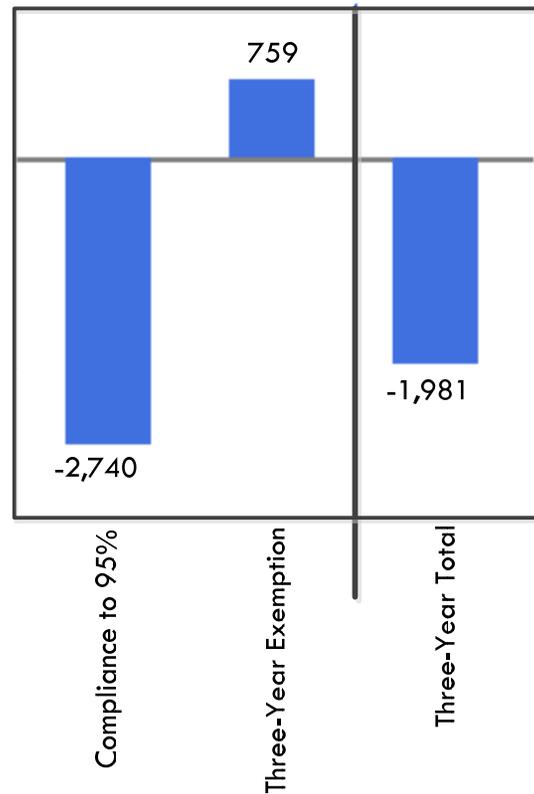


Exhibit 2: Estimated Changes in Atmospheric Pollutants from Increased Compliance, Exempting Three Model Years, and Eliminating Emissions Testing, Based on the DMV/DAQ Study

Pollutant	Pollutant Reduction with Increased Compliance	Three-Year Exemption		Elimination
		Atmospheric Addition	Net Effect	Atmospheric Addition
Nitrous Oxides	-263	26	-237	8,100
Volatile Organic Compounds	-130	4	-126	3,987
Carbon Monoxide	-2,347	729	-1618	72,725
Total	-2,740	759	-1,981	84,812



Source: Department of Transportation, Division of Motor Vehicles and Department of the Environment and Natural Resources, Division of Air Quality (2012). Study of the potential impacts of exempting motor vehicles from emissions inspections. Raleigh, NC: General Assembly

Fees from Emissions and Safety Inspections Support Different Accounts

N.C. Inspection Stations Safety and Emissions

Fees from the two inspections are currently distributed as described below

Safety
\$13.60

Emissions
\$16.40

Recipient	Portion of Fee
Rescue Squad Workers' Relief Fund	\$ 0.12
Volunteer Rescue/EMS Fund	0.18
Highway Fund	0.55
Inspection Station	12.75
Total	\$ 13.60

Recipient	Portion of Fee
Division of Air Quality	\$ 0.65
Telecommunications Account	1.75
Emissions Program Account	3.00
Inspection Station	11.00
Total	\$ 16.40

Source: Program Evaluation Division based on data from Division of Motor Vehicles and the Division of Air Quality.

Exhibit 4: Financial Impact of Three Year Exemption from the Emissions Safety Inspection

Recipient of Fee	Distribution of Fee	Current Emission Inspection Revenue (5,505,160 Vehicles)	Projected Revenue from a Three-Year Exemption (4,917,798 Vehicles)	Projected Revenue Loss
Division of Air Quality	\$ 0.65	\$ 3,578,354	\$ 3,196,569	\$ (381,785)
Telecommunications Account	\$ 1.75	9,634,030	8,606,147	(1,027,884)
Emissions Program Account	\$ 3.00	16,515,480	14,753,394	(1,762,086)
Inspection Station	\$ 11.00	60,556,760	54,095,778	(6,460,982)
Total		\$ 90,284,624	\$ 80,651,887	\$ (9,632,737)

Note: The current number of vehicles requiring an emissions inspection is based on the number of registered vehicles in the 48 emissions counties as of February 2012.

Source: Program Evaluation Division based on data from Division of Motor Vehicles and the Division of Air Quality.