



February 14, 2025

Oregon House of Representatives
House Committee on Climate, Energy, and Environment
Oregon State Capitol
900 Court St NE
Room 453
Salem, OR 97301

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Re: Opposition to HB 2738

Dear Chair and Members of the Committee,

I am writing on behalf of the Specialty Equipment Market Association (SEMA) and Performance Racing Industry (PRI) to express our strong opposition to House Bill (HB) 2738, which seeks to prohibit the use of leaded fuel at race tracks in cities with a population of 500,000 or greater as of January 1, 2026.

Representing the \$52 billion specialty automotive aftermarket industry, SEMA is a trade association made up of approximately 7,000 mostly small businesses nationwide, including 116 in Oregon, that manufacture, market, and sell specialty automotive aftermarket products, including restoration, appearance, performance, comfort, convenience, and technology products for motor vehicles.

Oregon has a thriving specialty automotive aftermarket industry. This industry significantly contributes to the state's economy, generating \$3.27 billion in economic impact. This translates to supporting 14,414 jobs, \$1.17 billion in total wages and benefits, and \$327.06 million in taxes paid.

The proposed ban on leaded fuel would impose significant financial burdens on Portland International Raceway (PIR) and the broader racing community. PIR, which operates as an enterprise fund with a \$2 million+ operating budget, would face substantial revenue losses. Implementing this ban could result in a loss of approximately \$644,000 annually from events that rely on leaded fuel. This financial strain could render PIR insolvent, leading to the cancellation of numerous events and negatively impacting the local economy.

Beyond PIR itself, the loss of the track would have broader economic consequences. Major racing events hosted at PIR, such as those by IndyCar and NASCAR, help generate over \$32 million annually¹ for Portland's economy. The potential loss of these events would impact local businesses, hotels, restaurants, and tourism, further exacerbating the financial harm to the region.

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E-mail: sema@sema.org
Website: www.sema.org

¹ https://portlandraceway.com/?/about/track_facts

Portland's Bureau of Parks and Recreation oversees PIR and maintains that lead emissions from the track do not pose a health risk. This stance is supported by a 2017 study that tested lead levels during race events and found them within safe limits². Additionally, the Oregon Department of Environmental Quality (DEQ) and Oregon Health Authority (OHA) have conducted air quality modeling and monitoring, concluding that lead emissions from PIR do not exceed levels that would harm the health of nearby residents.³ It is important to note that PIR has already taken steps to mitigate lead exposure by discontinuing the on-site sale of leaded fuel in 2023, allowing its use for vehicles from teams that bring their fuel.

The ban on leaded fuel would disproportionately affect smaller racing teams and tracks, which may not have the financial resources to convert to unleaded fuel. Many high-performance and vintage vehicles require leaded fuel to function optimally, and the costs associated with engine modifications and new fuel systems could be prohibitive. This could lead to decreased participation and the relocation of events to other tracks, further exacerbating the financial impact on PIR and the local economy.

In light of the significant economic impact, the lack of scientific evidence supporting the health risks of leaded fuel emissions at PIR, and the potential harm to the racing community, we urge the committee to oppose HB 2738. We recommend maintaining the current regulations while exploring additional studies and measures to phase out leaded fuel in a manner that does not jeopardize the viability of PIR and the racing industry.

Thank you for your attention to this important matter. If you have any questions or require additional information, please call (909) 978-6717 or e-mail me at victorm@sema.org

Sincerely,

A handwritten signature in black ink, appearing to read 'Victor Muñoz', with a long horizontal line extending to the right.

Victor Muñoz
Senior Manager, State Government Affairs
Specialty Equipment Market Association

² G2 Consultants, Inc. (2017). Industrial Hygiene Assessment Report for Portland International Raceway.

³ Oregon Department of Environmental Quality and Oregon Health Authority. (2022). Memo to Kenton Neighborhood Association.