
OREGON'S VEHICLE-RELATED BUSINESSES SUPPORT HOUSE BILL 2642



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Co-Chairs Gorsek and McLain, and Members of the Committee:

The Northwest Auto Trades Association (NATA) represents many facets of the vehicle industry, including mechanical repair shops, collision repair shops, tow truck operators, vehicle parts distributors and retailers, and dismantlers. We work closely with national businesses and associations advocating for this industry.

The Oregon Vehicle Dealer Association (OVDA) represents all businesses required to possess an Oregon vehicle dealer certification. This includes franchised and independent dealers, wholesalers, powersports, RV dealers, commercial truck dealers and marine dealers (trailers for boats require them to be dealers). OVDA has the largest dues paying membership base of any dealer association in Oregon.

House Bill 2642 was introduced at the request of NATA and OVDA.

History

In the beginning, all motor vehicle testing was done by DEQ. It was all public employees and all publicly owned facilities. Over time, as demand for testing outstripped DEQ capacity (both in terms of facilities and FTE), DEQ began permitting some private sector testing of vehicles. Large fleets began self-testing. Dealers began testing vehicles in their inventory. And, eventually, DEQ Too began certifying private sector businesses to conduct vehicle emissions testing. This very successful program continues to operate today.

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DEQ clearly acknowledges that the private sector is capable of effectively providing testing services to the general public, or DEQ Too would not exist as a current option. And it is also clear that DEQ alone simply does not have the facilities or FTE to service every vehicle needing testing. And, there is little chance the Legislative Assembly will provide a huge influx of cash to open more state-operated testing facilities with hundreds, if not thousands, of new public employees.

So, perhaps, House Bill 2642 is merely the next step in the logical evolution of vehicle emissions testing. The days of literally sticking a probe into the tailpipe of a vehicle are long past. Today, an OBD device is simply connected to a vehicle's onboard computer and in seconds a pass/fail result is achieved. The handful of government owned test stations are unnecessary when you consider just the number of Jiffy Lubes, let alone dealerships, repair shops, Les Schwab dealerships, etc. in the Portland and Medford Metro airsheds. DEQ testing stations serve a single purpose, while private sector testing will allow Oregonians to get their test done at a time they are already receiving other services, like an oil change. DEQ appropriately touts that Oregonians can obtain their vehicle registration renewal at DEQ test stations. We believe this should also be allowed at private sector businesses where testing is already being done.

Public-private partnerships are good for the state, good for the private sector, and good for Oregonians.

And a quickly growing cohort of Oregon drivers already know when their emissions system is faltering. For heaven's sake, my GMC sends me a text when I have low tire pressure. Oregonians aren't waiting until they get a failed DEQ test to learn they have a problem. DEQ's own pass/fail statistics prove vehicles are running clean, and Oregonians are maintaining their vehicles.

NATA and OVDA absolutely support DEQ continuing to work with industry establishing criteria to qualify for testing, for determining which devices are reliable enough to provide testing, for business compliance and customer service, and for ensuring the interface between participating businesses and DEQ is quick and secure. But DEQ's brick and mortar locations are valuable properties which could be sold for highly appreciated prices within urban growth boundaries where "shovel-ready" parcels are hard to find.

DEQ's own testimony today adds yet another reason this transition makes sense. The VIP inspection process is 100 percent supported through the compliance fees. This means the Legislature can transition this program into a completely privatized system without any negative impact on the General Fund.

Conclusion

DMV is setting up kiosks to transact DMV business. This does not mean DMV employees are not effective or valuable. It is simply a recognition of changing times. DEQ moved from an all-public sector testing system to a hybrid testing system for the same reason. This doesn't mean DEQ testing is bad, or wrong. It is simply aging out as other options are better suited.

This is not a new or siloed discussion. Other committees have legislation this session which moves the start date for testing from four years to six years.

Washington State has completely abandoned their vehicle testing program in recognition of how clean and efficient modern vehicles are when operated. As Oregon requires more hybrid and ZEV vehicles on our roads, the need for DEQ testing will eventually evaporate. House Bill 2642 is perhaps the right move at the right time to evolve our testing program.

I am happy to answer any questions.

Please support House Bill 2642. Thank you.