Testimony in Support of LDs 320 & 1010:
"An Act to Repeal Certain Motor Vehicle Inspection Requirements" & "An Act to Amend the State's Vehicle Inspection Law by Requiring Inspections Biennially"

Senator Nangle, Representative Crafts, and the distinguished members of the Committee on Transportation, my name is Harris Van Pate, and I serve as policy analyst for Maine Policy Institute. Maine Policy is a free market think tank, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to submit testimony in support of LDs 320 and 1010.

These bills represent a much-needed reevaluation of Maine's burdensome and outdated motor vehicle inspection regime. These bills seek to repeal or reform the mandatory annual inspection requirement for most passenger vehicles in the state, maintaining inspections only for commercial vehicles, trailers, semitrailers, fire trucks, and vehicles managed by dealers and transporters. These smart, targeted reforms preserve essential safety checks while liberating everyday Mainers from an unnecessary government mandate.

Maine is one of just nine states that still require universal yearly safety inspections for passenger vehicles.[1] 29 states nationwide either don't require vehicle safety inspections at all for passenger vehicles, or only require a one-time inspection at the point of purchase. Notably, several states with significantly larger populations and harsher weather conditions—such as Idaho, Michigan, and Minnesota—do not require safety inspections, yet do not experience higher rates of vehicle-related fatalities. In fact, these three states experience around two fewer traffic fatalities per 100k population than Maine's rate of 13.14.[2]

The Government Accountability Office (GAO) concluded in a 2015 study that there is "no conclusive proof (that) such inspections" have a measurable impact on reducing accidents.[3] What these mandates *do* achieve, however, is imposing a hidden tax on working Mainers, many of whom live paycheck to paycheck. Inspection costs range from $12 to $35, plus additional charges for repairs for inspection "failures," and this requirement disproportionately impacts low-income individuals and families. The costs

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[1] https://1800lionlaw.com/vehicle-inspection-laws-by-state/

[2] https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/813627
Maine's Rate: 13.14 vehicle deaths per 100 k, Idaho's: 11.09 vehicle deaths per 100 k, Michigan's: 11.20 vehicle deaths per 100 k, Minnesota's: 7.77 vehicle deaths per 100 k

[3] https://www.repairerdrivennews.com/2015/08/27/gao-difficult-to-determine-if-state-inspection-programs-work-from-crash-data/

add up—not just in dollars, but in time spent scheduling and attending inspections, and in the uncertainty of being penalized for cosmetic or non-safety-related issues.

These bills are common-sense reforms that protect public safety where it matters—on commercial and specialty vehicles—while rolling back an unnecessary layer of bureaucracy for everyday Mainers. Rather than relying on a blanket, state-enforced mandate, we should trust that drivers are incentivized to maintain their vehicles, especially given the high cost of neglect. With advancements in automotive technology, vehicles are more reliable and safer than ever.

Repealing or reforming these inspection requirements aligns with Maine Policy Institute's mission to reduce regulatory overreach, promote individual responsibility, and create a more competitive economic environment. It is time for Maine to join most states in recognizing that annual safety inspections for private vehicles are more of a relic than a requirement.

Please review Appendix I below for a 2021 analysis Maine Policy conducted on the state's vehicle inspection program.

We urge the committee to vote "Ought to Pass" on LDs 320 and 1010. Thank you for your time and consideration.

MAINE POLICY INSTITUTE

ISSUE BRIEF NO. 9 | MARCH 2021

BY: NICK MURRAY, POLICY ANALYST &
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POLICY BRIEF

KEY FINDINGS

> Maine is one of only **15 states which require annual vehicle safety inspections**; five states require them every other year.

> Between 2015 and 2019, the Maine Department of Transportation found that only **3% of car accidents involved a mechanical issue**.

> Maine law already designates operating a "defective vehicle" as a **Class E crime**.

> Research over the last four decades **has not shown a link between mandatory safety inspections and lower traffic fatalities**.

