SENATE MINORITY REPORT **AMENDMENTS TO SENATE BILL 945**

May 2

President Courtney: A minority of your Committee on Environment and Natural Resources, to whom was referred Senate Bill 945, having had the same under consideration, respectfully reports it back with the recommendation that it do pass with the following amendments:

1	On <u>page 1</u> of the printed bill, line 2, after "material" insert "; and declaring an emergency".
2	Delete lines 3 through 11.
3	Delete lines 13 through 27 and delete pages 2 through 5 and insert:
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5	"DEFINITIONS
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7	" <u>SECTION 1.</u> As used in sections 1 to 5 of this 2011 Act:
8	"(1) 'Brake friction material' means the part of a vehicle brake designed to slow or stop
9	the movement of a motor vehicle or trailer through friction against a rotor made of more
10	durable material.
11	"(2) 'Commercial motor vehicle' has the meaning given that term in ORS 801.208.
12	"(3) 'Distributor' means a person that distributes brake friction material, motor vehicles
13	or trailers from manufacturers to retailers.
14	"(4) 'Manufacturer' means a person that manufactures, assembles or produces brake
15	friction material, motor vehicles or trailers.
16	"(5)(a) 'Motor vehicle' has the meaning given that term in ORS 801.360.
17	"(b) Notwithstanding paragraph (a) of this subsection, 'motor vehicle' does not include:
18	"(A) Motorcycles as defined in ORS 801.365.
19	"(B) Mopeds as defined in ORS 801.345.
20	"(C) Motor vehicles with internal closed oil-immersed brakes or other brake systems that
21	are fully contained and emit no debris or fluid under normal operating conditions.
22	"(D) Class I or Class III all-terrain vehicles as defined in ORS 801.190 and 801.194.
23	"(E) Racing activity vehicles as defined in ORS 801.404.
24	"(F) Vehicles owned by the United States Government.
25	"(G) Antique vehicles as defined in ORS 801.125.
26	"(6) 'Retailer' means a person that sells or offers for sale brake friction material, motor
27	vehicles or trailers to ultimate consumers.
28	"(7) 'Special class of motor vehicle' includes classes of commercial motor vehicles, fire
29	trucks and police cars.
30	"(8) 'Trailer' means a vehicle without motive power designed to be drawn by a commer-
31	cial motor vehicle.
32	"(9)(a) 'Vehicle brake' means an energy conversion mechanism used to slow or stop the

