



VOLUNTARY VEHICLE REPAIR PROGRAM

FISCAL YEAR 2024

JULY 1, 2023 - JUNE 30, 2024

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OUR MISSION and VISION

To protect and enhance public health and the environment in Arizona.

Through consistent, science-based environmental regulation; and clear, equitable engagement and communication;

With integrity, respect, and the highest standards of effectiveness and efficiency;

Because Arizonans treasure the unique environment of our state and its essential role in sustaining well-being and economic vitality, today and for future generations.





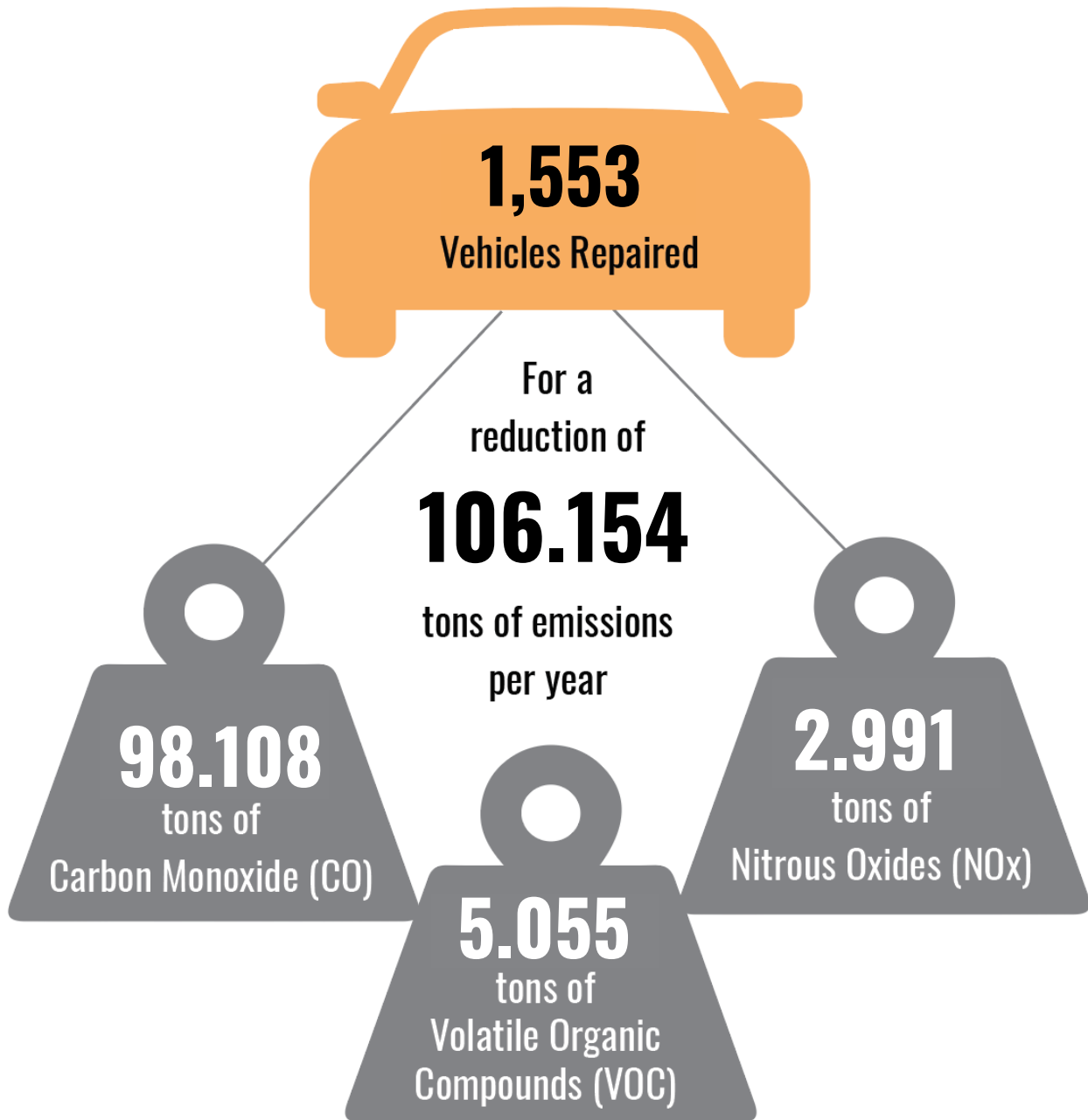
INTRODUCTION

This report has been prepared by the Arizona Department of Environmental Quality (ADEQ) Voluntary Vehicle Repair and Retrofit Program as mandated by Arizona Revised Statutes (A.R.S.) §49-558.02(F). ADEQ refers to this program as the Voluntary Vehicle Repair Program (VVRP).

The Environmental Protection Agency (EPA) requires monitoring of vehicle emissions in major metropolitan areas that are not meeting federal health standards for ozone and/or other pollutants. At present, vehicle emissions testing is only required in parts of Maricopa, Pinal, Yavapai, and Pima counties. ADEQ administers the VVRP in these counties by providing financial assistance to motorists for emissions related repairs, with the goal of reducing air pollution emitted by vehicles that have failed the required emissions inspection. The program is funded through a registration fee collected from heavy-duty diesel powered vehicles (A.R.S. §49- 551(B)). By repairing polluting vehicles, the VVRP ensures vehicle owners can continue to drive to work and school, and continue supporting the local economy while conforming to emissions requirements.



FISCAL YEAR 2024 RESULTS



EQUIVALENT TO ELIMINATING POLLUTION FROM 1,508 CARS

FISCAL YEAR 2024 BUDGET

The Fiscal Year 2024 (FY24) VVRP budget was \$1,347,954. A majority of VVRP funds are allocated to vehicle repairs, but there are necessary administrative costs to operate and maintain the program. See Appendix A for a complete list of administrative functions and costs.

