

Air Quality Division

Informational Item Vehicle Inspection Program Proposed Updates and Fee Increase

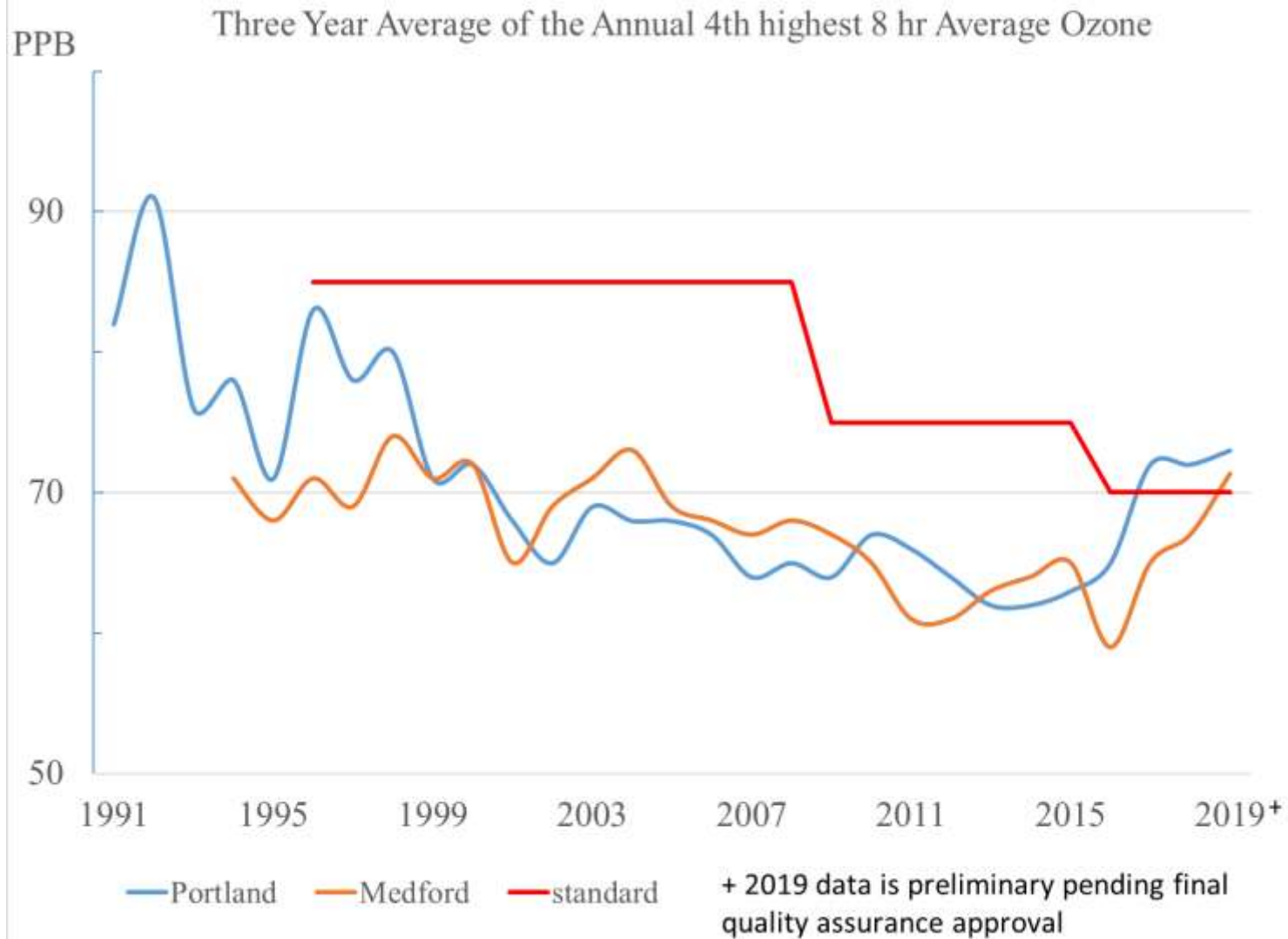
Environmental Quality Commission meeting
Nov. 14-15, 2019
Portland, Oregon

