A-Engrossed Senate Bill 945

Ordered by the Senate May 2 Including Senate Amendments dated May 2

Sponsored by COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Prohibits manufacturers from selling or offering for sale, and other specified persons from knowingly selling or offering for sale, brake friction material or motor vehicles or trailers with brake friction material containing specific amounts of certain fibers or elements that are hazardous when released into state waterways. Becomes operative July 1, 2014.

Prohibits manufacturers from selling or offering for sale, and other specified persons from knowingly selling or offering for sale, brake friction material or motor vehicles or trailers with brake friction material containing more than five percent copper and its compounds by weight. Becomes operative January 1, 2021.

comes operative January 1, 2021.

Exempts motor vehicles and trailers previously sold at retail and specific motor vehicle models for which no more than 1,000 total units are sold annually in Oregon. Allows certain manufacturers to petition for exemption.

Does not apply to motor vehicles, trailers or brake friction material manufactured before specified dates or brake friction material made for use on those motor vehicles or trailers.

Imposes civil penalties.

1	A BILL FOR AN ACT
2	Relating to the regulation of hazardous materials in brake friction material.
3	Whereas brake friction material contains asbestiform fibers, cadmium, chromates, lead, mercury
4	and copper; and
5	Whereas the braking of motor vehicles releases those fibers and elements into the environment,
6	including this state's waterways; and
7	Whereas those fibers and elements constitute toxins when released into this state's waterways
8	and
9	Whereas copper is toxic to many aquatic organisms, including salmon; and
10	Whereas California and Washington have passed laws regulating the amount of those fibers and
11	elements in brake friction material; now, therefore,
12	Be It Enacted by the People of the State of Oregon:
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14	SUBSTANTIVE PROVISIONS OPERATIVE IN 2014
15	AND RELATED PROVISIONS
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17	SECTION 1. As used in sections 1 to 4 and 7 of this 2011 Act:
18	(1) "Brake friction material" means the part of a vehicle brake designed to slow or stop
19	the movement of a motor vehicle or trailer through friction against a rotor made of more

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

(2) "Commercial motor vehicle" has the meaning given that term in ORS 801.208.

durable material.

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- (3) "Distributor" means a person that distributes brake friction material, motor vehicles or trailers from manufacturers to retailers.
- (4) "Manufacturer" means a person that manufactures, assembles or produces brake friction material, motor vehicles or trailers.
 - (5)(a) "Motor vehicle" has the meaning given that term in ORS 801.360.
- (b) Notwithstanding paragraph (a) of this subsection, "motor vehicle" does not include:
- (A) Motorcycles as defined in ORS 801.365.
- 8 (B) Mopeds as defined in ORS 801.345.

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- (C) Motor vehicles with internal closed oil-immersed brakes or other brake systems that are fully contained and emit no debris or fluid under normal operating conditions.
- (D) Class I or Class III all-terrain vehicles as defined in ORS 801.190 and 801.194.
- 12 (E) Racing activity vehicles as defined in ORS 801.404.
 - (F) Vehicles owned by the United States Government.
 - (G) Antique vehicles as defined in ORS 801.125.
 - (6) "Retailer" means a person that sells or offers for sale brake friction material, motor vehicles or trailers to ultimate consumers.
 - (7) "Special class of motor vehicle" includes classes of commercial motor vehicles, fire trucks and police cars.
 - (8) "Trailer" means a vehicle without motive power designed to be drawn by a commercial motor vehicle.
 - (9)(a) "Vehicle brake" means an energy conversion mechanism used to slow or stop the movement of a motor vehicle or trailer.
 - (b) "Vehicle brake" does not include a brake that is designed primarily to hold a motor vehicle or trailer stationary and that is not for use while the motor vehicle or trailer is in motion.
 - (10) "Wholesaler" means a person that sells or offers for sale brake friction material, motor vehicles or trailers to retailers, distributors or other wholesalers for resale.
 - SECTION 2. (1) A manufacturer may not sell or offer for sale in this state, and a wholesaler, retailer or distributor may not knowingly sell or offer for sale in this state, brake friction material or motor vehicles or trailers with brake friction material containing any of the following fibers or elements in an amount exceeding the specified concentrations:
 - (a) Asbestiform fibers, 0.1 percent by weight.
 - (b) Cadmium and its compounds, 0.01 percent by weight.
 - (c) Chromium(VI) salts, 0.1 percent by weight.
 - (d) Lead and its compounds, 0.1 percent by weight.
- 36 (e) Mercury and its compounds, 0.1 percent by weight.
- 37 (2) This section does not apply to:
 - (a) The sale or offering for sale of a motor vehicle or trailer previously sold at retail; or
 - (b) The sale or offering for sale of a specific motor vehicle model:
 - (A) For which there are no more than 1,000 total units annually sold in this state, based on the average number of units sold during each of the three previous model years; and
 - (B) That requires the use of brake friction material that does not comply with this section.
 - (3) A manufacturer of a specific motor vehicle model or manufacturer of a special class of motor vehicles may apply to the Department of Environmental Quality for an exemption