> Mandatory vehicle inspections cost Maine drivers over **$14 million per year** in fees and countless hours of wasted time.

> Inspection requirements **do not correlate with lower automobile insurance rates.**

STICKER SHOCK: MAINE'S BURDENSOME VEHICLE INSPECTION MANDATE

INTRODUCTION

Every year, hundreds of thousands of Mainers visit auto repair shops for one reason: to acquire the government's stamp of approval to drive their car.

Maine has mandated vehicle safety inspections since 1930. Supporters of the requirement argue that it protects the public by keeping poorly-maintained, mechanically-deficient vehicles off the road. But the evidence to substantiate these claims is thin.

Most of the evidence, in fact, suggests that Maine's inspection mandates have outlived their usefulness. To date, a majority of states do not require vehicle inspections for safety. Only 20 states still have these laws on the books and five of them, including California, Colorado and Rhode Island, require them only every two years.[1]

MECHANICAL DEFECTS RARELY CAUSE MOTOR VEHICLE ACCIDENTS

Many supporters of Maine's mandatory inspection law mistakenly assume that mechanical problems are responsible for a large proportion of motor vehicle accidents.

Every year, tens of millions of tourists flock to Maine, many of whom arrive in their personal vehicles.[2] Though precise figures are unavailable, it's reasonable to assume that millions of these visitors drive to Maine from one of the 30 states that have no mandatory safety inspection. In other words, many of the cars that drive on Maine's roads every year never had to pass a government inspection. The mandate on Maine drivers is a regressive penalty for living in the state, instead of just visiting.

A Government Accountability Office (GAO) review of six rigorous studies examining vehicle safety inspection programs published since 1990 found no statistically significant difference in crash rates, fatalities, or injuries between states with and without inspection programs.[3]

From 2005 to 2007, the National Highway Traffic Safety Administration conducted a study on the cause of motor vehicle accidents across the nation. Investigators sought to pinpoint the "critical" reason—the last event in the crash causal chain—for such accidents. Though the data is more than 15 years old, it remains the best source we have to evaluate causal factors in motor-vehicle crashes.

Out of more than 2 million accidents included in the study, vehicle component failures were responsible for only 2% (44,000). Of that small proportion, tire/wheel failure accounted for about 35% of crashes. Brake-related problems accounted for about 22%, and steering / suspension / transmission / engine-related problems were assigned as critical reasons in only 3% of such crashes. Other vehicle-related issues made up about 40% of such crashes.[4]

In Maine, vehicular mechanical failures are such a minor factor in col-

lisions that the state Department of Transportation just started including them in their most recent crash statistics report published in 2019. Of course, there is potential for a crash to be caused by more than one factor, but the report shows little more than 3% of the accidents from 2015 to 2019 involved a vehicular issue. Those involving tire, wheel, steering, suspension, transmission, or brake issues made up only 1.75% of the five-year total. Crashes involving the influence of alcohol, drugs, or medication made up 2.67% of all crashes in that five-year period.[5]

Maine law also gives Maine State Police authority to determine if a driver is operating a "defective vehicle." If an officer deems that the "vehicle is unsafe for operation because it poses an immediate hazard to an occupant of the vehicle or the general public," the driver can be charged with a misdemeanor.[6] This need not be tied to an inspection requirement. Of course, law enforcement should not be conducting 20-point inspections on the side of the road, but with the goal of protecting public safety, the law already provides plenty of enforcement authority.

MANY CONSUMERS DO NOT TRUST AUTO MECHANICS

In theory, vehicle safety inspections help identify serious mechanical problems before parts fail and cause an accident. In reality, the idea that inspection guidelines are consistently applied to every vehicle is just not true. Mechanics often use the threat of withholding an inspection sticker to coerce drivers into paying for unnecessary "repairs."

Who hasn't driven a vehicle that seemed to be in perfectly good condition to a garage for its annual inspection, only to be told that the car was too dangerous to drive and needed hundreds of dollars of repairs to earn a safety sticker? And how many times have you gone to another garage for a second opinion, where the costs and types of repairs cited were significantly different?