VVRP Costs

Repairs	\$1,245,114
Administrative	\$102,840
Total	\$1,347,954

Funding Sources

VVRP Fund	Monies in the VVRP Fund are: <ul style="list-style-type: none">• Appropriated by the legislature• Appropriated by political subdivisions• Deposited pursuant to A.R.S. §49-551(B)• Gifts, grants and donations	\$1,245,114
Vehicle Emissions Inspection (VEI) Fund	ADEQ leverages the experience of existing VEI staff to assist in overseeing the VVRP. These ADEQ staff members perform various tasks to reduce fraud and encourage participation in the program. The administrative cost of VEI staff time is supported by the VEI Fund.	\$102,840
Total		\$1,347,954

Cost-Effectiveness

Cost-effectiveness is measured by dividing the VVRP total costs by the total tons of emissions reduced.

\$12,698 spent per ton of vehicle emission reductions*

**A list by model year of vehicles repaired can be found in Appendix B*

RECOMMENDATIONS FOR IMPROVING THE EFFECTIVENESS OF VVRP

ADEQ has been administering VVRP since late 2017, primarily by utilizing the VVRP fund which is generated through a registration fee collected from heavy-duty diesel-powered vehicles. Legislative changes and program improvements led to record-breaking participation numbers in FY23 (see **Graph 1**), which depleted the fund’s cash balance. In response to diminishing funding during FY24, ADEQ ran the program on a first-come, first-served basis to limit participation in order to continue operating VVRP in a financially sustainable manner. Further, ADEQ requested additional funding for FY25 to return the VVRP to its full potential.

The Arizona Legislature approved the FY25 budget, increasing the appropriation in the Air Quality Fee Fund to \$2.9 million to fund VVRP. Beginning in July 2025, the program returned to full operations and continues to provide financial assistance for necessary vehicle emissions repairs to Arizona motorists.

