

Air Quality Division

Vehicle Inspection Program Proposed Rule Revisions and Fee Increase

Environmental Quality Commission Meeting
November 14 - 15, 2019
Portland, Oregon

VIP By the Numbers

- 1 in 4 cars is serviced *before* an emissions test
- VIP reduces ozone-causing pollutants from cars and trucks up to 20%
- 97% of VIP customers rate their experience as good or excellent
- Oregon fees are 1/3 the nationwide average

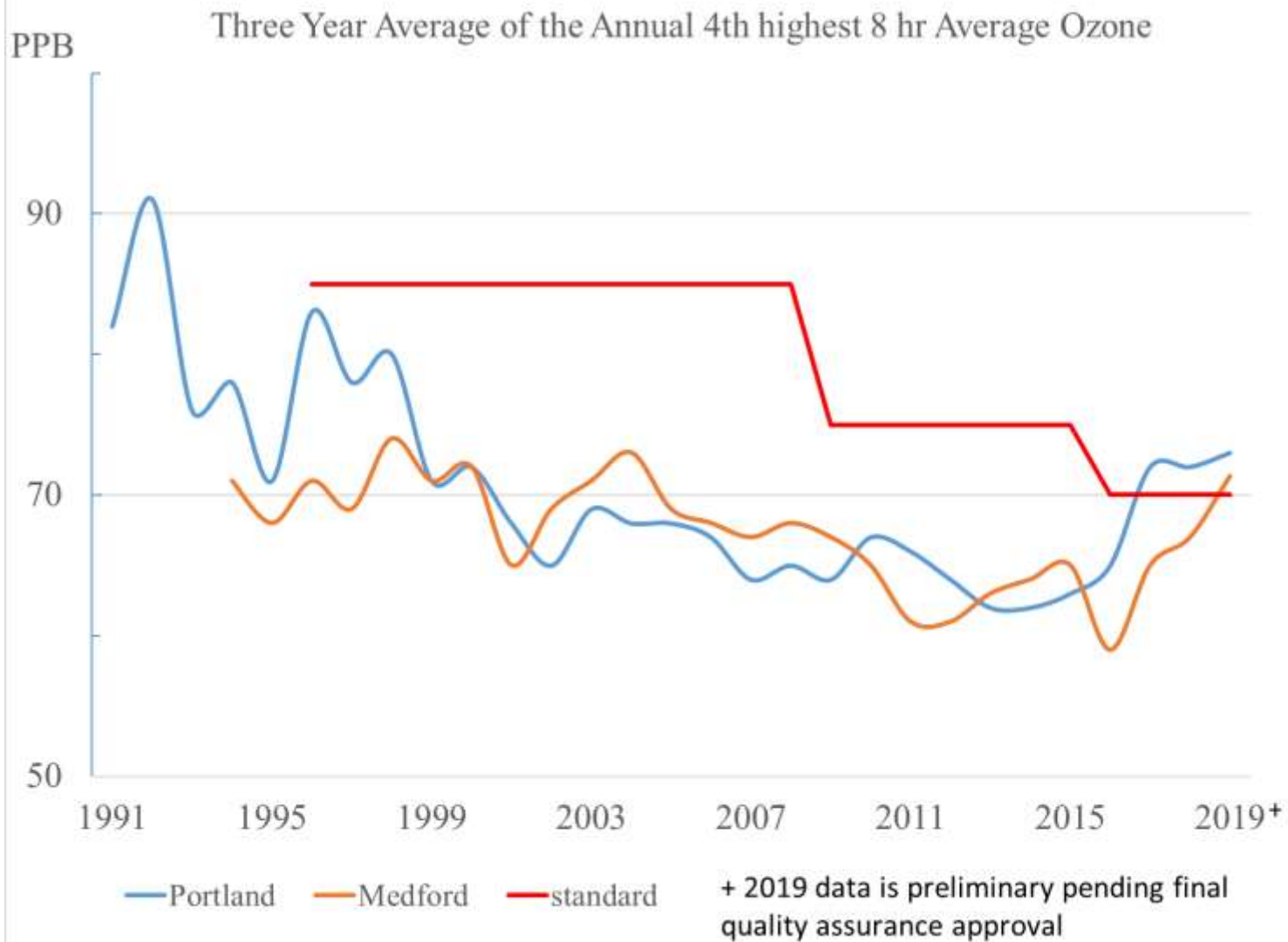


Vehicle Inspection and Maintenance Program Overview

- Portland and Medford areas
- 1.3 million biannual tests
- 7 stations
- 94 staff people