from this section for brake friction material intended for use on a specific motor vehicle model or a special class of motor vehicles based on the special needs or characteristics of the motor vehicle model or special class of motor vehicles for which the brake friction material is intended.

- (4) A manufacturer petitioning for an exemption under subsection (3) of this section must demonstrate to the satisfaction of the department that:
- (a) Complying with the requirements of this section is not feasible, does not allow for compliance with state or federal safety standards or will cause significant financial hardship; or
- (b) The manufacturer has received an exemption from another state that requires brake friction material to contain concentrations of fibers or elements in an amount that is equal to or less than the amounts specified in subsection (1) of this section.
- (5) Exemptions granted under subsection (3) of this section are valid for no less than one year, may be renewed automatically and may be granted permanently for as long as the motor vehicle has the special need or characteristic described in the exemption application.
- SECTION 3. (1) The Department of Environmental Quality may impose a civil penalty on a manufacturer, wholesaler, retailer or distributor that violates section 2 of this 2011 Act. A civil penalty imposed under this section may not exceed \$10,000 for each violation.
- (2) The department may periodically purchase and test brake friction material sold or offered for sale in this state to verify that the material complies with section 2 of this 2011 Act.
- (3) Notwithstanding subsection (1) of this section, the department shall issue at least one warning letter by certified mail to a manufacturer, wholesaler, retailer or distributor that violates section 2 of this 2011 Act before imposing a civil penalty. The warning letter shall provide information on complying with section 2 of this 2011 Act.
- (4) The department shall impose civil penalties under this section in the manner provided in ORS 183.745.
- SECTION 4. (1) A brake friction material manufacturer that violates section 2 of this 2011 Act shall recall the brake friction material within six months after discovering that the violation occurred and reimburse a wholesaler, retailer, distributor or ultimate consumer for the brake friction material and for the shipping and handling costs required to return the brake friction material.
- (2) A motor vehicle manufacturer that violates section 2 of this 2011 Act shall notify the registered owner of the affected vehicle within six months after discovering that the violation occurred and pay all costs associated with replacing the noncompliant brake friction material with brake friction material that complies with section 2 of this 2011 Act. For purposes of this subsection, "motor vehicle manufacturer" does not include a person that has been issued a vehicle dealer certificate under ORS 822.020 and is acting as a vehicle dealer as described in ORS 822.005 to 822.084.
- (3) The Department of Environmental Quality may impose a civil penalty on a motor vehicle manufacturer that violates subsection (2) of this section. A civil penalty imposed under this section may not exceed \$10,000 for each violation or \$100,000 in the aggregate for all violations that occur within any three-month period.
- (4) The department shall impose civil penalties under this section in the manner provided in ORS 183.745.

- 1 SECTION 5. Sections 1 to 4 of this 2011 Act become operative July 1, 2014.
 - SECTION 6. (1) Sections 1 to 4 of this 2011 Act apply to brake friction material and motor vehicles and trailers with brake friction material sold or offered for sale in this state on or after July 1, 2014.
 - (2) Notwithstanding subsection (1) of this section, sections 1 to 4 of this 2011 Act do not apply to:
 - (a) Motor vehicles or trailers that are manufactured before July 1, 2014;
 - (b) Brake friction material that is manufactured before July 1, 2014; or
 - (c) Brake friction material made for use on motor vehicles or trailers that are manufactured before July 1, 2014.