Recommendations for FY25 include:

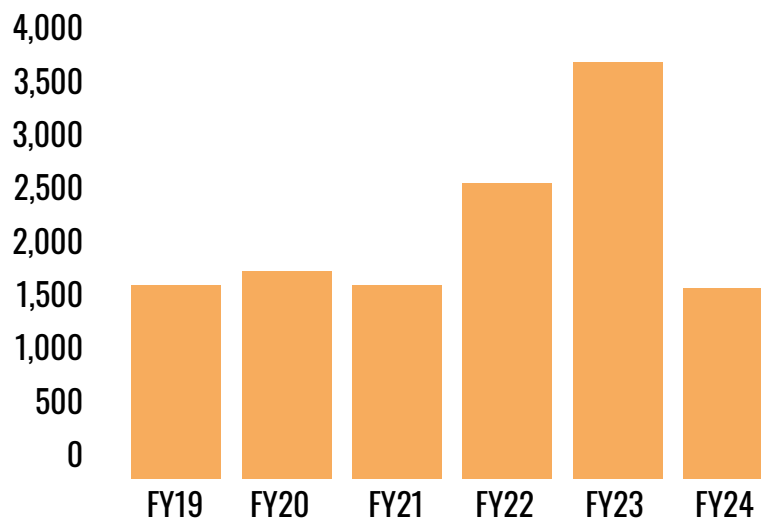
- Program Promotion with Customer Experience Centered Strategy:

Promote the program at all emissions testing stations and online platforms including program website (azdeq.gov/carhelp) and social media. The program promotion will be focused on continuous improvement of the customer experience, implementing marketing strategies and customer support across all emissions testing stations.

- Seek alternative funding avenues to enable the program to operate at its optimal capacity and reach its full potential.

Graph 1

VVRP Participants by Fiscal Year



APPENDIX A: ADMINISTRATIVE FUNCTIONS AND COSTS

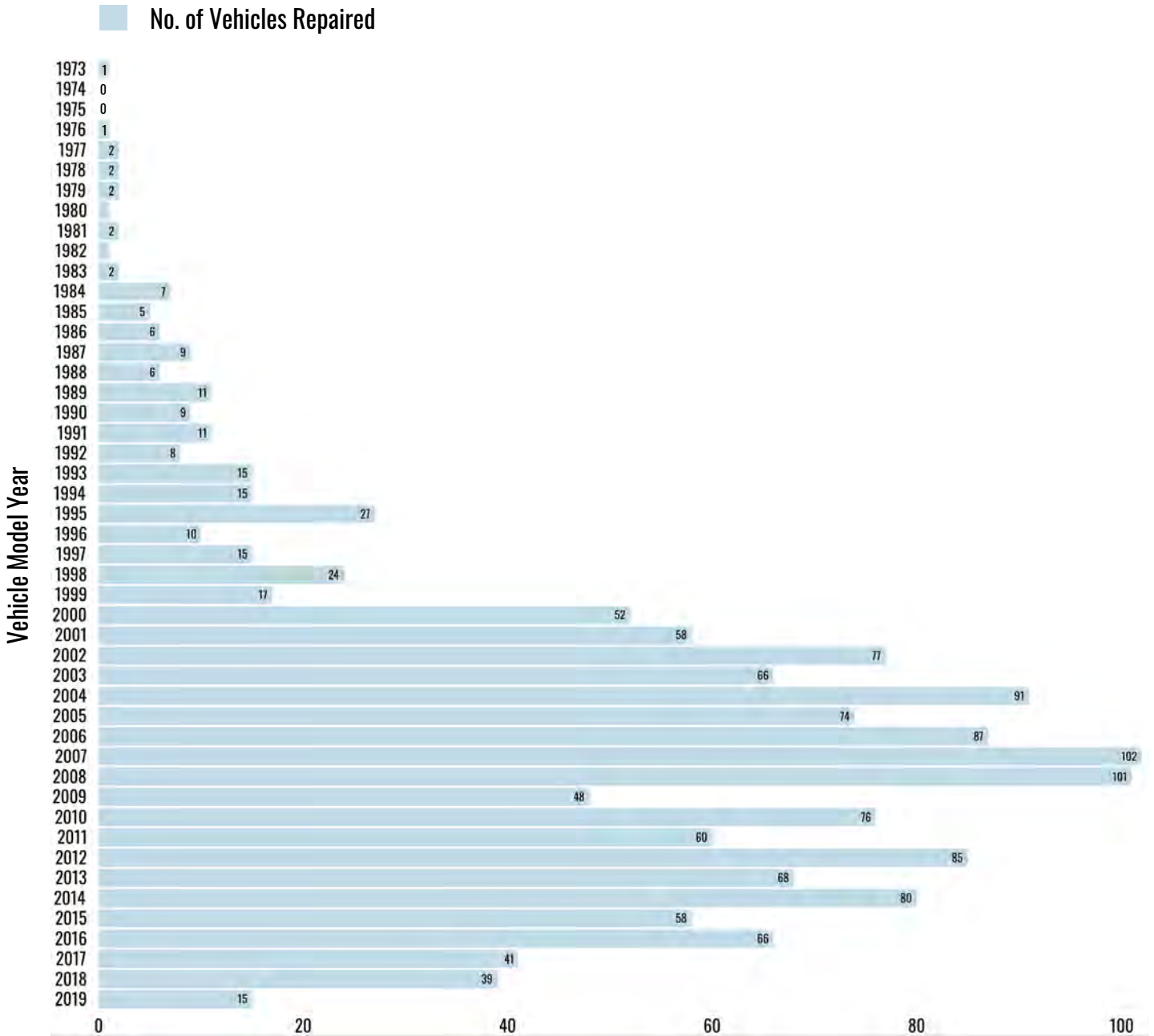
Function	Cost
Vehicle Verification	\$4,896
Invoicing Verification	\$18,940
Data Entry	\$24,482
Site Visits	\$143
Outreach/Marketing	\$1,800
Reporting	\$126
Questions/Externals	\$19,941
Repair Facility Application Verification	\$236
Accounting/Payment	\$236
GDAT Invoices	\$32,040
Total	\$102,840

