OFFICE OF THE SECRETARY OF STATE

LAVONNE GRIFFIN-VALADE SECRETARY OF STATE

CHERYL MYERS
DEPUTY SECRETARY OF STATE
AND TRIBAL LIAISON



ARCHIVES DIVISION

STEPHANIE CLARK DIRECTOR

800 SUMMER STREET NE SALEM, OR 97310 503-373-0701

NOTICE OF PROPOSED RULEMAKING INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 735
DEPARTMENT OF TRANSPORTATION
DRIVER AND MOTOR VEHICLE SERVICES DIVISION

FILED

09/28/2023 1:59 PM ARCHIVES DIVISION SECRETARY OF STATE

 $FILING\ CAPTION:\ Vehicle\ Identification\ Number\ (VIN)\ Inspections,\ Custom\ and\ Special\ Interest\ Registration\ Plates$

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 10/21/2023 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

A public rulemaking hearing may be requested in writing by 10 or more people, or by a group with 10 or more members, within 21 days following the publication of the Notice of Proposed Rulemaking in the Oregon Bulletin or 28 days from the date the Notice was sent to people on the agency mailing list, whichever is later. If sufficient hearing requests are received, the notice of the date and time of the rulemaking hearing must be published in the Oregon Bulletin at least 14 days before the hearing.

CONTACT: Ty Yoder 503-945-5256 ty.m.yoder@odot.oregon.gov DMV Program Services 1905 Lana Avenue NE Salem, OR 97314 Filed By: Lauri Kunze

Rules Coordinator

NEED FOR THE RULE(S)

Oregon laws 2099, Chapter 400 (HB 2099), Sections 20-23, and 49, amended ORS 805.210, 803.530, 805.103 and 803.212, and repealed ORS 805.242. These sections permit DMV to determine which special interest plates are available for issuance, remove information regarding the transfer of registration plates that are not from a current issue of plates as custom plates under the provisions of ORS 805.242, and made small changes to the authority for law enforcement and others to conduct VIN inspections. Specific changes detailed below.

The change to ORS 805.210 permits DMV to determine which special interest plates are available for issuance. DMV is amending OAR 735-040-0000 to state which registration plates DMV will not approve for use on vehicles as special interest.

DMV proposes to amend OAR 735-046-0010 to remove information regarding the transfer of registration plates that are not from a current issue of plates as custom plates under the provisions of ORS 805.242. ORS 805.242 was repealed, and the section of rule no longer is necessary.

DMV proposes to amend OAR 735-046-0000 and 735-046-0010 to remove references to a repealed statute, ORS 805.242.

DMV proposes to amend OAR 735-022-0070 to clarify the rule on how people and agencies can be authorized by DMV to conduct VIN inspections, to designate law enforcement agencies located in Oregon to perform VIN inspections, and to clarify when DMV will reimburse a person conducting a VIN inspection.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

https://olis.oregonlegislature.gov/liz/2023R1/Downloads/MeasureDocument/HB2099/Enrolled

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

DMV is amending the rules to align with statue, remove references to repealed statutes, designate Oregon law enforcement agencies as authorized to conduct VIN inspections, state how a person or agency may be authorized to conduct VIN inspections, and provide information to people who apply for special interest vehicle plates which plates will not be approved. DMV does not believe this rulemaking will impact racial equity in this state.

FISCAL AND ECONOMIC IMPACT:

See statements below.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

(1) None

(2)(a), (b) and (c) None

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

DMV sent draft rules to 14 organizations representing small businesses. No responses were received.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

DMV must decide what plates are permissible for special interest vehicles based upon its computer systems and policy. DMV must decide whether it wanted to designate law enforcement agencies for VIN inspections. The rest of the changes are to align rule with statute.

RULES PROPOSED:

735-022-0070, 735-040-0000, 735-046-0000, 735-046-0010

AMEND: 735-022-0070

RULE SUMMARY: DMV proposes to amend this rule to clarify the rule on how people and agencies can be authorized by DMV to conduct VIN inspections, to designate law enforcement agencies located in Oregon to perform VIN inspections, and to clarify when DMV will reimburse a person conducting a VIN inspection.

