

PRELIMINARY STAFF MEASURE SUMMARY**CARRIER:**

House Committee on Transportation & Economic Development

REVENUE: No revenue impact**FISCAL:** Fiscal statement issued**SUBSEQUENT REFERRAL TO:****Action:** Adopted -1 amendment**Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Troy Rayburn, Administrator**Meeting Dates:** 3/18, 4/17

WHAT THE MEASURE DOES: Permits person to provide Department of Transportation (Department) with odometer reading for vehicle 10 years old or older. Requires upon transfer of any interest in a motor vehicle, an odometer disclosure statement that shall be made by the transferor to the transferee. Requires Department to keep two most recent odometer records in electronic form.

ISSUES DISCUSSED:

- Large number of odometer roll-backs currently taking place
- Use of internet to sell vehicle has increased the modes in which vehicles are sold
- Digital odometers easy to change or roll back
- Average age of vehicle before sale is no longer 10 years
- Costs associated with odometer fraud include inflated insurance premiums and increased vehicle costs
- Weight of vehicles that are exempt under Federal law (for example, box trucks)
- State (Oregon Department of Transportation) cannot use Highway Funds to do the work
- Review of Legislative Fiscal Impact Statement
- Access to and use of Federal moneys to assist in administering
- Review of -1 amendments
- Adoption of -1 amendments

EFFECT OF COMMITTEE AMENDMENT: Modifies language regarding version of records required.

BACKGROUND: The National Highway Traffic Safety Administration estimates consumers will lose billions of dollars to odometer fraud this year. From 2002 to 2005, the Office of Odometer Fraud Investigations had seen a definite escalation in fraud. New car prices, coupled with the increased demand for late-model, low-mileage used cars, has made odometer fraud more profitable than ever. Strong enforcement of the federal and state odometer laws, i.e., prosecutions with stiff sentences, appears to be the most effective deterrent.