Vehicle Inspection and Maintenance Program Overview

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



Ozone Status



Summary of Rulemaking Process

- **Fiscal Advisory Committee**
Oct. 4, 2018
- **Public hearings**
Jan. 15 (Portland) and Jan. 28 (Medford),
2019
- **Public Comment Period**
Dec. 14, 2018, through Feb. 4, 2019

Summary of Public Comments

- **Seven written comments received**
 - Two supporting
 - Five opposing
- DEQ did not make changes to proposed rules in response to comments

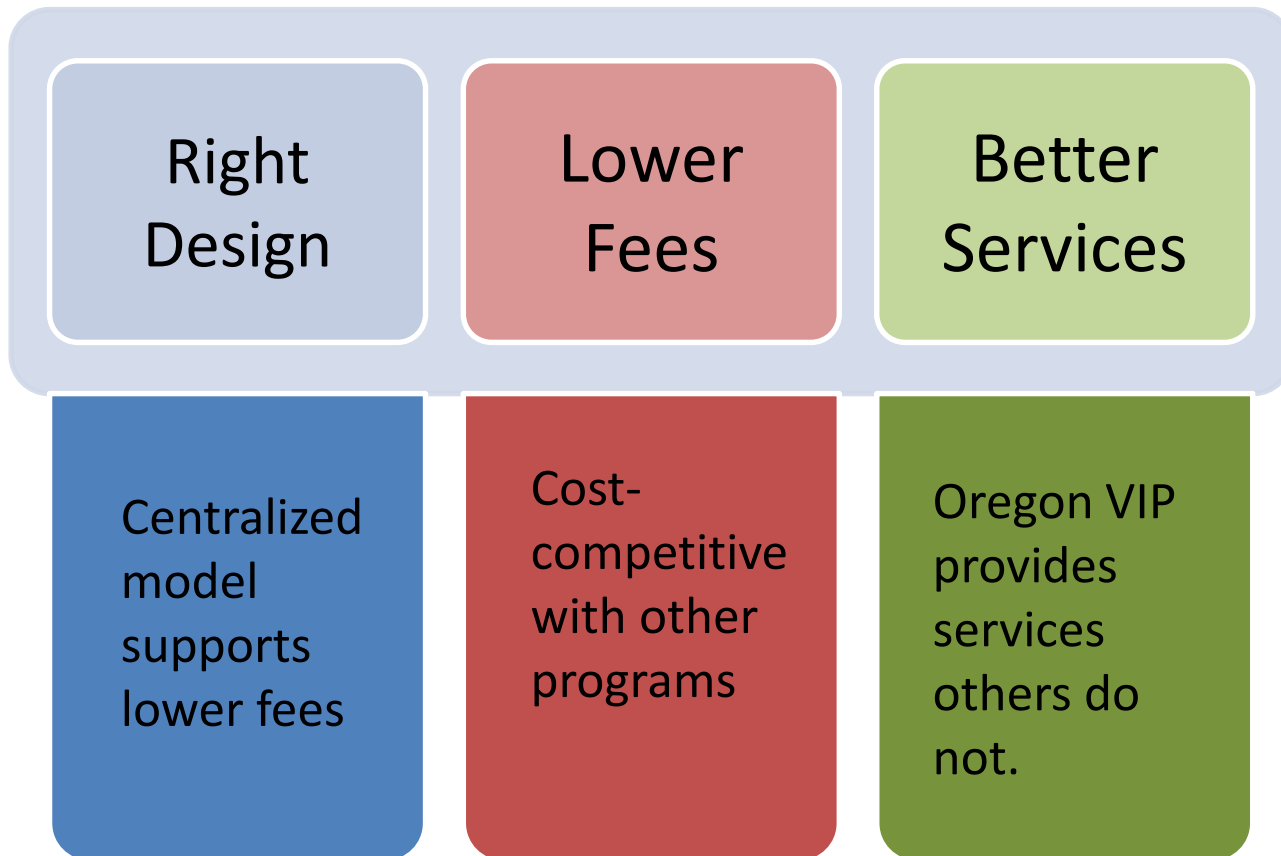
VIP Fee Approval Update

- April 4, 2019 - presentation to the legislative Ways and Means Committee
- May 16, 2019 - informational presentation to the EQC
- June through October 2019 - legislative session feedback from LFO RE: Process
- 2020 inclusion in the State Fee Bill