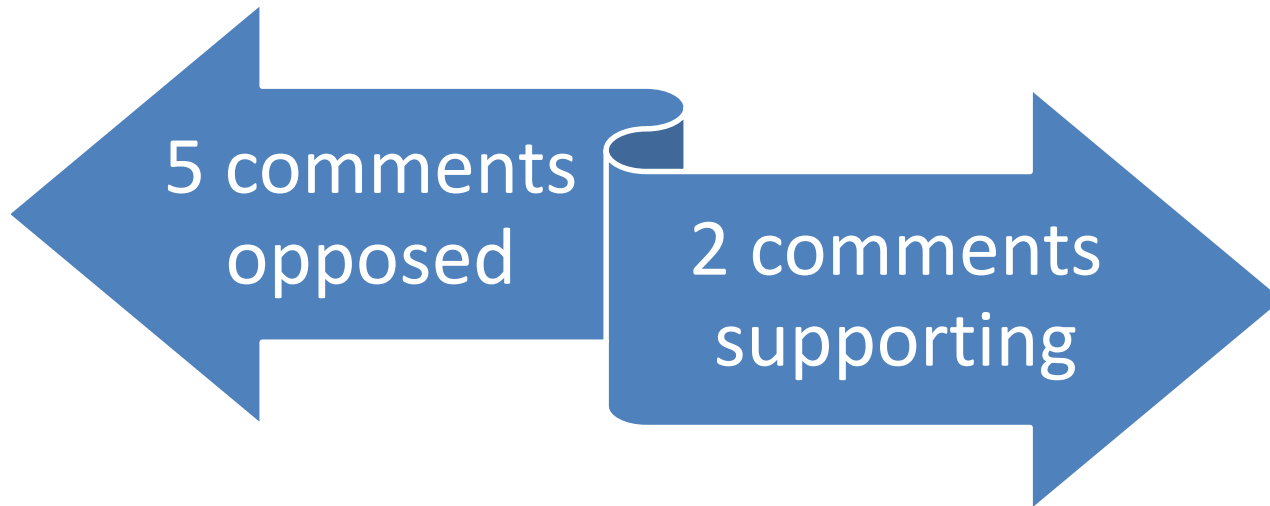
Ozone Status



Summary of Rulemaking Process

- **Fiscal Advisory Committee**
October 4, 2018
- **Public hearings**
January 15 (Portland) and January 28
(Medford)
- **Public Comment Period**
December 14, 2018 – February 4, 2019

Summary of Public Comments



VIP Fee Approval Update

- April 2019 - presentation to the Legislative Ways and Means NR Subcommittee
- May 2019 - informational presentation to the EQC
- June through October 2019 – Cost effectiveness study
- 2020 - State Fee Bill

Cost Effectiveness Statutory Requirement

**ORS
468A.400**

- the commission shall determine the most cost effective program consistent with Clean Air Act requirements

**ORS
468A.370**

- the most cost effective method of conducting a motor vehicle pollution control system inspection program

Cost Effectiveness Findings

Right
Design

Lower
Fees

Better
Services

Centralized
model
supports
lower fees

Cost-
competitive
with other
programs

Oregon VIP
provides
services
others do
not.

