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NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 735
DEPARTMENT OF TRANSPORTATION
DRIVER AND MOTOR VEHICLE SERVICES DIVISION

FILED
02/26/2026 2:27 PM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Vehicle Dismantler Submission of Fire Inspection Reports

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 03/21/2026 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.

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NEED FOR THE RULE(S)

Oregon Laws 2025, chapter 189, extended the validity period of a vehicle dismantler certificate from one year to two years. Pursuant to Oregon Revised Statutes (ORS) 822.133(2)(f), dismantlers must have the dismantler business premises inspected annually by local fire inspectors and must submit a written report to DMV on the findings of the inspection.

Oregon Administrative Rule (OAR) 735-152-0007 was adopted after the requirements for dismantlers were amended during the 2019 Legislative session, changing dismantler certificate renewals from every 3 years to annually (SB 792). When OAR 735-152-0007 was adopted in 2020, DMV linked the submission of the annual fire inspection report to the issuance or renewal of the certificate.

The enactment of HB 2706, effective January 1, 2026, increased the validity period for dismantler certificates to two years. DMV must amend OAR 735-152-0007 to clarify when dismantlers must submit the annual fire inspection report during the non-renewal year.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

Enrolled HB 2706 (2025) -
<https://olis.oregonlegislature.gov/liz/2025R1/Downloads/MeasureDocument/HB2706/Enrolled>

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

The proposed rule amendments are not expected to impact racial equity in Oregon, as vehicle dismantlers are already statutorily required to submit annual fire inspection reports to DMV under current law.

FISCAL AND ECONOMIC IMPACT:

See 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) The proposed rule amendments are not anticipated to have an economic impact on state agencies, local governments, or members of the public. ORS 822.133 requires vehicle dismantlers to submit annual fire inspection reports to DMV. This rulemaking addresses the procedural gap created by the extension of dismantler certificate validity from one year to two years.

(2) The proposed rule amendments are not expected to affect small businesses. Small vehicle dismantling businesses are already required by statute to submit annual fire inspection reports to DMV, and this rule does not impose any new obligations.

(2)(a) There are approximately 150 certified dismantler business locations in Oregon. DMV is unable to estimate the number of certified dismantlers that are small businesses.

(2)(b) The proposed rule does not introduce any new reporting, recordkeeping, or administrative requirements, and no additional costs are expected for compliance.

(2)(c) There are no anticipated costs for professional services, equipment, supplies, labor, or increased administrative burden associated with complying with the proposed rule.

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

DMV submitted the draft rules and this Statement of Need and Fiscal Impact to the Oregon Dealer Advisory Committee (ODAC), requesting their input on the draft documents and DMV held a Rule Advisory Committee.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

AMEND: 735-152-0007

RULE SUMMARY: DMV proposes amending this rule to clarify when dismantlers must submit the annual fire inspection report during the non-renewal year.

CHANGES TO RULE:

735-152-0007

Fire Inspection Report

(1) A dismantler ~~is required to~~ must annually submit a copy of a local fire inspector's written report based on an inspection of the dismantler's approved business premises as shown in DMV records, ~~n.~~ The dismantler shall submit an inspection report for each approved business location shown in DMV records. This report must be submitted to DMV.

(a) No later than 90 calendar days after the date DMV issues an initial dismantler certificate or an initial dismantler certificate to operate a supplemental business location. The inspection upon which the report is based must have been conducted on or after the date DMV issues the dismantler certificate. ~~The dismantler must submit an inspection report for each approved business location shown in DMV.~~

(b) Within 90 calendar days of the date DMV issues a renewal dismantler certificate or renewal dismantler certificate to operate a supplemental business location. The inspection upon which the reports. ~~ff~~

(2) A dismantler who renews a previously issued dismantler certificate is required to submit a copy of a local fire inspector's written report based on an inspection of the dismantler's approved business premises as shown in DMV records, within 90 days of the date DMV issues the renewed dismantler certificate. The inspection upon which the report is based must have been conducted within 90 calendar days immediately prior to, or following, the issuance date of the renewed dismantler certificate.

(c) Within 90 calendar days of the one-year anniversary of the date DMV issued the dismantler certificate. This requirement applies whether the dismantler certificate is an initial certificate, an initial certificate to operate a supplemental business location, a renewal certificate, or a renewed dismantler certificate to operate a supplemental business location. The inspection upon which that the report is based on must have been conducted within 90 calendar days immediately prior to, or following, the issuance date of the renewed dismantler certificate. The dismantler must submit an inspection report for each approved business location shown in DMV records one-year anniversary. ¶

(32) A fire inspection report previously submitted to DMV by a dismantler may not be resubmitted to meet the requirements for a different yearly inspection.

Statutory/Other Authority: ORS 184.619, 802.010, 822.133

Statutes/Other Implemented: ORS 822.133