CHANGES TO RULE:

735-022-0070

Inspection of Vehicle Identification Numbers ¶

DMV adopts the following procedures relating to the inspection of the vehicle identification number (VIN) of a vehicle under ORS 803.212:¶

(1) DMV may designate a state agency, certified vehicle dealer or a A vehicle dealer certified under ORS 822.020 and who meets the qualifications under OAR 735-150-0039, may act as an agent of DMV to perform VIN inspections under ORS 803.212 for vehicles that they sell, except as prohibited under section (5) of this rule. (2) An Oregon law enforcement agency to may act as an agent of DMV to perform VIN inspections under ORS 803.212. A state agency or For purposes of acting as an agent of DMV to perform VIN inspections, an Oregon law

enforcement agency that wishes to be designated to perform VIN inspections must means the Oregon State Police, an Oregon county sheriff's office, or an Oregon city or municipal police department.¶

- (3) DMV may authorize a person or agency to perform VIN inspections under ORS 803.212. The person or agency must request DMV's authorization in writing by emailing vehicle programs at vehicleprograms@odot.oregon.gov or mailing the request to DMV Headquarters, Attn: Vehicle Programs at 1905 Lana Ave NE, Salem, OR 97317enter into a VIN inspection agreement with DMV.¶
- (24) For purposes of this rule, "agent" means a state agency, certified vehicle dealer or Oregon law enforcement agency designated by DMV to conduct VIN inspections on behalf of DMV.¶
- (3) DMV may authorize a law enforcement agency to perform VIN inspections on any vehicle in the agency's custody.¶
- (45) DMV, in its discretion, may limit the type of VIN inspections an agent may perform.
- (56) Only DMV, the Oregon State Police (OSP) or other Oregon law enforcement agency acting as an agent of DMV, may perform a VIN inspection on a vehicle located in Oregon if:¶
- (a) The vehicle is assembled;
- (b) The vehicle is reconstructed;¶
- (c) The vehicle is a replica; ¶
- (d) DMV has received notice that the vehicle has been or will be wrecked, dismantled, disassembled or substantially altered under ORS 819.010 or 822.133; ¶
- (e) The vehicle is from another jurisdiction and documents presented show the vehicle has been damaged (i.e., salvage bills of sale, salvage title, etc.);¶
- (f) The vehicle is imported and the original manufacturer did not certify that it complies with federal vehicle standards as described in OAR 735-022-0080; or ¶
- (g) The vehicle has been reported to DMV as a totaled vehicle. This does not apply to a vehicle reported totaled due to theft and later recovered in a condition that no longer meets the definition of "totaled vehicle" under ORS $801.527.\P$
- (67) DMV may designate any person or agency to perform VIN inspections on vehicles in other jurisdictions, including:
- (a) A law enforcement agency or entity with administrative or regulatory authority for vehicles within the jurisdiction;¶
- (b) For vehicles owned by U.S. armed services personnel, the owner's commanding officer, Provost Marshal or other person in authority as authorized by DMV; or ¶
- (c) Anyone designated by DMV under a written agreement.¶
- (78) The inspection fee established under ORS 803.215 is required for inspections performed under ORS 803.210. The fee does not apply to inspections performed outside Oregon.¶
- (89) If a vehicle does not have a VIN, DMV will assign one and affix it to the vehicle. When a VIN is assigned, the title record will indicate the VIN assigned by DMV.
- (10) DMV may enter into agreements to compensate the Oregon State Police or other Oregon law enforcement agencies for any VIN inspection conducted under ORS 803.212(5). DMV will only compensate an Oregon law enforcement agency if DMV has entered into an agreement with the Oregon law enforcement agency. Statutory/Other Authority: ORS 184.619, 802.010, 803.212

Statutes/Other Implemented: ORS 803.212

AMEND: 735-040-0000

RULE SUMMARY: DMV is amending this rule to state which registration plates DMV will not approve for use on vehicles as special interest.

