



Oregon

Kate Brown, Governor

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DATE: March 22, 2017

TO: Senate Committee on Business and Transportation

FROM: Amy Joyce, Legislative Liaison

SUBJECT: SB 839, small utility trailer registration

INTRODUCTION

Senate Bill 839 removes the exception from registration requirements for light utility trailers. This significantly expands the vehicles that require title and registration in Oregon.

DISCUSSION

Under current law, trailers under 1800 pounds loaded weight are exempt from the requirement that vehicles used on Oregon highways be registered. The bill removes this exemption, and therefore adds small trailers to those that must be registered. Also, to obtain vehicle registration in Oregon, a vehicle must first have a title. Therefore, the bill has the effect of also requiring these vehicles to apply for and obtain a title from DMV. To obtain title and registration, a vehicle must have a Vehicle Identification Number (VIN).

Trailers of this small size come in many forms, requiring slightly different processes. Some are new, commercially built, and have a VIN. Others are used, some very old. Still others are homemade, including those that are cobbled together from parts of several different vehicles. A new vehicle would have a manufacturer's document showing the VIN, and the process is simple. Used trailers, almost none of which will have been titled and registered before, will need to be presented at a DMV field office for a VIN inspection. Some homemade trailers will have no VIN. If several vehicle pieces are assembled together, the trailer may have multiple VINs. In the case of no VIN being found upon inspection, DMV will assign it a VIN. In the case of multiple VINs, the owner will need to have the inspection done by law enforcement personnel who will decide which number is appropriate to be used. Once the VIN is found or assigned, DMV would issue title and registration based on the application and fee.

For a trailer of this size, the current fees would be: title, \$77; two-year registration, \$86; plate fee, \$12; VIN inspection, \$7. Therefore the most likely transaction (two-year registration needing a VIN inspection), the total first-time fee will be \$182. Multnomah County residents will be subject to an additional \$38 Multnomah County registration fee for a two-year registration period.

Based on the experience of Washington state, which already requires such registration, DMV estimates between 200,000 and 250,000 of these trailers are in Oregon and would need title and registration. If the bill were to move forward, it would be beneficial for the agency to have rule-writing authority particularly around the timing of the implementation. Staggering implementation would be necessary to avoid a huge influx of customers both immediately upon the operative date, and every two years subsequent for renewal.

SUMMARY

The bill removes an existing exemption from registration requirements. This has the effect of requiring title in addition to registration. The ability to stagger implementation would be important to avoid huge spikes both in customer traffic at the DMV field office and in paperwork at the DMV headquarters.