Study Methodology

Model

- Centralized
- Decentralized

Funding

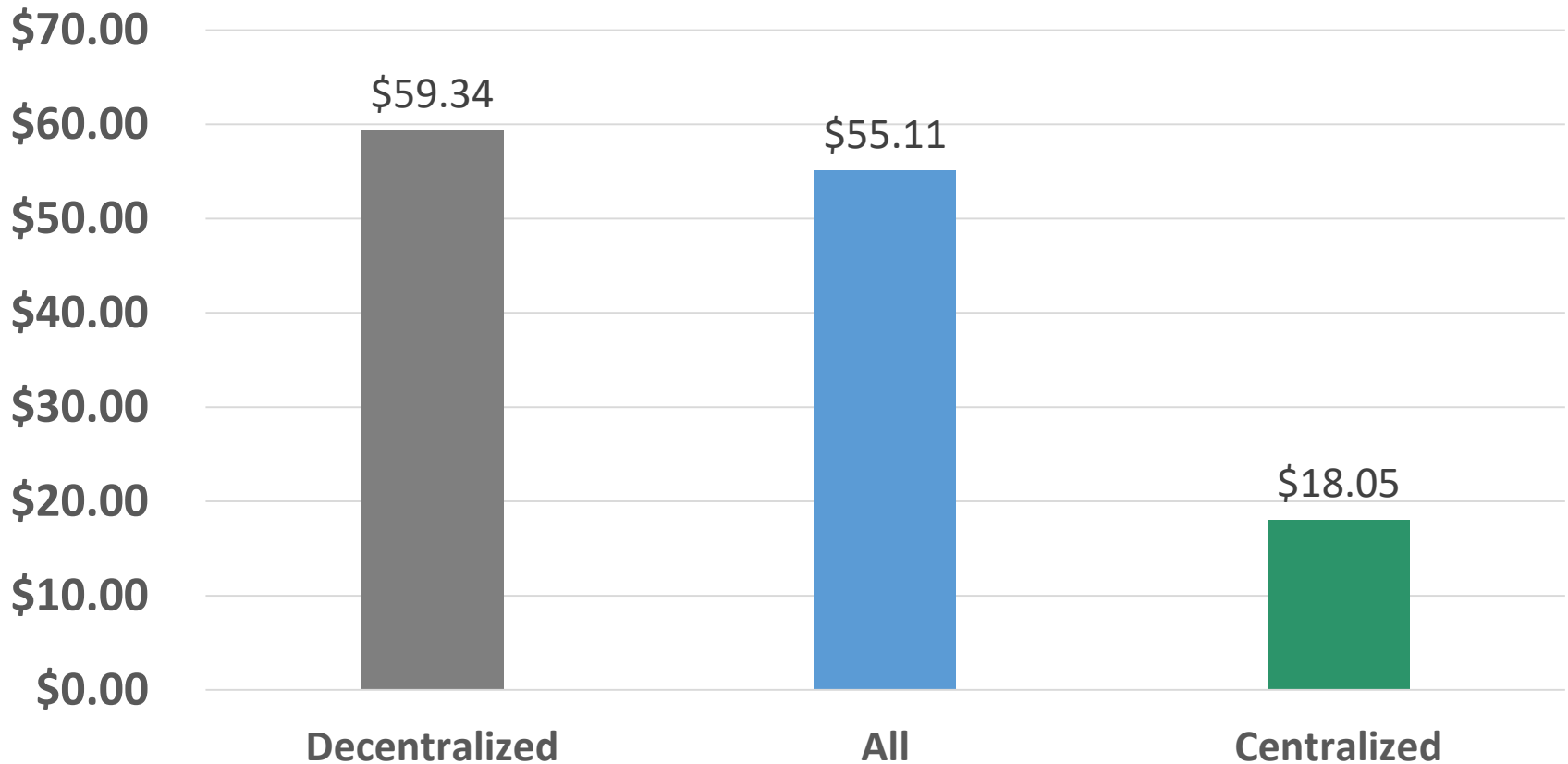
- Fees
- Other sources

Features

- Retests
- Waivers and Testing Options

Testing Models – Centralized vs Decentralized