CHANGES TO RULE:

735-040-0000

Special Interest Registration ¶

- (1) "Established $\Theta_{\underline{o}}$ rganization" <u>has the meaning</u>, for the purpose of this rule is as defined, set forth in OAR 735-040-0010.¶
- (2) "Special <u>linterest Rregistration</u>" means the permanent registration under ORS 805.020 for vehicles of special interest. Also and includes any documents or devices issued or approved as evidence of that registration.
- (3) To be eligible for special interest registration the vehicle must be a " \underline{v} ehicle of \underline{s} pecial \underline{t} interest" as defined in ORS 801.605.¶
- (4) To qualify for special interest registration the vehicle owner must submit to DMV:¶
- (a) A completed Antique/Special Interest Vehicle Certification <u>form (DMV Form 735-6577)</u> certifying that the vehicle qualifies as a vehicle of special interest as defined in ORS 801.605;¶
- (b) The permanent registration fee established under ORS 803.420(10)(a); and ¶
- (c) All other applicable requirements for title and registration.¶
- (5) If the vehicle qualifies as a vehicle of special interest only under the provisions of ORS 801.605(3)(a)(B), the Antique/Special Interest Vehicle Certification form (DMV Form 735-6577) submitted must include a certification from the established organization that has sanctioned the vehicle as a vehicle of special interest.- \P
- (6) VA vehicles of special interest may be registered:¶
- (a) With Oregon registration plates provided by the applicant and approved by DMV as provided in ORS 805.210 and 803.530; or \P
- (b) With special interest registration plates issued by DMV.¶
- (7) <u>DMV may not approve plates provided by the applicant for use on vehicles as special interest when the plates are:</u>¶
- (a) Special registration program plates issued under ORS 805.222;¶
- (b) School bus or school activity vehicle registration plates issued under ORS 805.050:¶
- (c) Government, state, or county-owned registration plates issued under ORS 805.040, 805.045, or 805.047; 1
- (d) Rental or leasing company registration plates issued under ORS 803.420(5):¶
- (e) Disabled veteran registration plates issued under ORS 805.100;¶
- (f) Congressional Medal of Honor registration plates issued under ORS 805.103;¶
- (g) Veterans' recognition and Gold Star Family registration plates issued under ORS 805.105;¶
- (h) Former prisoners of war registration plates issued under ORS 805.110;¶
- (i) Oregon National Guard registration plates issued under ORS 805.115;¶
- (j) Honorary consul registration plates issued under ORS 805.117;¶
- (k) Fleet registration plates issued under ORS 805.120;¶
- (L) Special registration plates for certain groups issued under ORS 805.205;¶
- (m) Amateur radio operator registration plates issued under ORS 805.230;¶
- (n) Salmon registration plates issued under ORS 805.255;¶
- (o) Cultural registration plates issued under ORS 805.260;¶
- (p) Crater Lake National Park registration plates issued under ORS 805.263;¶
- (g) Wine Country registration plates issued under ORS 805.266;¶
- (r) Portland Trail Blazers registration plates issued under ORS 805.278;¶
- (s) Breast cancer awareness registration plates issued under ORS 805.283;¶
- (t) Pacific Wonderland registration plates issued under ORS 805.287;¶
- (u) Farm vehicle registration plates issued under ORS 805.300;¶
- (v) Antique registration plates originally issued under ORS 805.010;¶
- (w) Historic registration plates;¶
- (x) Special interest registration plates issued to special interest vehicles, as defined in 805.020; or ¶
- (y) Customized registration plates, issued under ORS 805.240.¶
- (8) In accordance with ORS 803.530(9), DMV will transfer one special interest registration plate when DMV's vehicle records show the special interest registration plate was issued as a pair and is assigned to a vehicle record not associated with an applicant. In addition to other requirements for the issuance of special interest registration, the applicant must submit a written statement from the owner of the plate, as listed in DMV's vehicle records, that contains: ¶