SUBSTANTIVE PROVISIONS OPERATIVE IN 2015 AND RELATED PROVISIONS

- <u>SECTION 7.</u> (1) Manufacturers of brake friction material sold or offered for sale in this state shall:
- (a) Certify compliance with section 2 of this 2011 Act with a third-party organization or accredited laboratory that has been approved by the Department of Environmental Quality; and
- (b) Mark brake friction material sold or offered for sale in this state with proof of certification in a manner prescribed by the department by rule.
- (2) A third-party organization must use an accredited laboratory for purposes of certifying brake friction material under this section.
 - (3) As used in this section, "accredited laboratory" means a laboratory that is:
- (a) Qualified to test products, materials, equipment and installations in accordance with national or international standards; and
- (b) Accredited by a third-party organization approved by the department to accredit laboratories under this section.
 - **SECTION 8.** Section 3 of this 2011 Act is amended to read:
- **Sec. 3.** (1) The Department of Environmental Quality may impose a civil penalty on a manufacturer, wholesaler, retailer or distributor that violates section 2 **or 7** of this 2011 Act. A civil penalty imposed under this section may not exceed \$10,000 for each violation.
- (2) The department may periodically purchase and test brake friction material sold or offered for sale in this state to verify that the material complies with [section 2] sections 2 and 7 of this 2011 Act.
- (3) Notwithstanding subsection (1) of this section, the department shall issue at least one warning letter by certified mail to a manufacturer, wholesaler, retailer or distributor that violates section 2 or 7 of this 2011 Act before imposing a civil penalty. The warning letter shall provide information on complying with section 2 or 7 of this 2011 Act.
- (4) The department shall impose civil penalties under this section in the manner provided in ORS 183.745.
- SECTION 9. Section 7 of this 2011 Act and the amendments to section 3 of this 2011 Act by section 8 of this 2011 Act become operative January 1, 2015.
- SECTION 10. (1) Section 7 of this 2011 Act and the amendments to section 3 of this 2011 Act by section 8 of this 2011 Act apply to brake friction material and motor vehicles and

- trailers with brake friction material sold or offered for sale in this state on or after January 1, 2015.
- (2) Notwithstanding subsection (1) of this section, section 7 of this 2011 Act and the amendments to section 3 of this 2011 Act by section 8 of this 2011 Act do not apply to:
 - (a) Motor vehicles or trailers that are manufactured before July 1, 2014;
 - (b) Brake friction material that is manufactured before July 1, 2014; or
- (c) Brake friction material made for use on motor vehicles or trailers that are manufactured before July 1, 2014.

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SUBSTANTIVE PROVISIONS OPERATIVE IN 2021 AND RELATED PROVISIONS

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SECTION 11. Section 2 of this 2011 Act is amended to read:

- **Sec. 2.** (1) A manufacturer may not sell or offer for sale in this state, and a wholesaler, retailer or distributor may not knowingly sell or offer for sale in this state, brake friction material or motor vehicles or trailers with brake friction material containing any of the following fibers or elements in an amount exceeding the specified concentrations:
 - (a) Asbestiform fibers, 0.1 percent by weight.
 - (b) Cadmium and its compounds, 0.01 percent by weight.
 - (c) Chromium(VI) salts, 0.1 percent by weight.
 - (d) Lead and its compounds, 0.1 percent by weight.
 - (e) Mercury and its compounds, 0.1 percent by weight.
 - (f) Copper and its compounds, five percent by weight.
 - (2) This section does not apply to:
 - (a) The sale or offering for sale of a motor vehicle or trailer previously sold at retail; or
 - (b) The sale or offering for sale of a specific motor vehicle model:
- (A) For which there are no more than 1,000 total units annually sold in this state, based on the average number of units sold during each of the three previous model years; and
 - (B) That requires the use of brake friction material that does not comply with this section.
- (3) A manufacturer of a specific motor vehicle model or manufacturer of a special class of motor vehicles may apply to the Department of Environmental Quality for an exemption from this section for brake friction material intended for use on a specific motor vehicle model or a special class of motor vehicles based on the special needs or characteristics of the motor vehicle model or special class of motor vehicles for which the brake friction material is intended.
- (4) A manufacturer petitioning for an exemption under subsection (3) of this section must demonstrate to the satisfaction of the department that:
- (a) Complying with the requirements of this section is not feasible, does not allow for compliance with state or federal safety standards or will cause significant financial hardship; or
- (b) The manufacturer has received an exemption from another state that requires brake friction material to contain concentrations of fibers or elements in an amount that is equal to or less than the amounts specified in subsection (1) of this section.
- (5) Exemptions granted under subsection (3) of this section are valid for no less than one year, may be renewed automatically and may be granted permanently for as long as the motor vehicle has the special need or characteristic described in the exemption application.

