



**VOLUNTARY VEHICLE REPAIR PROGRAM**

**FISCAL YEAR 2023  
ANNUAL  
REPORT**



Clean Air, Safe Water,  
Healthy Land for Everyone



## 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;

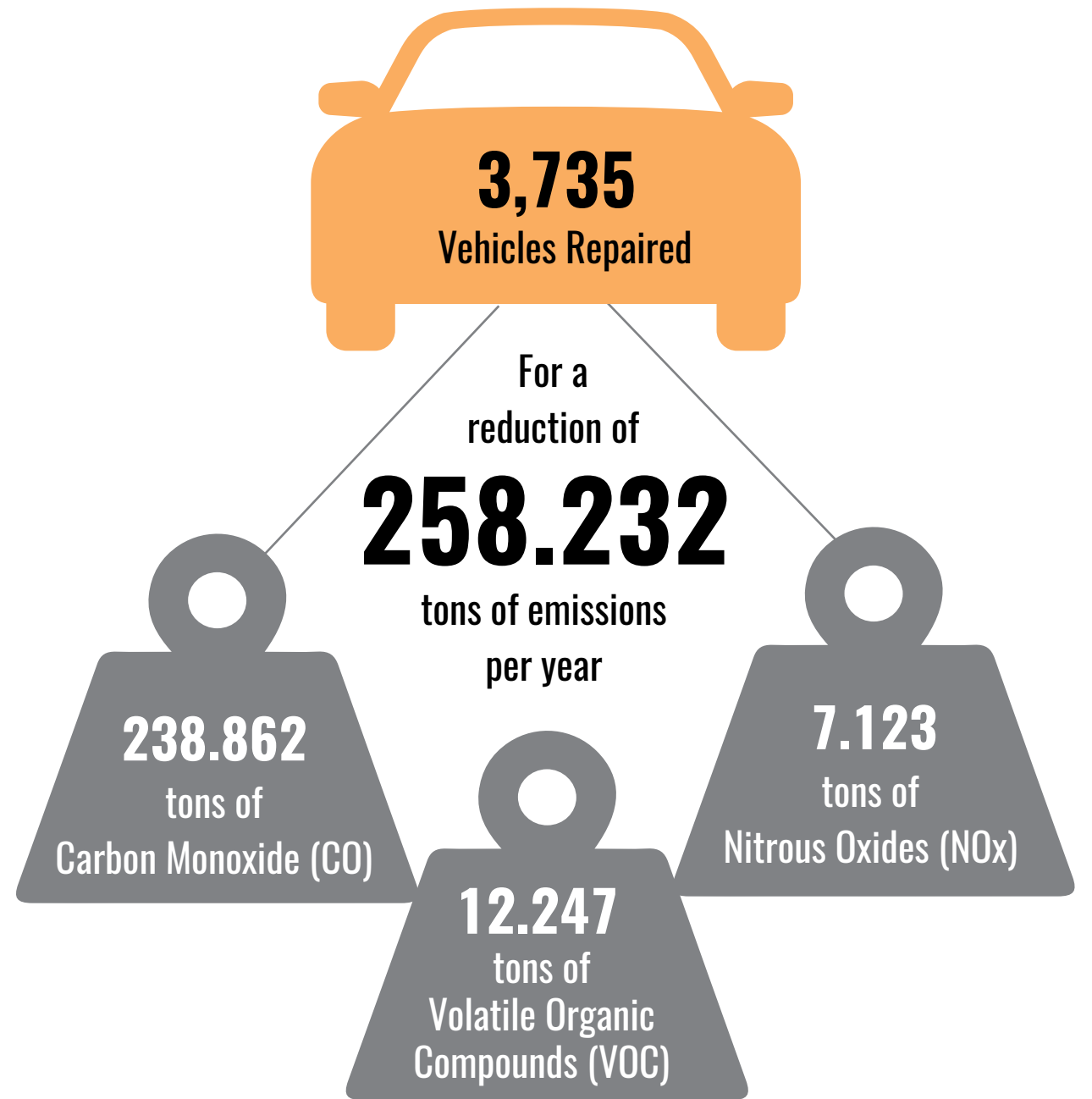
Because Arizonans treasure the unique environment of our state and its essential role in sustaining well-being and economic vitality, today and for future generations.

## 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 2023 RESULTS



**EQUIVALENT TO ELIMINATING POLLUTION FROM 6,356 CARS**

# FISCAL YEAR 2023 BUDGET

The Fiscal Year (FY) 2023 VVRP budget was \$3,131,541. 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        | \$2,895,521        |
| Administrative | \$236,020          |
| <b>Total</b>   | <b>\$3,131,541</b> |

## Funding Sources

|              |  |                    |
|--------------|--|--------------------|
| VVRP Fund    | Monies in the VVRP Fund are: <ul style="list-style-type: none"> <li>• Appropriated by the legislature</li> <li>• Appropriated by political subdivisions</li> <li>• Deposited pursuant to A.R.S. §49-551(B)</li> <li>• Gifts, grants and donations</li> </ul>             | \$2,895,521        |
| 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. | \$236,020          |
| <b>TOTAL</b> |  | <b>\$3,131,541</b> |

