
NATA AND OVDA TESTIMONY ON SENATE BILL 5517

Ways & Means Subcommittee on Natural Resources / April 12, 2021

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Co-Chairs Taylor and Reardon and Members of the Subcommittee:

The Northwest Automobile Trades Association (NATA) represents more than 450 business members across Oregon. NATA members include collision and mechanical repairs shops, dismantlers, and auto parts manufacturers and distributors.



The Oregon Vehicle Dealers Association (OVDA) is Oregon's largest association representing all DMV certified motor vehicle dealers, with more than 500 dues paying members. Our members include franchised and independent dealers, boat and trailer dealers, RV dealers, powersports dealers and motorcycle dealers.

OVDA and NATA want to ensure that DEQ's fees are equitable for our members and their retail customers, and that the agency promotes the option to test vehicles at all authorized locations.

There appears to be some inequity in how DEQ assesses its fees for companies which self-test vehicles:

- Companies with large fleets of vehicles (e.g., Comcast, UPS, Verizon) pay \$5 per certificate; but
- Vehicle dealers' large fleets of vehicle (inventory) pay \$25 per certificate. Motor vehicle dealerships are paying 500% more!

Dealers pass this inflated fee on to their customers, so this appears to be an unwarranted fee on motor vehicle purchasers.

Large dealership networks may test upwards of 5,000 vehicles per year, paying \$125,000 annually to DEQ. A similar sized corporate fleet pays just \$25,000. We can't think of a reason that would explain this disparity. The benefits to DEQ (and our environment) of the testing are equivalent. Both significantly help DEQ reduce its workload at stations and, importantly, they reduce air pollution and congestion by eliminating trips to and from the stations.

NATA and OVDA respectfully request the Legislature encourage DEQ to:

- 1) Not assess the maximum fee for testing at locations other than a DEQ station; and
- 2) Better promote the option to test at business locations.

We also request the Committee add the following Budget Note:

Prior to the 2022 Legislative Session, DEQ shall provide a report to the Legislature describing how it establishes each of its maximum certificate fees for the Vehicle Inspection Program which range from \$5 to \$30. DEQ will include its costs per test for each test method and particularly explain why DEQ assesses a higher fee to Portland motorists compared to Medford, and a higher fee for self-testing motor vehicle dealerships compared to self-testing fleets.

Thank you.