

New Hampshire Department of Motor Vehicles

Failure Rates for Safety and Emissions Inspections on Late Model Vehicles for the First 3 Inspections

Vehicles model year 2018	First Inspection	Second Inspection	Third Inspection
Total number of model year 2018 vehicles inspected	96,429	94,947	95,428
Number of Safety Inspection Deficiencies found	512	3,137	7,125
Number of vehicles failing for safety	201	1,132	2,323
Number of OBD Test Deficiencies found	124,051	16,359	13,515
Number of vehicles failing for OBD	315	665	3,723

Vehicles model year 2019	First Inspection	Second Inspection	Third Inspection
Total number of model year 2019 vehicles inspected	99,543	99,670	102,379
Number of Safety Inspection Deficiencies found	546	2,783	6,828
Number of vehicles failing for safety	214	1,036	2,285
Number of OBD Test Deficiencies found	129,745	21,813	19,115
Number of vehicles failing for OBD	496	861	3,861

Vehicles model year 2020	First Inspection	Second Inspection	Third Inspection (thru 10/14/22)
Total number of model year 2020 vehicles inspected	79,835	79,359	68,330
Number of Safety Inspection Deficiencies found	365	2,277	4,190
Number of vehicles failing for safety	142	915	1,541
Number of OBD Test Deficiencies found	101,870	15,680	11,193
Number of vehicles failing for OBD	351	392	2,307

2018	# of Inspections	Safety Failures	% of Safety Failures	OBD Failures	% of OBD Failures
First Inspection	96,429	201	0.21%	315	0.33%
Second Inspection	94,947	1,132	1.19%	665	0.70%
Third Inspection	95,428	2,323	2.43%	3,723	3.90%
2019	# of Inspections	Safety Failures	% of Safety Failures	OBD Failures	% of OBD Failures
First Inspection	99,543	214	0.21%	496	0.50%
Second Inspection	99,670	1,036	1.04%	861	0.86%
Third Inspection	102,379	2,285	2.23%	3,861	3.77%
2020	# of Inspections	Safety Failures	% of Safety Failures	OBD Failures	% of OBD Failures
First Inspection	79,835	142	0.18%	351	0.44%
Second Inspection	79,359	915	1.15%	392	0.49%
Third Inspection <small>(as of 10/14/22)</small>	68,330	1,541	2.26%	2,307	3.38%

Newell Augur
Enterprise
LD 746

Senator Chipman, Representative Williams, and distinguished members of the Joint Standing Committee on Transportation, my name is Newell Augur. I am a resident of Yarmouth and a partner at Pierce Atwood, LLP. I appreciate the opportunity to submit this testimony on behalf of Enterprise Rent-A-Car, neither for nor against LD 746, An Act to Modernize the State's Vehicle Inspection System by Requiring Inspections Biennially and Allowing for an Electronic Inspection Program.

Our testimony is in strong support of the modernization of Maine's registration and titling system. As many stakeholders have indicated, it is long overdue. From a national perspective, Maine is a much more difficult state for fleet companies to operate given the antiquated nature of our registration and titling system. We know that the Maine DMV and others are working hard to bring the system into the 21st century. We are happy to provide our experience in other states to inform those efforts, including creating a separate fleet plate and an electronic vehicle registration system for fleet companies and providing remote options for fleet companies to have the ability to select towns and cities without the required travel.

We also support dispensing with the first three vehicle inspections (we take no position as to the frequency of inspections thereafter). Every year, Enterprise registers approximately 5,000 cars, nearly all of them brand new, at our 34 different locations in Maine. We pay a registration fee to the State and excise tax to the town for every one of those vehicles. At the end of the first year, on average, approximately 75% of them are located in a different state.

The Enterprise office in that state does not have the wherewithal to return the vehicle to Maine for an inspection. Because an inspection is required on a new car after only 12 months, the Maine plates on that car are removed and plates from the state where the car is newly located are put on. As a result, Maine loses the registration fee and the excise tax for that vehicle. Multiply that by 3,750 every year and the amount of lost revenue to the State of Maine and Maine municipalities adds up quickly.

For Enterprise, it's not a question of saving money or avoiding the registration fee. We pay that fee regardless of where the car is located. Rather, it's an issue of the use of our asset. Pulling plates off a car and reissuing plates in a new state is an administrative hassle that most rental companies would just as soon avoid because it pulls an asset off the road for a week. But driving that car from New York, Pennsylvania, Virginia or Florida back to Maine for an inspection is not an option.

It's important to remember that new cars sold today are remarkably different than new cars manufactured 25 years ago, or even 10 years ago. Vehicle safety has changed dramatically over this time, and today newer cars are safer than ever before. Thanks to advanced engineering, in-depth research and analysis of crash data, newer vehicles are built better and have more safety features. These advanced technologies make vehicle inspections within the first two years after a new car is purchased entirely unnecessary.

The data supports this. New Hampshire, which is also considering a change to their registration and inspection process, recently collected data on the failure rate for vehicles in the first two years following purchase. A chart issued by the New Hampshire Division of Motor Vehicles is included along with this testimony. For safety inspections on 2018-2020 model year vehicles, the failure rate for the first inspection was between .201% and .18%; the failure rate for the second inspection was between 1.19% and 1.04%; the failure rate for the third inspection was between 2.43% and 2.23%.

Thank you for the opportunity to testify. I'd be happy to answer any questions.