## Cost-Effectiveness

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

**\$12,127 spent per ton of vehicle emission reductions\***

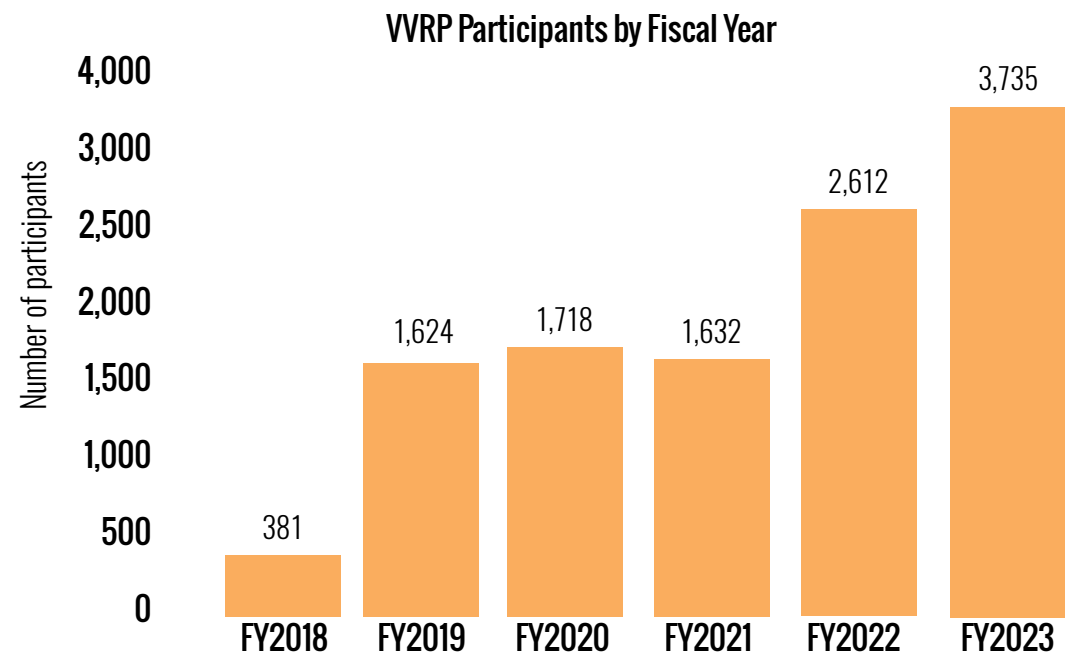
*\*A list by model year of vehicles repaired can be found in Appendix B.*

# 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 (see Graph 1) which depleted the fund's cash balance.

Modifications to the VVRP are necessary to ensure the program will continue in a financially sustainable manner. Therefore, beginning in July 2023, ADEQ administers VVRP as a first-come, first-served program to limit the number of eligible vehicle owners who can participate. Details of how VVRP is administered are included in program brochures and on the website: [azdeq.gov/carhelp](http://azdeq.gov/carhelp). Further recommendations for FY24 include:

- Continuously strive to enhance the customer experience across all aspects of the program, such as redesigning the program website: [azdeq.gov/carhelp](http://azdeq.gov/carhelp) to be more user friendly
- Seek alternative funding avenues to enable the program to operate at its optimal capacity and reach its full potential



## APPENDIX A: ADMINISTRATIVE FUNCTIONS AND COSTS

| Function                                 | Total Cost       |
|--|------------------|
| Vehicle Verification                     | \$11,776         |
| Invoicing Verification                   | \$44,963         |
| Data Entry                               | \$58,878         |
| Outreach/Marketing                       | \$20,265         |
| Reporting                                | \$1,387          |
| Questions/Externals                      | \$21,273         |
| Repair Facility Application Verification | \$1,182          |
| Accounting/Payment                       | \$236            |
| GDAT Invoices                            | \$76,060         |
| <b>Total</b>                             | <b>\$236,020</b> |

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 stations when a vehicle fails the testing process. Additionally, ADEQ displays posters and signs at all stations, and provides informative videos outlining the program process for customers at the waiting booths. ADEQ’s outreach extends to social media channels ensuring broad coverage. 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 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 facilities 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: VEHICLES REPAIRED BY MODEL YEAR

| Model Year | # of Vehicles | Model Year   | # of Vehicles |
|------------|---------------|--------------|---------------|
| 1967       | 1             | 1994         | 64            |
| 1968       | 1             | 1995         | 85            |
| 1969       | 1             | 1996         | 29            |
| 1970       | 4             | 1997         | 52            |
| 1971       | 2             | 1998         | 52            |
| 1972       | 4             | 1999         | 74            |
| 1973       | 2             | 2000         | 99            |
| 1974       | 4             | 2001         | 158           |
| 1975       | 2             | 2002         | 169           |
| 1976       | 1             | 2003         | 188           |
| 1977       | 4             | 2004         | 205           |
| 1978       | 7             | 2005         | 229           |
| 1979       | 5             | 2006         | 227           |
| 1980       | 4             | 2007         | 242           |
| 1981       | 2             | 2008         | 203           |
| 1982       | 2             | 2009         | 115           |
| 1983       | 6             | 2010         | 136           |
| 1984       | 9             | 2011         | 150           |
| 1985       | 6             | 2012         | 152           |
| 1986       | 18            | 2013         | 189           |
| 1987       | 11            | 2014         | 181           |
| 1988       | 17            | 2015         | 177           |
| 1989       | 19            | 2016         | 147           |
| 1990       | 18            | 2017         | 98            |
| 1991       | 38            | 2018         | 43            |
| 1992       | 33            | 2019         | 1             |
| 1993       | 49            | <b>Total</b> | <b>3,735</b>  |



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*For translations or other communications aids, please email the Title VI Coordinator, Leonard Drago, at [Drago.Leonard@azdeq.gov](mailto:Drago.Leonard@azdeq.gov) or call 602-771-2288.*

*Para traducciones u otras ayudas de comunicación, envíe un correo electrónico al Coordinador del Título VI, Leonard Drago, a [Drago.Leonard@azdeq.gov](mailto:Drago.Leonard@azdeq.gov) o llame al 602-771-2288.*

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