Cost Effectiveness Requirement

- **ORS 468A.400**
- **ORS 468A.370**

Cost Effectiveness Findings



Fee Evaluation/Cost Effectiveness

Model

- Centralized
- Decentralized

Funding

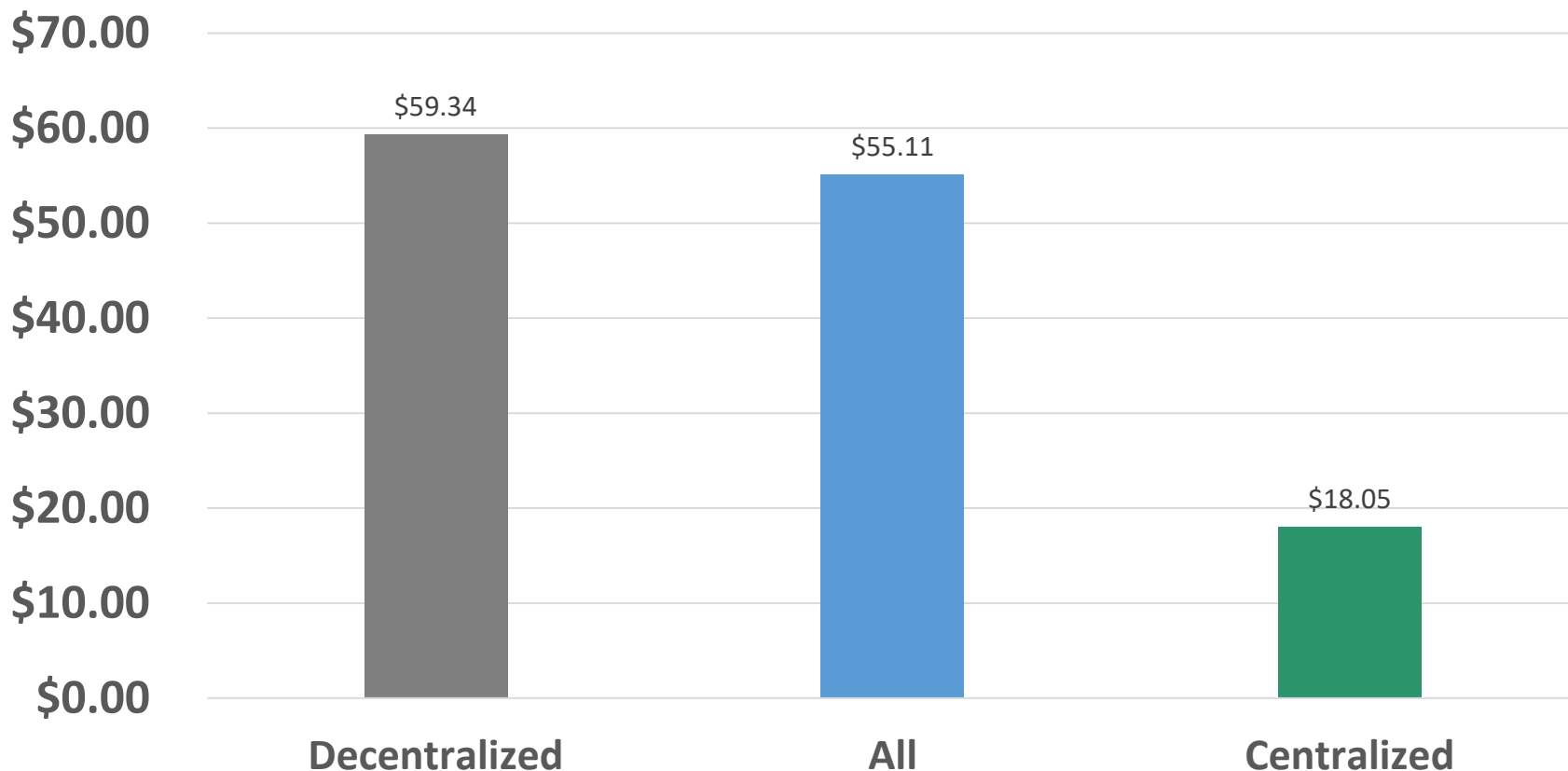