Weighted-Average Biennial Fee Comparison



VIP Unique Services

Timeliness and Customer Service

- 10 minute wait times

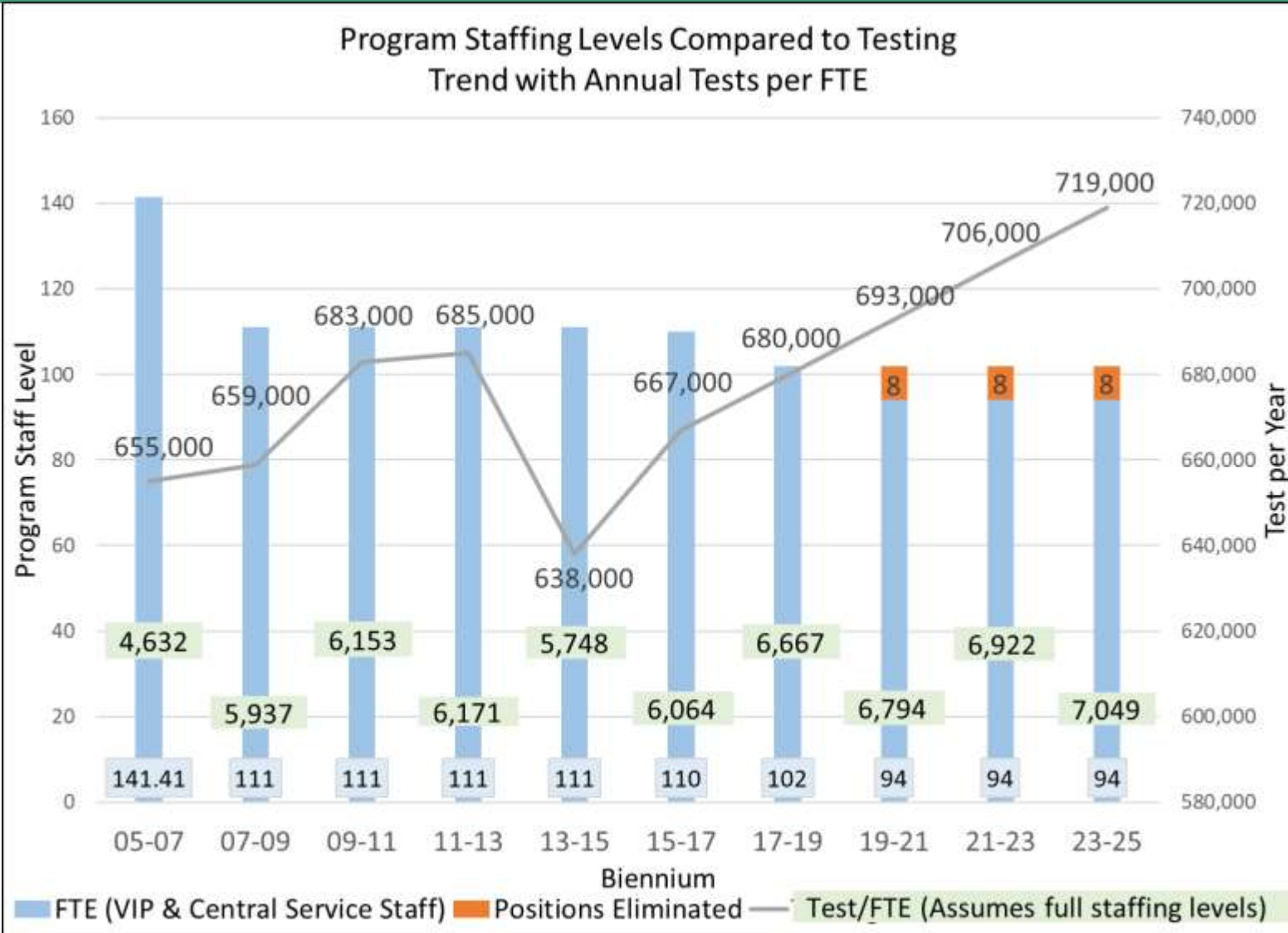
Partnerships

- Hybrid – “DEQ Too”