According to a 2016 AAA survey, two out of three Americans simply do not trust auto repair shops.[7] Drivers cite excessive charges, unnecessary service recommendations and poor past experiences as the top reasons for their lack of confidence. The National Insurance Crime Bureau warns that "unscrupulous and dishonest collision repair operators are key contributors to the nation's insurance fraud problems."[8]

Instead of incentivizing transparency and consumer trust, Maine's unnecessary inspection mandate does the opposite, undermining honest communication.

In 2013, the last year for which data is available, the Maine State Police received 559 complaints from drivers about inspection stations, issued 129 warnings, and suspended 37 stations and 78 technicians for violating inspection program rules.[9]

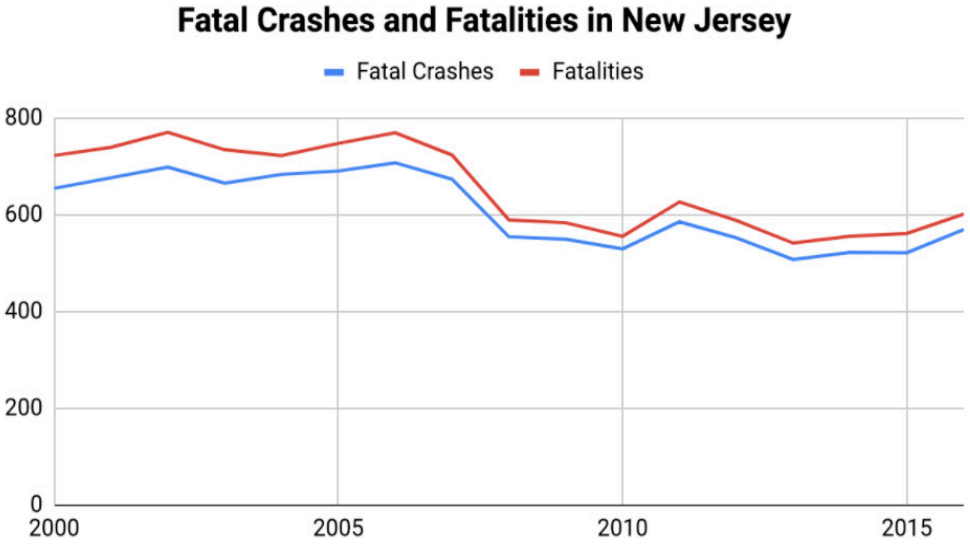
Consumers' misgivings are well-founded. In one study, researchers in Pennsylvania intentionally created 13 defects in a brand new car prior to inspection. Among the many garages they visited, the detection rate of real defects varied widely, from 25% to 54%. Interestingly, while mechanics on average only found five of the 13 defects, they also "found" an average of two non-existent defects.[10]

Another study echoes similar conclusions. A researcher visited 40 garages with a well-maintained thirteen-year-old Subaru Legacy. Prior to each visit, the vehicle was thoroughly inspected by two expert mechanics who documented the condition of all of the car's parts and noted any defects. The car had five defects that required immediate attention: a loose battery cable, low coolant, a missing backup tail light, misfit and worn spark plug wires, and an exhaust pipe leak.

Six other defects needed to be monitored but required no urgent action: a slightly weak alternator; an exhaust system with rust along the center pipe and muffler; an unknown condition of the timing belt; moderately-worn shock absorbers; two moderate oil leaks from the engine; and a rattling noise that occasionally came from the right-front brake (braking ability was not impaired). The rest of the vehicle was in good condition.

