

Department of Environmental Quality Agency Headquarters 811 SW Sixth Avenue Portland, OR 97204-1390 (503) 229-5696 FAX (503) 229-6124 TTY 711

March 24, 2015

TO: Joint Committee on Ways and Means: Subcommittee on Natural Resources

FROM: Dick Pedersen, Director, Department of Environmental Quality

RE: Follow-up to questions during March 24 hearing

Co-chair Devlin, Co-chair Rayfield and subcommittee members:

Below is information related to Representative Gomberg's question at the March 24 Department of Environmental Quality budget hearing. Please let me know if you would like additional information.

## Of the \$40 million collected from debit and credit cards at DEQ Vehicle Inspection Stations for emissions testing fees and DMV registration, how much was attributable to DEQ fees?

Of the \$40 million collected, \$8,058,000 was for DEQ emissions testing fees and DEQ paid approximately \$96,000 in merchant fees for those transactions. DEQ will gather the DMV information but it may take us a day or two.



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March 27, 2015

TO: Joint Committee on Ways and Means: Subcommittee on Natural Resources

FROM: Dick Pedersen, Director, Department of Environmental Quality

RE: Follow-up to a question during March 24 hearing

Co-chair Devlin, Co-chair Rayfield and subcommittee members:

Below is information to clarify Vehicle Inspection Program items raised at the March 24 Department of Environmental Quality budget hearing. Please let me know if you would like additional information.

## **Dashboard Lights**

For 1996 and newer vehicles, the emissions test is based upon a vehicle's on-board diagnostics (OBD) computer system. The OBD system controls and monitors several emissions components such as oxygen sensors and catalytic converters. When such components begin to malfunction, the dashboard will illuminate a warning light which typically looks like the engine block symbol below:



The "Check Engine Light" is officially called the "Malfunction Indicator Lamp". When DEQ's computer system in a Clean Air Station recognizes that this malfunction indicator is commanded on, the vehicle will fail the emissions test. However, some motorists respond to their Check Engine Light by seeking repairs earlier than waiting for DEQ's 2 year periodic inspection. Such early action prevents excess air pollution and, along with cars now being manufactured much cleaner, is why the vehicle failure rates of VIP programs across the country are so low for the newer model years. The emissions test, the preventative nature of the Check Engine Light, the motoring public and local auto repair facilities all work together to properly maintain cars and reduce air pollution.

In addition to the Check Engine Light, there are many separate and distinct dashboard indicator lights used in today's computerized vehicles and they all use symbols and/or words. For example, there are separate indicators for tire, brake and battery concerns. Some vehicles can be programmed to have a light turn on when the next regular oil service or other routine maintenance is necessary. Such maintenance lights are typically triggered when the vehicle reaches the next pre-set odometer value. But that sort of preventative maintenance light would neither trigger the Check Engine Light symbol nor cause a vehicle to fail DEQ's test.

## DEQ's Response to the 2013 Budget Note

This report was sent to all Legislators on February 27<sup>th</sup>; however, we are including a link to the report on our website for your convenience. http://www.deg.state.or.us/pubs/legislativepubs/2015/SB5520-A.pdf

Among many items, this report indicates that vehicles are the major source of ozone pollution, but not the only source. All the sources (vehicles, industry, etc.) and pollution reduction strategies will be taken into consideration when DEQ evaluates the ozone plan. DEQ will also take into account the anticipated new federal standard, the impacts on the economy and other pollutants such as air toxics. The report describes how and when this evaluation will be completed.



March 26, 2015

Subcommittee on Natural Resources of the Joint Committee on Ways and Means

RE: HB 5018, DEQ Budget Response to questions regarding credit/debit fees for DMV transactions

Co-Chair Devlin, Co-Chair Rayfield, and members:

During your Tuesday hearing on the budget for Department of Environmental Quality, that agency was asked for information about credit- and debit card fees. One aspect of transactions in their Vehicle Inspection Program is the processing vehicle registration renewal on behalf of DMV. (At the emissions stations customers can renew their vehicle registration and receive updated tags to adhere to their license plates.) DEQ deferred to DMV for the fee information.

The fees for the DMV portion of the DEQ credit- and debit transactions in calendar year 2014 were approximately \$385,000. DMV reimbursed DEQ for the merchant fee expense.

If you have any other questions please contact me.

Amy Joyce Legislative Liaison

C: DEQ

Julie Neburka, LFO analyst for Department of Transportation