
NORTHWEST AUTO TRADES ASSOCIATION SUPPORTS AMENDING HOUSE BILL 2706

Before: Joint Committee on Transportation / March 31, 2025

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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.

House Bill 2706 was introduced by Rep. Paul Evans, at the request of NATA. The original intent of the bill has been resolved without the need for statutory changes. We appreciate DMV's understanding and cooperation.

We are working with stakeholders, and Co-Vice Chair Shelly Boshart-Davis, on two important changes to statute. They are:

DISMANTLER CERTIFICATION

Prior to 2019, the DMV certification cycle for Dismantlers was every three years. A devastating fire in Portland was a catalyst for [Senate Bill 792](#) during the 2019 session. It dramatically reformed dismantler regulations in Oregon, including changing the required bond from \$10,000 to \$100,000, and changing the certification cycle from every three years to every year.

The industry has benefited from enhanced regulation and made the necessary adjustments. However, the annual certification cycle has proved to be consistently problematic. The industry is requesting the certification cycle change from every year to every two years. This will not significantly impact the closer scrutiny of dismantling facilities. It will, however, reduce administrative and paperwork burdens.

Moreover, this change will also benefit DMV business regulation by providing their office with some relief from administrative and paperwork burdens. This change will NOT prevent DMV from responding to complaints or verifying compliance. In fact, it may provide DMV investigators more time to focus on facilities with questionable activities, rather than visiting facilities with a strong record of being a good actor within the industry.

DETECTING THEFT

We all know how catalytic converter theft has been a scourge in communities small and large across Oregon (and the nation). The ease with which criminals could remove a catalytic converter and sell them for cash impacted homeowners, businesses, and nonprofits to the tune of millions of dollars in annual losses.

Part of the solution to decreasing theft was listing catalytic converters as a "major component part" in ORS.137. Items listed in this statute require enhanced tracking and recordkeeping of purchases and sales. Both local dismantlers, and national dismantling businesses with a presence in Oregon, are working on a short list of additional items to be added to ORS 822.137. These will include headlamps – which now can cost nearly \$1,000. The list will also include tailgates which are easy to remove and can be sold for hundreds of dollars on the black market. We expect to have a consensus list of items in the next several days.

CONCLUSION

An industry work group is close to unanimity on the list of items to include in the statutory definition of a "major component part". Once that work has concluded, we will have an amendment ready for the committee to consider which will make both of the changes outlined above. I am happy to answer any questions.

Please support amending House Bill 2706 during this session. Thank you.