



Oregon

John A. Kitzhaber, M.D., Governor

Department of Transportation

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DATE: March 25, 2013

TO: Senate Committee on Business and Transportation

FROM: Amy Joyce, Legislative Liaison

SUBJECT: SB 756, donations at time of vehicle registration renewal

INTRODUCTION

SB 756 would allow customers to donate to a bicycle-pedestrian facility (bike-ped) fund when they are renewing vehicle registration with Oregon Department of Transportation, Driver and Motor Vehicle Services Division (DMV).

DISCUSSION

DMV processes approximately 1.5 million registration renewal transactions each year. There are many ways those transactions reach DMV. Most are just standard renewals, while about 6% of them are done as part of a new title transaction. For those standard renewals, DMV offers five options for customers to renew their registration: on-line, in the field office, by mail, through vehicle dealers at the point of purchase, or while completing emissions testing at DEQ in those parts of the state where that is a requirement for Clean Air Act purposes. There are 120,000 standard registration renewals every month, and nearly 20% of those are done via the on-line E-Gov website.

Under the bill DMV would offer the opportunity to donate money to a particular bike-ped fund for every option for vehicle registration renewal. With so many different ways to complete this transaction DMV would need to make many changes to its processes, as well as computer systems. For example transactions including donations would be pulled and hand-processed rather than being run through an automated machine used today.

In discussions with the sponsor DMV has identified a way to provide this donation opportunity to a large number of Oregonians while nearly erasing the costs to the Agency to implement the change. Pursuing this through the on-line renewal system would allow automation of the process and direct donation to the fund identified.

Two issues are raised by the provisions of the bill. First, any costs to implement and for on-going work are not Highway Fund eligible under Oregon's Constitution. Second, opening up this fund-raising avenue for one cause likely will lead to other entities seeking similar opportunity.

SUMMARY

The bill would require DMV to offer donation opportunity through every entry-point for registration renewal. DMV has identified a way to get substantial exposure for this donation opportunity while keeping impacts to the Agency extremely low. Costs to implement such a fund-raising mechanism are not eligible for Highway Funds.