

**House Bill 3137**  
**Relating to motor vehicle odometers**

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House Bill 3137 permits an individual to submit a voluntary odometer reading to the Department of Transportation for a vehicle over ten years old. Current law only requires a reading for vehicles up to ten years old.

The measure has a General Fund fiscal impact, to enable the department to make necessary changes to its computer system. However, the department has applied for a National Highway Traffic Safety Administration odometer fraud grant to cover the costs in 2013-15. The grant award is expected to be announced by August 31, 2013.

If the grant is awarded, the department can proceed to implement the bill. If the grant is not awarded and the department can find no other funding for the purpose of implementing the bill, the department can request funding from the Legislature in February 2014.

The Transportation and Economic Development Subcommittee recommends House Bill 3137-A be reported out do pass.

Joint Committee on Ways and Means

Carrier – House: Rep. Nathanson  
Carrier – Senate: Sen. Shields

**Revenue:** No revenue impact

**Fiscal:** Fiscal statement issued

**Action:** Do Pass the A-Engrossed Measure

**Vote:**

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

**Prepared By:** Tim Walker, Legislative Fiscal Office

**Meeting Date:** June 26, 2013

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**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:**

- Second biennium/ongoing costs
- Beneficiaries of the legislation – consumers and vehicle dealers

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**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.

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 3137 - A**

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

Prepared by: Tim Walker  
Reviewed by: Linda Gilbert  
Date: 06/21/2013

**Measure Description:**

Permits person to provide Department of Transportation with odometer reading for vehicle 10 years old or older.

**Government Unit(s) Affected:**

Oregon Department of Transportation (ODOT)

**Summary of Expenditure Impact:**

<b>Summary of Expenditure Impact</b>		
	<b>2013-15 Biennium</b>	<b>2015-17 Biennium</b>
General Fund	\$74,526	\$25,795
Lottery Funds		
Other Funds		
Federal Funds		
<b>Total Funds</b>	<b>\$74,526</b>	<b>\$25,795</b>
Positions	2	2
FTE	0.28	0.28

**Local Government Mandate:**

This bill [may] [does not] affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**Analysis:** This bill would allow an individual to submit a voluntary odometer reading for a vehicle over ten years old to the Department of Transportation. Current state and federal law does not require an odometer reading for vehicles over ten years old.

The Division of Motor Vehicles (DMV) computer system does not allow for the entry of odometer readings for vehicle over ten years old and would need to make programming changes to the data processing system to allow for this transaction. The Attorney General has determined that the use of Highway Funds for this activity is not allowed. ODOT would need General Fund or to identify a source of other funds that could be used for this work.