
OREGON MOTOR VEHICLE DEALERS SUPPORT HOUSE BILL 2268

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By: Darrell W. Fuller / fuller_darrell@yahoo.com / 971-388-1786



Chair McKeown and members of the Transportation Committee:

The Oregon Vehicle Dealers Association represents nearly 600 independent business owners across the state of Oregon, making OVDA the largest auto dealer trade association in Oregon as far as we know. These dealers are primarily small businesses. On their behalf, OVDA monitors the Legislature and regulatory agencies with authority over motor vehicle dealers.

House Bill 2268 is an important consumer protection bill. When a motor vehicle which is less than ten years old is sold in Oregon, the law requires the odometer to be recorded during the title transfer process. This is both a Federal and State law. However, once a vehicle reaches its tenth birthday, the disclosure is no longer required.

The Federal odometer disclosure law does not preclude states from enacting laws better protecting consumers. This bill will require all motor vehicle sales to include an odometer disclosure. This is important because an increasing number of vehicles on the road are older. Cars are lasting longer and people are holding on to their vehicles longer. As a result, fewer and fewer vehicles are being protected from odometer fraud.

Here are some relevant statistics from the US Department of Transportation Bureau of Transportation Statistics:

The average age of a motor vehicle on the road in the United States changed from 9.7 years old in 2003 to 11.4 years old in 2013.

From 2001 to 2009, the average age of vehicles types increased:

Pick up / 9.4 years old to 11.2 years old

SUVs / 6.1 years old to 7.1 years old

Vans / 7.0 years old to 8.7 years old

Cars / 8.5 years old to 9.5 years old

With the advent of the digital odometer, those who profit by tampering with odometers have found increasing success. Hackers can learn how to roll back odometers from the internet. And as vehicles with digital odometers age, the science of hacking those odometers becomes easier and easier.

An odometer report when a vehicle is sold may be the only way a potential purchaser, or law enforcement, may be tipped off that a motor vehicle's odometer has been rolled back. And, a rolled odometer costs the consumer thousands of dollars in increased insurance premiums and additional repair and maintenance costs, let alone the higher purchase price for a vehicle appearing to be much newer than it actually is in terms of miles.

Thank you for considering this important consumer protection bill. I am happy to answer any questions.

Oregon Vehicle Dealers Association

PO Box 4290 Salem OR 97302 (503) 399-9199 ovda@ordealers.com www.ordealers.com