



March 11, 2019

The Honorable Michael Dembrow
Senate Committee on Environment and Natural Resources
900 Court Street NE
Salem, OR 97301

Re: Senate Bill 792 - Relating to Auto Dismantlers

Dear Chair Dembrow and Committee Members:

On behalf of LKQ Corporation, we would like to thank Senator Lew Frederick, Speaker Tina Kotek, and their Legislative Staff for allowing us to provide input during the drafting of their sponsored bill. We applaud Senator Frederick and Speaker Kotek's leadership as they respond to the unfortunate fire incident that took place in their district on March 12, 2018. LKQ is committed to working with their offices, government agencies, and stakeholders to improve the operation and oversight of the auto dismantling industry in Oregon.

LKQ has expressed serious concerns regarding the proposed change to designate auto dismantlers as disposal sites and solid waste management facilities. We have explained that motor vehicles, motor vehicle parts and components should not be treated as solid waste, based on the premise that, unlike waste, an automobile as a whole and its scrap metal have monetary value and are suitable for reuse. ***Although we appreciate Speaker Kotek's clarification to remove the solid waste designation, now reflected on the -4 amendment, we respectfully ask to eliminate the remaining provisions where the solid waste code is referenced.***

Concerning the increased frequency of inspections and fees, LKQ believes that legislative efforts should instead address the pressing threat of illegal auto dismantling, which currently affects consumers, businesses and the community as a whole. Unlicensed auto dismantlers exacerbate issues for law enforcement and environmental agencies, law-abiding auto dismantlers, and the general public. When vehicles or vehicle parts are processed by illegal operators, consumers are exposed to potentially unsafe, stolen, dangerous vehicles and/or parts that should not be placed back on the roads. These unregulated individuals typically lack the training and equipment necessary to comply with federal, state, and local auto recycling environmental guidelines. Moreover, bad actors negatively impact the auto dismantling industry creating an unlevel playing field. ***SB 792 imposes additional layers of regulation on businesses that are currently in compliance while ignoring unregulated operators. We urge you to consider investigative and enforcement measures to reduce illegal activity in order to protect motorists, safeguard the industry, and better serve your communities.***

LKQ Corporation is a 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 for automobiles, trucks, and recreational and performance vehicles. Globally, LKQ has an industry leading team of over 43,000 employees and operates over 630 facilities.



In Oregon, LKQ has 342 employees at 11 facilities located in the following cities: one (1) in Damascus, one (1) in Medford, four (4) in Portland, one (1) in Redmond, one (1) in Salem, one (1) in Tualatin, one (1) in Wilsonville, and one (1) in Woodburn. LKQ pays taxes on payroll of more than \$14.6 million.

We appreciate the opportunity to provide industry input and look forward to continuing the conversation in order to advance sound public policy related to Oregon's auto dismantling industry.

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
Government Affairs Representative
LKQ Corporation