Air Quality Division

Vehicle Inspection Program
Fee Increase
Temporary Rulemaking

Environmental Quality Commission Meeting
May 7, 2020
Teleconference and Internet Meeting
Temporary Rule Presentation Overview

• Vehicle Inspection Program Purpose
• Recent Rulemaking Status
• COVID-19 Station Closures
• Need for Temporary Rule
• Justification for Temporary Rule
• Cost Effectiveness Analysis Acknowledgement
• Recommendation
Vehicle Inspection and Maintenance Program

- Portland and Medford areas
- 1.3 million biannual tests
- 7 stations
2018 - 2019 Rulemaking Background and Status

• Fiscal Advisory Committee
  October 2018

• Public Hearings and Comment
  January 2019

• 2019 Legislative Presentations
  Fee increase not approved (8 positions)

• Cost Effectiveness Analysis
  October 2019

• EQC Rule Adoption and Finding
  November 2019

• State Fee Bill – February 2020
  Legislature failed to ratify
Vehicle Inspection Program Status During Pandemic

Station Closures

• March 17 – at least May 17

DEQ Director and EQC Orders

• Certain vehicle owners may delay inspection until 12/31/20

Alternative Means to Obtain Certification

• Online payment
• DEQ Too locations
Need for Temporary Rule

- Expenses exceed revenue
- Substantially reduced spring 2020 revenue
- VIP entirely fee funded – receives no General Fund
- Rebuilding staffing and fund balance
Justification for Temporary Rule

**Affected parties**
VIP employees · Vehicle owners · Business · Public

**Consequences**
Lane or station closures · Reduced customer service · Reduced safety

**Fee Increase Allows**
Rebuild staffing · Rebuild fund balance
Proposed Biennial Fee Structure

• **Portland Metro Area** - $25 per certificate; $4 increase

• **Medford–Ashland Area** – $15 per certificate; $5 increase

• **Mobile On Site Dealer Testing** - $30 per certificate; $4 increase

• New fees to become effective June 1, 2020
Cost Effectiveness Findings

Right Design
Centralized model supports lower fees

Lower Fees
Cost-competitive with other programs

Better Services
Oregon VIP provides services others do not.
Recommendations

DEQ recommends that the Environmental Quality Commission:

Determine that failure to act promptly would result in serious prejudice to the public interest or the interests of the affected parties for the reasons stated in the Justification section of the staff report for this item.

Adopt a temporary rule as proposed in Attachment A of the staff report for this item, as part of Chapter 340, Division 256 of the Oregon Administrative Rules.

Reaffirm the November 2019 finding that in accordance with ORS 468A.400 and ORS 468A.370, the Vehicle Inspection program, including the proposed 2020 fee increase, is the most cost effective program consistent with Clean Air Act requirements.