Description of administrative functions are provided on page 8.

Administrative Function Description

- **Vehicle Verification:** ADEQ staff compares the reported VIN number to MVD registration records to verify that the vehicle meets VVRP requirements.
- **Invoicing Verification:** ADEQ staff reviews submissions from VVRP Approved Repair Facilities for remittance of payment; staff verifies that repairs are consistent with the automotive industry's parts and labor guide, any discrepancies on invoices are immediately addressed.
- **Data Entry:** ADEQ staff enters customer agreements, invoices with balance noted, copies of MVD registration, and failed/passing vehicle inspection reports.
- **Outreach/Marketing:** ADEQ designs, prints and distributes informational flyers, which are distributed at emissions testing stations when a vehicle fails the testing process. Additionally, ADEQ displays signs at all stations. Program collateral is made available in English and Spanish.
- **Reporting:** An annual report is prepared by ADEQ per statute.
- **Questions/Externals:** ADEQ staff answers calls and provides information to Approved Repair Facilities and vehicle owners who inquire about the program; ADEQ also assists VVRP Approved Repair Facilities with questions about the payment process.
- **Repair Facility Application Verification:** ADEQ staff reviews applications for completeness and verifies that all requirements are met for a vehicle owner to qualify for VVRP or a repair facility to qualify as a VVRP Approved Repair Facility.
- **Accounting/Payment:** To ensure the integrity of the program and prevent fraudulent use of the program, ADEQ staff reviews invoices for accuracy.
- **GDAT Invoices:** ADEQ contracts with Gordon-Darby Arizona Testing (GDAT) to manage emissions testing stations and operations in Arizona; GDAT performs a portion of the administrative work for VVRP at an estimated cost of \$20 per vehicle, which covers:
 - Informing customers of the program at emissions testing stations
 - Validation of repair invoices
 - Processing and payment of VVRP Approved Repair Facility invoices
 - Monthly invoicing to ADEQ
 - Daily reporting

APPENDIX B: VEHICLE REPAIRS BY MODEL YEAR





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For translations or other communication aids, please email the Title VI Coordinator at Drago.Leonard@azdeq.gov or call 602-771-2288

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