- Fees
- Other sources

Features

- Retests
- Waivers and Testing Options

Testing Models – Centralized vs Decentralized

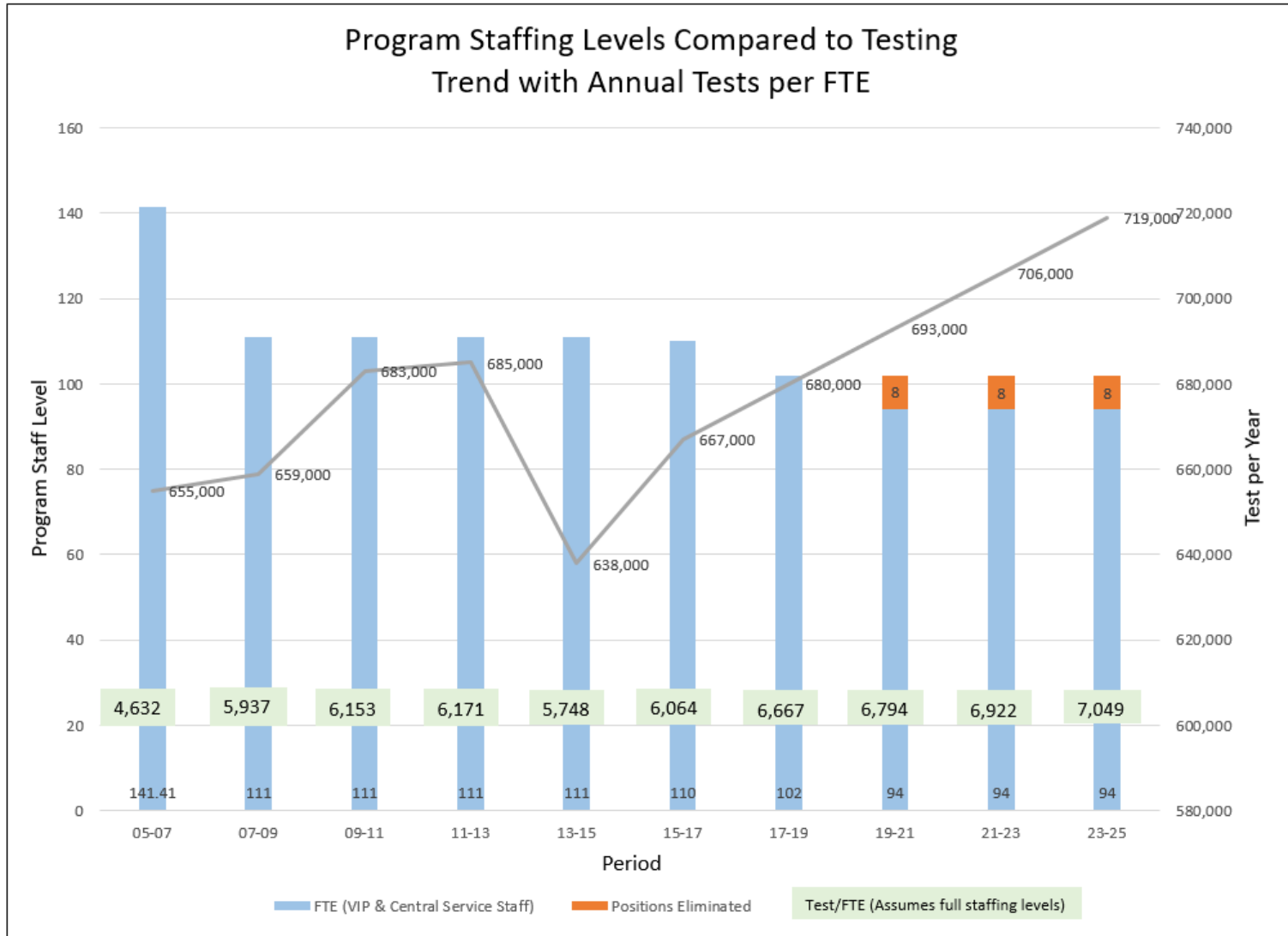
Weighted-Average Biennial Fee Comparison



