



February 13, 2018

Joint Committee on Transportation  
Oregon State Legislature  
900 Court St. NE  
Salem, OR 97301

Dear Co-Chairs Beyer and McKeown:

On behalf of LKQ Corporation, we would like to submit written comments regarding your jointly sponsored bill (HB 4060), which is scheduled for a hearing before your Joint Committee on Transportation on February 14<sup>th</sup> at 5:30 pm.

As the global leader of auto recycling, LKQ is particularly concerned with the language that requires qualifying vehicles under the Charge Ahead Oregon Program to be scrapped or otherwise rendered inoperable. The semantics of this provision could be misinterpreted to require whole motor vehicles to be destroyed prior to undergoing the conventional process of auto dismantling, recycling, and wrecking.

The legislative intent of this bill appears to strictly pertain to emissions and air quality control. Therefore, *this electronic vehicle rebate program should promote the environmental benefits of auto recycling by requiring high-emission passenger motor vehicles to be retired to a licensed motor vehicle dismantler instead of being scrapped or rendered inoperable.* The vast majority of the vehicles that will be surrendered under this program qualify to enter the auto recycling process prior to being transferred to a crushing or scrapping operation.

LKQ promotes the environmental benefits of auto recycling by properly processing used and salvage vehicles. This process includes dismantling the vehicles and harvesting their useful parts. These parts are then available to consumers who opt to repair their vehicles with affordable, original fit and function recycled auto parts.

For the sake of environmental conservation, auto parts availability, and consumer repair options, we respectfully ask that all vehicles under this program are properly “recycled” and their parts harvested rather than “scrapped” or rendered inoperable.

*Washington State has successfully amended their proposed bill (SB 6080), which establishes the Charge Ahead Washington program, to eliminate the requirement for vehicles to be scrapped or rendered inoperable. The adopted amendment now allows vehicles under this program to be transferred to a licensed auto wrecker/dismantler for proper end-of-life recycling.*

Substitute Bill: <http://app.leg.wa.gov/billsummary?BillNumber=6080&Year=2017>

Please find below proposed language for consideration:

Oregon House Bill 4060, Page 25, Lines 37-39:

(B) Will [*scrap or otherwise render inoperable*] **deliver** a high-emission passenger motor vehicle **to a licensed motor vehicle dismantler** that, on the date of the rebate application, is registered as operable and has been continuously registered for the last two years; or

LKQ Corporation is the leading provider of alternative and specialty parts to repair and accessorize automobiles and other vehicles. LKQ offers its customers a broad range of replacement systems, components, equipment and parts to repair and accessorize automobiles, trucks, and recreational and performance vehicles. Globally, LKQ has just under 40,000 employees and operates over 630 facilities.

In Oregon, LKQ has 461 employees, pays taxes on a payroll of over \$14.7 million dollars and operates ten (10) facilities located in the following cities: four (4) in Portland, one (1) in Redmond, one (1) in Salem, one (1) in Tualatin, two (2) in Wilsonville, and one (1) in Woodburn.

We appreciate the opportunity to provide industry input and work with all members of the Oregon State Legislature and stakeholders to advance sound policy related to the automotive industry. We look forward to your feedback as we request the above mentioned clarification to ***designate high-emission motor vehicles under this program to be properly recycled by licensed motor vehicle dismantlers.***

Please do not hesitate to contact me if you have any questions, comments or input. I can be reached at ebenezersdg@outlook.com and 754-248-9796.

Respectfully,

Catalina Jelkh Pareja  
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LKQ Corporation