1	movement of a motor vehicle or trailer.
2	"(b) 'Vehicle brake' does not include a brake that is designed primarily to hold a motor
3	vehicle or trailer stationary and that is not for use while the motor vehicle or trailer is in
4	motion.
5	"(10) 'Wholesaler' means a person that sells or offers for sale brake friction material,
6	motor vehicles or trailers to retailers, distributors or other wholesalers for resale.
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8	"PROHIBITIONS AND EXEMPTIONS
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10	" <u>SECTION 2.</u> (1) A manufacturer may not sell or offer for sale in this state, and a
11	wholesaler, retailer or distributor may not knowingly sell or offer for sale in this state, brake
12	friction material or motor vehicles or trailers with brake friction material containing any
13	of the following fibers or elements in an amount exceeding the specified concentrations:
14	"(a) Asbestiform fibers, 0.1 percent by weight.
15	"(b) Cadmium and its compounds, 0.01 percent by weight.
16	"(c) Chromium(VI) salts, 0.1 percent by weight.
17	"(d) Lead and its compounds, 0.1 percent by weight.
18	"(e) Mercury and its compounds, 0.1 percent by weight.
19	"(f) Copper and its compounds, five percent by weight.
20	"(2) This section does not apply to:
21	"(a) The sale or offering for sale of a motor vehicle or trailer previously sold at retail;
22	or
23	"(b) The sale or offering for sale of a specific motor vehicle model:
24	"(A) For which there are no more than 1,000 total units annually sold in this state, based
25	on the average number of units sold during each of the three previous model years; and
26	"(B) That requires the use of brake friction material that does not comply with this
27	section.
28	"(3) A manufacturer of a specific motor vehicle model or manufacturer of a special class
29	of motor vehicles may apply to the Department of Environmental Quality for an exemption
30	from this section for brake friction material intended for use on a specific motor vehicle
31	model or a special class of motor vehicles based on the special needs or characteristics of
32	the motor vehicle model or special class of motor vehicles for which the brake friction ma-
33	terial is intended.
34	"(4) A manufacturer petitioning for an exemption under subsection (3) of this section
35	must demonstrate to the satisfaction of the department that:
36	"(a) Complying with the requirements of this section is not feasible, does not allow for
37	compliance with state or federal safety standards or will cause significant financial hardship;
38	or
39	"(b) The manufacturer has received an exemption from another state that requires brake
40	friction material to contain concentrations of fibers or elements in an amount that is equal
41	to or less than the amounts specified in subsection (1) of this section.
42	"(5) Exemptions granted under subsection (3) of this section are valid for no less than
43	one year, may be renewed automatically and may be granted permanently for as long as the
44	motor vehicle has the special need or characteristic described in the exemption application.
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1	"CERTIFICATION OF COMPLIANCE
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3	" <u>SECTION 3.</u> (1) Manufacturers of brake friction material sold or offered for sale in this
4	state shall:
5	"(a) Certify compliance with section 2 of this 2011 Act with a third-party organization or
6	accredited laboratory that has been approved by the Department of Environmental Quality;
7	and
8	"(b) Mark brake friction material sold or offered for sale in this state with proof of cer-
9	tification in a manner prescribed by the department by rule.
10	"(2) A third-party organization must use an accredited laboratory for purposes of certi-
11	fying brake friction material under this section.
12	"(3) As used in this section, 'accredited laboratory' means a laboratory that is:
13	"(a) Qualified to test products, materials, equipment and installations in accordance with
14	national or international standards; and
15	"(b) Accredited by a third-party organization approved by the department to accredit
16	laboratories under this section.
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18	"CIVIL PENALTIES
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20	"SECTION 4. (1) The Department of Environmental Quality may impose a civil penalty
21	on a manufacturer, wholesaler, retailer or distributor that violates section 2 or 3 of this 2011
22	Act. A civil penalty imposed under this section may not exceed \$10,000 for each violation.
23	"(2) The department may periodically purchase and test brake friction material sold or
24	offered for sale in this state to verify that the material complies with sections 2 and 3 of this
25	2011 Act.
26	"(3) Notwithstanding subsection (1) of this section, the department shall issue at least
27	one warning letter by certified mail to a manufacturer, wholesaler, retailer or distributor
28	that violates section 2 or 3 of this 2011 Act before imposing a civil penalty. The warning
29	letter shall provide information on complying with section 2 or 3 of this 2011 Act.
30	"(4) The department shall impose civil penalties under this section in the manner pro-
31	vided in ORS 183.745.
32	"SECTION 5. (1) A brake friction material manufacturer that violates section 2 of this
33	2011 Act shall recall the brake friction material within six months after discovering that the
34	violation occurred and reimburse a wholesaler, retailer, distributor or ultimate consumer for
35	the brake friction material and for the shipping and handling costs required to return the
36	brake friction material.
37	"(2) A motor vehicle manufacturer that violates section 2 of this 2011 Act shall notify the
38	registered owner of the affected vehicle within six months after discovering that the vio-
39	lation occurred and pay all costs associated with replacing the noncompliant brake friction
40	material with brake friction material that complies with section 2 of this 2011 Act. For pur-
41	poses of this subsection, 'motor vehicle manufacturer' does not include a person that has
42	been issued a vehicle dealer certificate under ORS 822.020 and is acting as a vehicle dealer
43	as described in ORS 822.005 to 822.084.
44	"(3) The Department of Environmental Quality may impose a civil penalty on a motor
45	vehicle manufacturer that violates subsection (2) of this section. A civil penalty imposed