VIP Unique Services

- Timeliness and Customer Service measures
- Hybrid – “DEQ Too”
- Self-service lanes

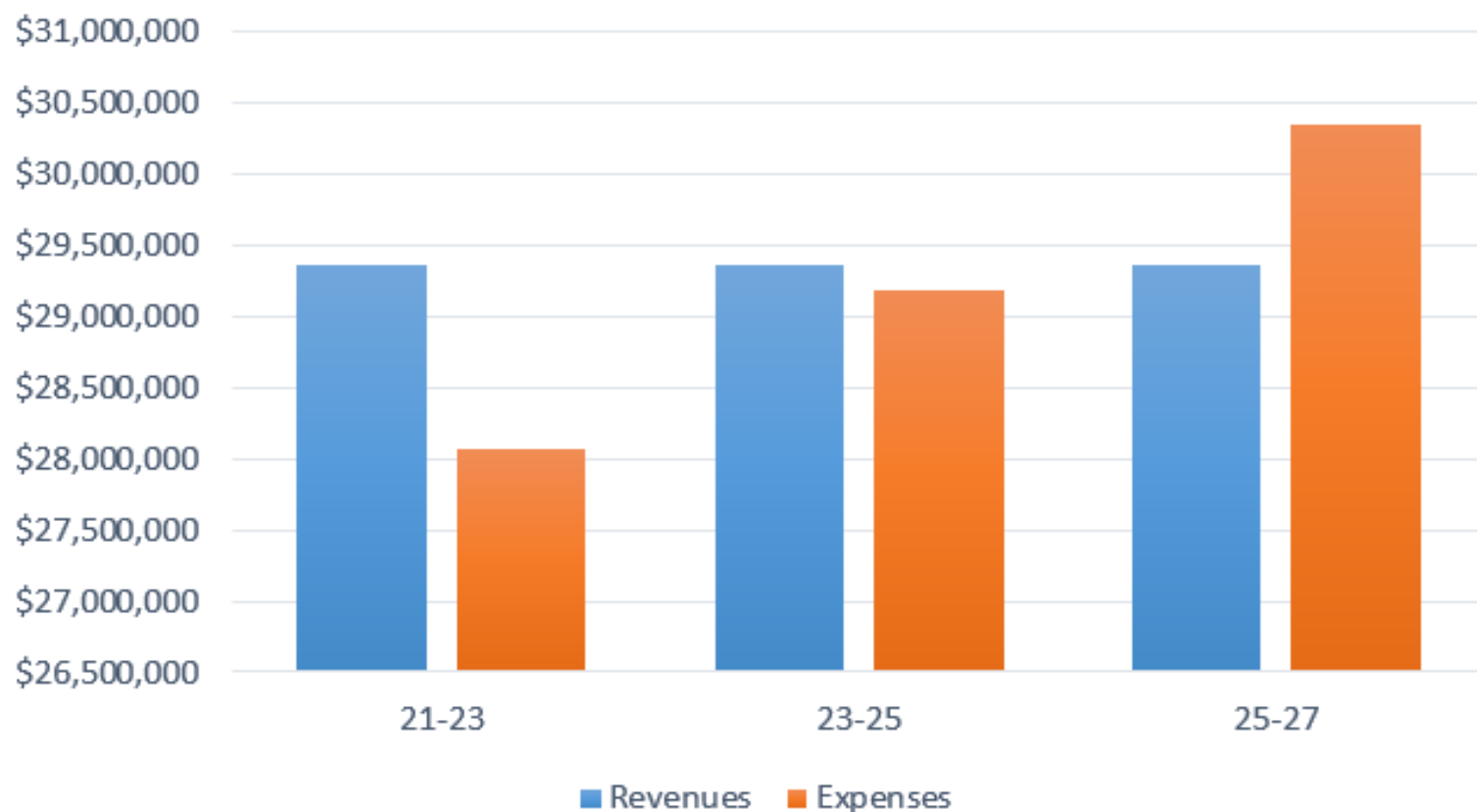
VIP Unique Design and Services



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.