Of the 40 shops that inspected the vehicle, the plurality of mechanics discovered only one of the 11 defects, and in 55% of visits, two or fewer defects were detected. In only 10% of visits were the majority of the

defects discovered. The blown tail light was discovered in only 13% of visits, showing that even trivial-to-discover problems were usually overlooked. The loose battery cable was corrected 68% of the time. The low coolant level was detected in only 28% of visits.[11]



At best, mandatory safety inspections are ineffective ways of identifying needed repairs. At worst, they create a government-created market for unscrupulous mechanics to invent defects and maximize profits. With more government mandates, the people lose more of their liberty with no guarantee of safety. Residents and visitors of the 30 states without mandatory inspections rely on personal responsibility, as we all do in many aspects of daily life.

Most mechanics are just trying to provide good service to their customers; some garages even offer safety inspections free of charge. But a few bad actors unquestionably and intentionally inflate charges or uncover fictional problems—and Maine's inspection mandate empowers them to commit this fraud.

VEHICLE INSPECTIONS AND MOTOR VEHICLE FATALITIES

The justification for mandatory vehicle safety inspections is that they prevent fatalities and serious injuries on our roads and highways. But is this true? This question has been exhaustively tested over the last several decades.

Researchers at Brigham Young University who studied the effects of repealing inspection mandates in New Jersey and Washington D.C. found no evidence that motor vehicle accidents had increased as a result.[12] Another study of New Jersey found:

"...removing the requirements resulted in no significant increases in any of traffic fatalities per capita, traffic fatalities due specifically to car failure per capita, or the frequency of accidents due to car failure. Therefore, we conclude that vehicle safety inspections do not represent an efficient use of government funds, and do not appear to have any significantly mitigating effect on the role of car failure in traffic accidents."

In the years that followed New Jersey's decision to repeal its inspection mandates, the number of fatal crashes and fatalities on New Jersey's roads and highways did not sharply increase, contrary to what inspection proponents had predicted. In fact, in the five years following the reform, the average annual number of fatal crashes and fatalities was significantly lower than the average in the five year period that preceded the change in the law.

A comprehensive analysis using data from all 50 states from 1981 to 1993 also failed to uncover any convincing evidence that safety inspections reduce fatalities or injuries.[13] A study in the journal Public Choice concluded that "the evidence strongly rejects a public interest explanation" for the existence of mandatory inspections.[14]

MOTORISTS' COSTS VERSUS GOVERNMENT REVENUE

Maine's inspection mandate comes at a cost. Motorists lose time and money complying with this regula-

tion. Abolishing the program would save the owners of the roughly 820,000 passenger cars inspected each year approximately $10.3 million annually in up-front expenses.

Lost time is an even greater cost. Assuming each inspection takes approximately one hour, valued at the statewide median wage of $17.41 per hour, inspection mandates impose an additional $14.3 million on Mainers.[15]

The costs of unneeded repairs resulting from an inspection, though difficult to quantify, could also be significant. Overall, taking into account only the up-front costs of the inspection and the value of the time lost complying with the law, mandatory inspections cost Mainers at least $14.6 million.

According to research by WalletHub, Maine has the 6th-highest motor vehicle taxes in the country, at a 2.4% effective rate.[16] One-half of states don't levy motor vehicle taxes at all. Even New Hampshire—which, in the absence of an income or sales tax, relies on more diverse revenue sources—has lower motor vehicle taxes than Maine. Given the high cost of owning a car in Maine, legislators should focus on reducing onerous fines and unnecessary mandates that raise those costs.

The Maine State Police spends nearly $1 million per year administering the inspection program, which generates about $3.5 million in state revenue. Given the costs imposed on the public, there is no financial justification for keeping it in place. Even a perennial proponent of maintaining Maine's inspections program, Representative Lester Ordway of Standish, has admitted that "the state doesn't make any real money off of [the program]."[17]

MAINE'S CLIMATE AND VEHICLE DETERIORATION

A common objection to repealing Maine's inspection program is that our harsh winters accelerate vehicle deterioration and warrant special government oversight, even if more temperate states can get away without periodic inspections.

There is little doubt that the harsh chemicals used on Maine's roads to combat snow and ice have a highly corrosive effect on many critical automobile components. But Maine is hardly the only state to experience long, snowy winters.

