectors are performing their jobs properly, so that these audits are not scheduled based on testing lanes. Finally, this Bill also gives the Department the authority to use a risk-based methodology for selecting which facilities to audit.

Why Is This Bill Necessary?

The September 2010 performance audit of the Department's Vehicle Emissions Program found that statute requires the Department to conduct twice as many performance and equipment audits annually at emissions testing facilities as required by EPA standards. The audit also found that the additional performance and equipment audits required by statute do not necessarily provide greater assurance that the facilities are conducting accurate emissions tests. The additional audits required by statute also prevent the Department from using a risk-based approach for scheduling audits and, therefore, the Department cannot focus more of its resources on the facilities with the most violations. Finally, the audit found that while statute requires the Department to schedule performance audits on the basis of testing lanes at emissions facilities, performance audit coverage based on lanes is not relevant to the quality assurance purposes for performance audits. Specifically, since performance audits test the skills of emissions inspectors and these inspectors are not permanently assigned to any one lane, scheduling performance audits based on lane does not ensure coverage of all inspectors.

Our audit recommended that the Department seek statutory change to align performance and equipment audit requirements with minimum EPA standards and to eliminate the requirement that performance audits be conducted based on test lanes at emissions facilities.

Comments: The Department of Revenue supports this Bill.