SECTION 12. The amendments to section 2 of this 2011 Act by section 11 of this 2011 Act

become operative January 1, 2021.

SECTION 13. (1) The amendments to section 2 of this 2011 Act by section 11 of this 2011 Act apply to brake friction material and motor vehicles and trailers with brake friction material sold or offered for sale in this state on or after January 1, 2021.

- (2) Notwithstanding subsection (1) of this section, the amendments to section 2 of this 2011 Act by section 11 of this 2011 Act do not apply to:
 - (a) Motor vehicles or trailers that are manufactured before January 1, 2021;
 - (b) Brake friction material that is manufactured before January 2, 2021; or
- (c) Brake friction material made for use on motor vehicles or trailers that are manufactured before January 1, 2021.

ADDITION TO WATER QUALITY LAW AND CONSISTENCY OF REGULATION

 SECTION 14. Sections 1 to 4, 7 and 15 of this 2011 Act are added to and made a part of ORS chapter 468B.

SECTION 15. To the extent practicable, the Department of Environmental Quality shall consult and coordinate with other states to achieve interstate consistency in the implementation of sections 1 to 4 and 7 of this 2011 Act.

STUDY REQUIREMENTS

SECTION 16. (1) The Department of Environmental Quality shall determine whether the Brake Friction Material Advisory Committee in the State of Washington has found that alternative brake friction material is available.

- (2) If the department determines that the Brake Friction Material Advisory Committee has found that alternative brake friction material is available, the department, within one year after making the determination, shall publish a report on the findings of the committee and present the report to the appropriate committees of the Legislative Assembly. The report must include:
- (a) Recommendations on decreasing the amount of copper and its compounds allowed under section 2 of this 2011 Act as amended by section 11 of this 2011 Act to an amount that is equal to or less than 0.5 percent by weight;
 - (b) Recommendations for exemptions, including exemptions for:
 - (A) Original equipment service and after-market brake friction material; and
 - (B) Brake friction material manufactured prior to the date of the report; and
- (c) Recommendations for an amount of time sufficient to allow manufacturers to comply with the recommendations made by the department under paragraph (a) of this subsection.
- (3) Notwithstanding subsection (2) of this section, the department may include in the report recommendations for commercial motor vehicles that are different from recommendations for other types of motor vehicles.
- (4) As used in this section, "alternative brake friction material" means brake friction material that:
 - (a) Does not contain:
 - (A) More than 0.5 percent copper and its compounds by weight;

1	(B) The fibers and elements identified in section 2 of this 2011 Act above the concen-
2	trations specified in section 2 of this 2011 Act; and
3	(C) Other materials determined by the department to be more harmful to human health
4	or the environment than existing brake friction material;
5	(b) Enables vehicle brakes to meet applicable federal safety standards or, if no federal
6	safety standards exist, widely accepted industry standards;
7	(c) Is available at a cost and in a quantity that does not cause significant financial
8	hardship to a majority of manufacturers; and
9	(d) Is available to enable manufacturers to produce viable products that meet consumer
10	expectations regarding braking noise, shuddering and durability.
11	(5) The definitions in section 1 of this 2011 Act apply to this section.
12	SECTION 17. Section 16 of this 2011 Act is repealed January 2, 2026.
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14	UNIT CAPTIONS
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16	SECTION 18. The unit captions used in this 2011 Act are provided only for the conven-
17	ience of the reader and do not become part of the statutory law of this state or express any
18	legislative intent in the enactment of this 2011 Act.
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