Winter conditions haven't prevented Minnesota, North Dakota, Connecticut, Colorado, Michigan, and Alaska from repealing their periodic vehicle inspection programs entirely. Most of these states use road salt extensively,[18] yet research has not shown an increase in vehicular accidents, injuries, or fatalities in these states.

Table 1: Annual Snowfall in States Without Inspection Requirements

State	*Average Inches of Snow*	*Inspection Requirement?*
Maine	77	Yes
Michigan	61	No
Alaska	64	No
Colorado	67	No

Source: US Average Snow State Rank | USA.com

EFFECTS OF VEHICLE INSPECTION MANDATES ON INSURANCE RATES

In the past, efforts to repeal Maine's inspection mandate have been met with warnings that doing so would cause car insurance rates to surge by increasing the frequency of accidents. This claim is easily tested, using comprehensive data from the National Association of Insurance Commissioners, and is plainly false.[19]

Data from 2016 show that the average premium for liability insurance in states that did not have inspections mandates was $517 per year, compared to $548 in states with mandatory inspections. The same dataset shows that out of the 10 most expensive states for liability insurance, five have inspections and five don't. Out of the 10 most affordable states for liability insurance, three have inspections and seven don't. Inspection requirements simply do not significantly affect insurance rates.

A VESTIGE OF THE PAST

Maine was one of the first states to mandate periodic vehicle safety inspections, but the law has only undergone minor tweaks in the last 90 years.

In those days, one of the most popular cars on America's roads was the Ford Model T and motor vehicle fatalities per mile traveled were about 8 times greater than in the 21st century.[20] Cars have come a long way since then. Better technology and improved manufacturing processes have made cars more durable, reliable, and safer than ever. On top of that, myriad electronic sensors now warn drivers when systems malfunction, allowing repairs to be made before serious failures occur.

The dramatic changes in automotive performance and mounting evidence that inspections do little to enhance public safety have led many states to reconsider their inspection programs, as Table 2 shows.

Table 2: States That Have Required Vehicle Safety Inspections, 1929-2015

States Currently Requiring Annual Safety Inspections		**States that Repealed Inspection Programs**		
State	*Started*	*State*	*Started*	*Ended*
Pennsylvania	1929	Colorado	1937	1981
Maine	1930	New Jersey	1938	2010
Massachusetts	1930	District of Columbia	1939	2009
New Hampshire	1931	New Mexico	1953	1977
Virginia	1932	Mississippi	1961	2015
Delaware	1933	Georgia	1965	1982
Vermont	1936	Wyoming	1967	1977
Texas	1951	Florida	1968	1981
West Virginia	1955	Idaho	1968	1976
New York	1957	Kentucky	1968	1978
Rhode Island	1959	South Carolina	1968	1995
Louisiana	1961	South Dakota	1968	1979
Hawaii	1961	Arkansas	1969	1998
North Carolina	1966	Indiana	1969	1980
Missouri	1969	Nebraska	1969	1982
		Oklahoma	1969	2001
		Utah	1936	2018

Sources: Government Accountability Office, "Vehicle Safety Inspections: Improved DOT Communication Could Better Inform State Programs" 2015.

CONCLUSION

In 2020, in response to COVID-19, state vehicle inspection and registration requirements were suspended by Governor Mills under an emergency executive order for nine months.[21] This move was to manage a threat to public safety. Car repair shops were deemed essential, but state inspections were not. If this rule was crucial to ensure public safety, Governor Mills would not have suspended it. If this has not borne out in more dangerous roadways, then there is no reason to keep the mandate.

Vehicles today are far more safe and reliable than those on the road when the first inspections laws were adopted nearly 90 years ago. Evidence is thin to conclude that these laws save lives and all the data point to the program being an unnecessary burden for Maine motorists, costing thousands of hours and millions of dollars each year. Most states have done away with these outdated regulations. Maine should do the same.

POLICY BRIEF

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