# Air Quality Division

# Vehicle Inspection Program Proposed Rule Revisions and Fee Increase

Environmental Quality Commission meeting Nov. 19-20, 2020



#### Vehicle Inspection and Maintenance Program Overview

- Portland and Medford areas
- 1.3 million biannual tests
- 7 stations
- ~90 staff people



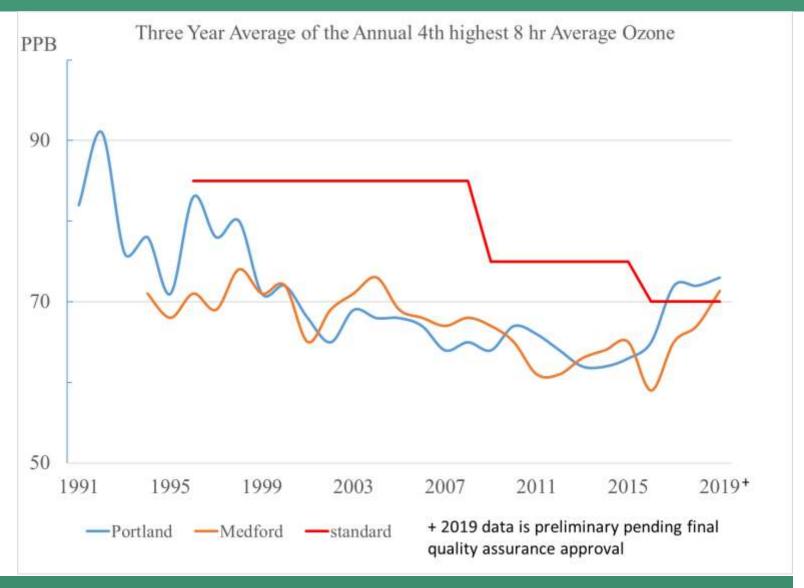








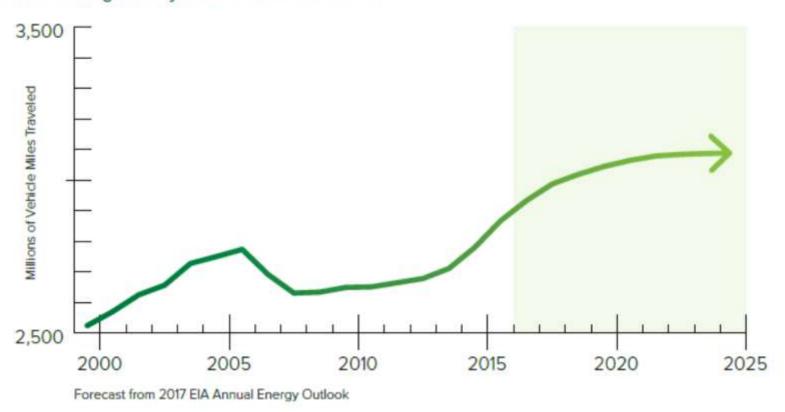
#### **Ozone Status**





#### **Ozone Status**

#### National Light-Duty Vehicle Miles Traveled



Vehicle miles traveled continues to increase across the country.



#### Summary of Rulemaking Process

- Fiscal Advisory Committee September 3, 2020
- Public hearing
   October 23, 2020
- Public Comment Period
   September 23 October 27, 2020



#### Summary of Public Comments

Support fee increase

- Sustain program
- Pollutant reduction

Lower sub fee

Remote testing



#### Rulemaking Background and Status

Legislative
Committee
approval
February 2020

Temporary Fee Increase May 2020

Proposed permanent fee increase
November 2020



#### 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



#### VIP Cost Effectiveness Findings

Right Model Lower Fees Better Services

Centralized and public model means lower fees

Costcompetitive with other programs

Oregon VIP provides services others do not.



### **VIP Unique Services**

#### **Timeliness and Customer Service**

• 10 minute wait times

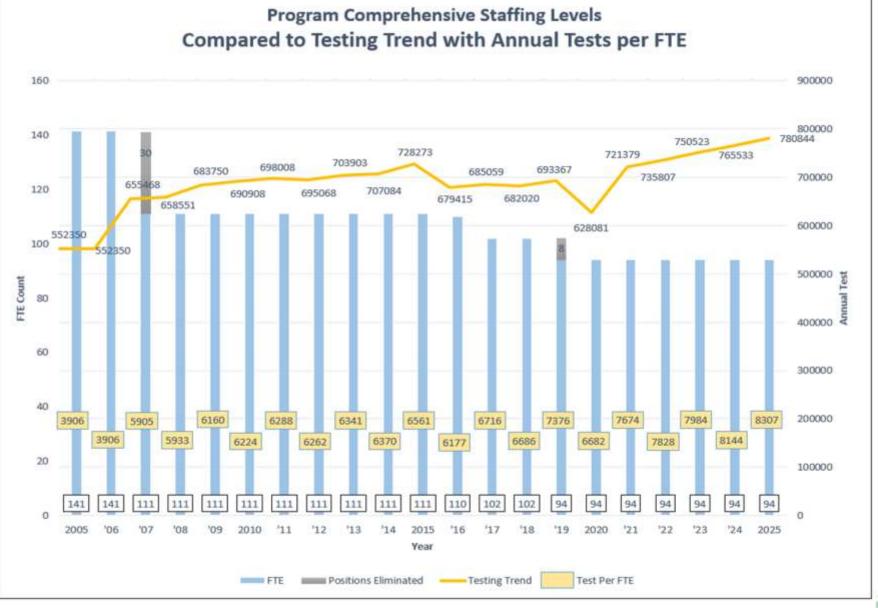
### Partnerships

Hybrid – "DEQ Too"

## Efficiency

• Self –service lanes





# Proposed Biennial Fee Structure

- Portland Metro Area continue \$25 per certificate; \$4 increase
- Medford—Ashland Area continue \$15 per certificate; \$5 increase
  - Effective July 1, 2021 the certificate will increase to \$20 and then be capped in the near term
- Mobile On Site Dealer Testing continue \$30 per certificate; \$4 increase
- Expected to sustain the program through the 23-25 biennium.



# Projected Revenue and Expenses 19 – 27 (with fee increase)





#### Questions?

# Oregon VIP

V

Dynamic and flexible

V

Outcome- and customerfocused

V

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 seen on pages 34 through 92 of the staff report for this item 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.