1	under this section may not exceed \$10,000 for each violation or \$100,000 in the aggregate for
2	all violations that occur within any three-month period.
3	"(4) The department shall impose civil penalties under this section in the manner pro-
4	vided in ORS 183.745.
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6	"APPLICATION
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8	"SECTION 6. (1) Sections 1 to 5 of this 2011 Act apply to brake friction material and
9	motor vehicles and trailers with brake friction material sold or offered for sale in this state
10	on or after the operative date described in section 9 of this 2011 Act.
11	"(2) Notwithstanding subsection (1) of this section, sections 1 to 5 of this 2011 Act do not
12	apply:
13	"(a) Motor vehicles or trailers that are manufactured before the operative date described
14	in section 9 of this 2011 Act;
15	"(b) Brake friction material that is manufactured before the operative date described in
16	section 9 of this 2011 Act; or
17	"(c) Brake friction material made for use on motor vehicles or trailers that are manu-
18	factured before the operative date described in section 9 of this 2011 Act.
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20	"ADDITION TO WATER QUALITY LAW
21	"AND CONSISTENCY OF REGULATION
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23	"SECTION 7. Sections 1 to 5 and 8 of this 2011 Act are added to and made a part of ORS
24	chapter 468B.
25	"SECTION 8. To the extent practicable, the Department of Environmental Quality shall
26	consult and coordinate with other states to achieve interstate consistency in the implemen-
27	tation of sections 1 to 5 of this 2011 Act.
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29	"OPERATIVE DATE
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31	"SECTION 9. (1) The Department of Environmental Quality shall notify the Legislative
32	Counsel upon determining that the United States Environmental Protection Agency has
33	adopted regulations that prohibit the manufacturing of brake friction material that contains
34	the fibers and elements identified in section 2 of this 2011 Act at or below the concentrations
35	specified in section 2 of this 2011 Act.
36	"(2) Sections 1 to 5 and 8 of this 2011 Act become operative the day after the date on
37	which the Legislative Counsel receives notice from the Department of Environmental Quality
38	under this section.
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40	"WORK GROUP
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41 42	"SECTION 10. (1) A work group for purposes described in subsection (2) of this section
42 43	is established, consisting of 10 members appointed as follows:
	"(a) The President of the Senate shall appoint one state Senator who serves on a com-
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45	mittee or interim committee related to the environment or natural resources as a nonvoting

1 member.

"(b) The Speaker of the House of Representatives shall appoint one state Representative
who serves on a committee or interim committee related to the environment or natural resources as a nonvoting member.
"(c) The members appointed under paragraphs (a) and (b) of this subsection shall jointly

6 appoint the following eight members:

7 "(A) One member who represents motor vehicle parts manufacturers;

8 "(B) One member who represents motor vehicle parts wholesalers;

9 "(C) One member who represents the automotive industry;

10 "(D) One member who represents retailers of motor vehicles or motor vehicle parts;

11 "(E) One member who represents the Department of Environmental Quality;

12 "(F) One member who represents a nonprofit environmental group located in Oregon; and

13 "(G) Two members who represent the general public and who have an interest or exper-

14 tise in automotive repair or motor vehicle part manufacturing.

15 **"(2) The work group shall:**

"(a) Develop a program for identifying brake friction material that contains the fibers
and elements identified in section 2 of this 2011 Act at or below the concentrations specified
in section 2 of this 2011 Act;

"(b) Develop a logo or label that manufacturers, distributors or retailers of brake friction
 material described in paragraph (a) of this subsection may use to mark the brake friction
 material; and

"(c) Administer a public education campaign regarding the manufacturing, distribution
 and selling of brake friction material described in paragraph (a) of this subsection.

24 "(3) A majority of the voting members of the work group constitutes a quorum for the 25 transaction of business.

26 "(4) Official action by the work group requires the approval of a majority of the voting 27 members of the work group.

"(5) If there is a vacancy for any cause, the appointing authority shall make an appointment to become immediately effective.

"(6) The voting members of the work group shall elect one of its voting members to serve
 as chairperson.

32 "(7) The work group shall meet at times and places specified by the call of the chair-33 person or of a majority of the voting members of the work group.

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"(8) The work group may adopt rules necessary for the operation of the work group.

35 "(9) The work group shall make a report, and may include recommendations for legis-36 lation, to an interim committee of the Legislative Assembly related to the environment or 37 natural resources on or before October 1 of each even-numbered year.

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"(10) Members of the work group are not entitled to compensation or expenses.

39 "(11) All agencies of state government, as defined in ORS 174.111, are directed to assist 40 the work group in the performance of its duties and, to the extent permitted by laws relating 41 to confidentiality, to furnish such information and advice as the members of the work group 42 consider necessary to perform their duties.

43 "<u>SECTION 11.</u> Section 10 of this 2011 Act is repealed on the day after the operative date
 44 described in section 9 of this 2011 Act.

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1	"UNIT CAPTIONS
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3	"SECTION 12. The unit captions used in this 2011 Act are provided only for the conven-
4	ience of the reader and do not become part of the statutory law of this state or express any
5	legislative intent in the enactment of this 2011 Act.
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7	"EMERGENCY CLAUSE
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9	" <u>SECTION 13.</u> This 2011 Act being necessary for the immediate preservation of the public
10	peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect
11	on its passage.".
12	/s/ Alan Olsen
13	Senator
14	/s/ Chuck Thomsen
15	Senator
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