- (a) The owner of the plate's full name;¶
- (b) A declaration from the owner of the plate, as listed in DMV's vehicle records, that the owner understands that the plate and registration will be removed from the owner's vehicle and transferred to another vehicle;¶
- (c) The signature of the owner of the plate; and either \P
- (d) The vehicle identification number of the vehicle assigned the plate in DMV's vehicle records; or \P
- (e) The make and model year of the vehicle assigned the plate in DMV's vehicle records. Statutory/Other Authority: ORS 184.619, 801.605, 802.010, 803.530, 805.020, 805.030, 805.210 Statutes/Other Implemented: ORS 801.605, 803.350, 803.370, 803.420, 803.525, 803.530, 803.535, 805.020, 805.030, 805.210

AMEND: 735-046-0000

RULE SUMMARY: DMV proposes to amend this rule to remove references to a repealed statute, ORS 805.242.

CHANGES TO RULE:

735-046-0000 Definitions ¶

The following definitions apply to OAR 735-046-0000 through 735-046-0050:¶

- (1) "Current Issue" means any registration plate type, plate background or plate series approved by DMV for issuance.¶
- (2) "Current use" means any registration plate type, plate background or plate series that is no longer issued, but is approved for registration renewal or for special interest registration, or is a permanent registration plate.

Examples of current use registration plates include:¶

- (a) Passenger vehicle plates issued 1961 or later; and ¶
- (b) Motorcycle or moped plates issued 1968 or later. \P
- (3) "Custom plates" mean customized registration plates authorized under ORS 805.240.¶
- (4) "DMV" means the Driver and Motor Vehicle Services Division of the Department of Transportation.¶
- (5) "Plate choice" means the numbers or letters, or combination of numbers and letters (characters), requested by an applicant for custom plates. For purposes of custom plates, the letter "O" and the number "zero" are identical. A plate choice does not include a plate's background, design, method of validation, or any other information DMV may require.¶
- (6) "Plate configuration" means a unique combination of numbers or letters that have been or may be assigned to registration plates.

Statutory/Other Authority: ORS-184.616, 184.619, 802.010, 805.103, 805.200, 805.220

Statutes/Other Implemented: ORS 803.530, 803.535, 805.103, 805.200, 805.220, 805.240, 805.242

AMEND: 735-046-0010

RULE SUMMARY: DMV proposes to amend this rule to remove information regarding the transfer of registration plates that are not from a current issue of plates as custom plates under the provisions of ORS 805.242. ORS 805.242 was repealed, and the section of rule no longer is necessary.

CHANGES TO RULE:

735-046-0010

Custom Plates: Application and Standards ¶

- (1) A person who wishes to obtain custom plates must submit an application for custom plates and all applicable fees to DMV. Custom plate choices:¶
- (a) May not be reserved in advance of application and payment of required fees; and ¶
- (b) Are approved and assigned by DMV on a first-come, first-served basis. When two or more applications requesting an identical plate choice are received, DMV will consider for approval the first one received with the required fees, without regard to whether the first application received is an original application for a custom plate or an application for renewal of a custom plate that has been expired for more than 180 days. "Application," as used in this subsection, may include application by phone or electronic submission, provided DMV is in possession of the required fees.¶
- (2) An applicant for custom plates must qualify for Oregon title and registration for the vehicle listed on the custom plate application.¶
- (3) A custom plate choice is assigned to a vehicle at the time the plate is issued by DMV.¶
- (4) A custom plate choice must: ¶
- (a) Be compatible with DMV's computer system;¶
- (b) Not be identical to any plate configuration reserved for:
- (A) Qualified Congressional Medal of Honor recipients;¶
- (B) Current Oregon office holders;¶
- (C) An Honorary Consul as defined under Oregon Laws 2009, chapter 621 in ORS 805.117; or ¶
- (D) The Governor, unless the custom plate is being issued under the provisions of OAR 735-046-0050;¶
- (c) Not begin with the letters CMH, MOH, ORE, SEN, REP, USS, or USR and be followed by numbers;¶
- (d) Be alphabetic or numeric characters, or alphanumeric characters. A plate choice may not include, without any punctuation or symbols other than a dash or space;¶
- (e) Include at least one alphabetic or numeric character;¶
- (f) Be limited to no more than six alphabetic characters, numeric characters, spaces or dashes, except that a seventh character may be a space or dash;¶
- (g) Except as provided in section (5) of this rule, not be identical to any other plate configuration in current use. The use of a space or a dash within a plate choice is not considered when determining whether the plate is identical to another plate configuration.¶
- (5) In addition to other provisions of this rule, all of the following apply to approval of a plate choice that is identical to a plate configuration that is in current use:¶
- (a) DMV may approve a plate choice that conflicts with a plate configuration currently in use for motor vehicles registered under ORS 803.420(6)(a) (i.e., passenger plated vehicles) if:¶
- (A) The specific plate configuration requested has previously been issued and is not still in inventory or reserved for future issuance;¶
- (B) The previously issued plates bearing the plate choice are surrendered to DMV with the custom plate request, or are no longer in circulation. If there is any question about such plates being in circulation, it is the applicant's responsibility to satisfy DMV that the plates have been destroyed, surrendered to DMV or another jurisdiction, or are not available for use on a vehicle; and ¶
- (C) The plate choice is to be assigned to a vehicle that qualifies for registration under ORS 803.420(6)(a). \P
- (b) For motor vehicles other than those registered under ORS 803.420(6)(a), specifically, vehicles that are not passenger plated vehicles, DMV may approve a plate choice that is identical to a plate configuration that is in current use if:¶
- (A) The vehicle to which the custom plates are to be issued is of a different type than the vehicle to which the plates bearing the identical plate configuration are in current use or could be issued. For example, a plate choice that is identical to a disabled veteran plate configuration (for example D00001) will not be assigned to a custom plate issued to either a passenger vehicle or motor home. A plate choice that is identical to a motor home plate configuration (for example H00001) will not be assigned to a custom plate issued to a motor home but DMV may allow the configuration to be assigned to a custom plate issued to a passenger vehicle;¶

- (B) The plate choice requested is not currently assigned to a registration plate; and ¶
- (C) The plate choice requested will not be assigned to a future plate series.¶
- (6) DMV will not approve a custom plate choice, including plate choices that would do so by means of foreign or slang words or phrases, by use of phonetic, numeric or reverse spelling, or by being viewed in mirror image, that:¶
- (a) Would have the effect of alarming, threatening, offending or misleading a reasonable person. Such choices may include, but are not limited to, combinations of letters, numbers or both that:¶
- (A) Refer to intimate bodily parts or to sexual or excretory acts or functions;¶
- (B) Refer in an alarming or offensive manner to a person or class of persons on the basis of race, color, gender, ethnic heritage, national origin, or other characteristic;¶
- (C) Suggest that the vehicle to which the custom plate is issued is an official vehicle of a public agency or official, when it is in fact not such a vehicle; or ¶
- (D) Refer to illegal acts.¶
- (b) Refer to alcoholic beverages, or controlled substances or paraphernalia used in the consumption thereof by combinations of letters, numbers or both.¶
- (7) DMV may use any reliable lexicological source to determine the meaning of any word, symbol or phrase.¶
- (8) When reviewing a plate choice for approval, DMV need not consider the applicant's subjective intent or declared meaning.¶
- (9) DMV will approve the transfer of registration plates that are not from a current issue of plates as custom plates under the provisions of ORS 805.242. All of the following apply to such a transfer:¶
- (a) For vehicles that require two registration plates, the applicant must have two registration plates available for transfer to the vehicle;¶
- (b) The registration plates being transferred must be legible and capable of being used for identification purposes;¶
- (c) The registration plates being transferred must be from a series in current use;¶
- (d) The registration plates may only be transferred to a vehicle type that is otherwise eligible for custom plates; and¶
- (e) The registration plates may only be transferred to a vehicle of the same registration type to which they were originally issued (e.g., passenger vehicle to passenger vehicle).

Statutory/Other Authority: ORS 184.619, 802.010, 805.103, 805.200, 805.205, 805.220

Statutes/Other Implemented: ORS 803.420, 803.535, 805.103, 805.200, 805.220, 805.240, 805.242, 805.250