Efficiency

- Self –service lanes

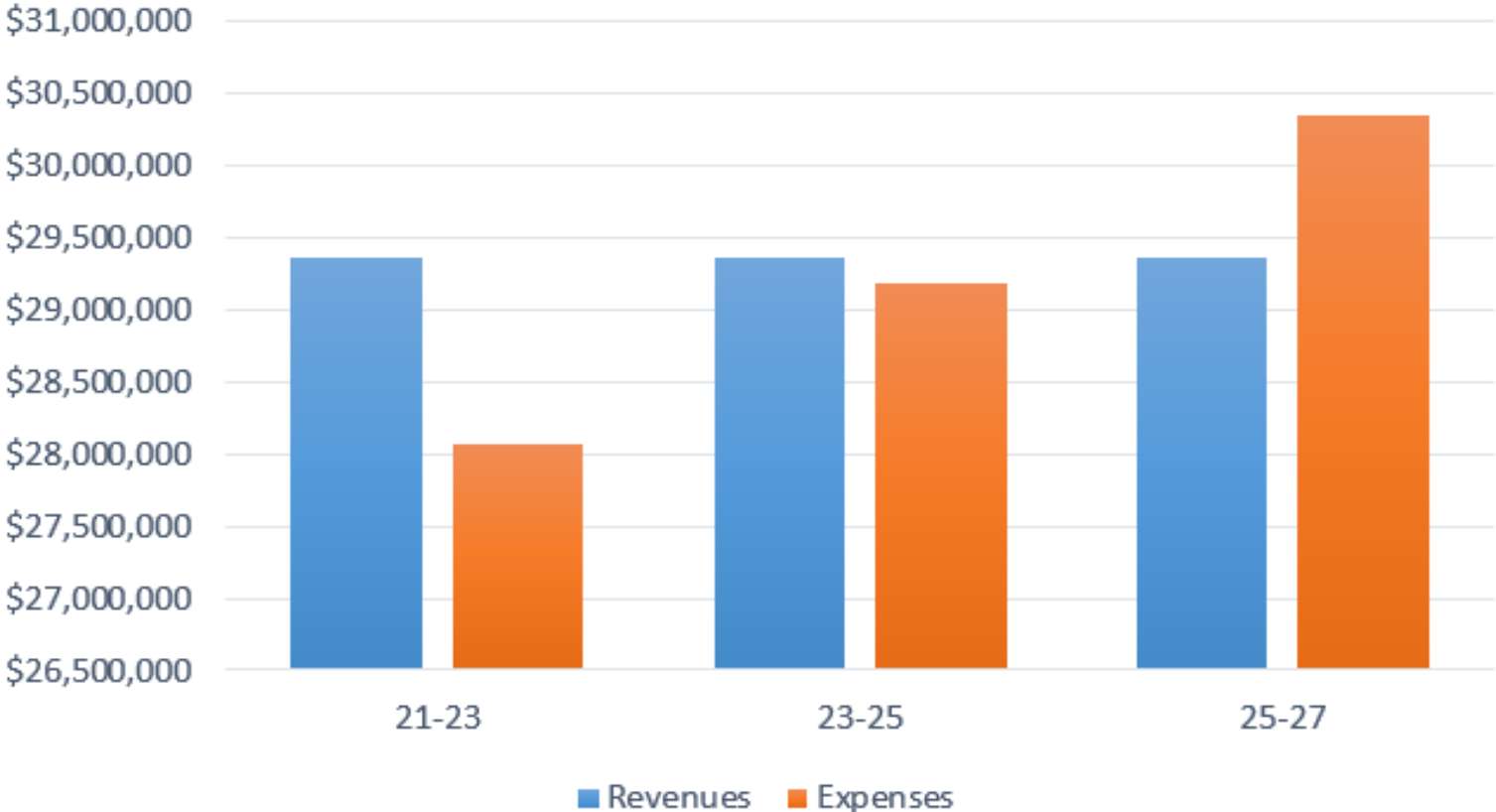
VIP Testing Volume



Proposed Biennial Fee Structure

- **Portland Metro Area** - \$25 per certificate; \$4 increase
- **Medford–Ashland Area** – \$15 per certificate; \$5 increase
 - Effective July 1, 2021 the certificate will increase to \$20 and then capped in the near term
- **Mobile On Site Dealer Testing** - \$30 per certificate; \$4 increase
- New fees to become effective upon Legislative approval
- Expected to sustain the program through the 23-25 biennium.

VIP Projected Revenue and Expenses with Proposed Fee Increase



Questions?

Oregon VIP



Dynamic and flexible



Outcome- and customer-
focused



Cost Effective Long-term

Recommendations

DEQ recommends that the Environmental Quality Commission:

Find 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.

Adopt the proposed rules on pages **33 through 85** as part of chapter 340 of the Oregon Administrative Rules; and

Approve incorporating these rule amendments into the Oregon Clean Air Act State Implementation Plan under OAR 340-200-0040; and

Direct DEQ to submit the SIP revision to the U.S. Environmental Protection Agency for approval.