

Testimony of

Steve Page, President & General Manager
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before the

Subcommittee on Environment
House Committee on Energy & Commerce

on

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Introduction

Chairman Shimkus, Ranking Member Tonko, and members of the Subcommittee, I appreciate the opportunity to speak today about H.R. 350, the “Recognizing the Protection of Motorsports Act of 2017.” The so-called “RPM Act” confirms that the Clean Air Act allows for certified motor vehicles to be modified into race vehicles used solely for motorsports competition.

My name is Steve Page, and I am President and General Manager of Sonoma Speedway in Sonoma, California. It is a pleasure to be with you today. I look forward to providing some perspective on operating a race track and the important role Congress can play in providing long-

term stability to amateur and sportsman racers, fans, and the many small businesses connected to motorsports in the U.S.

Background on Sonoma Raceway

While Sonoma, California is viewed as a mecca for wine connoisseurs, Sonoma Raceway is known as a premier venue within the racing community. The facility is located on approximately 1,600 acres and consists of a 2.52-mile, twelve-turn natural terrain road course, a 1/4-mile championship drag strip, a 3/4 mile karting track, paddock and asphalt skid pads and an industrial park that is home to 75 racing businesses, a performance racing school, acres of campgrounds, and a variety of support facilities.

Sonoma Raceway offers one of the most diverse racing schedules in the industry. In fact we are the only track in the US to host the nation's top three professional racing series: the Monster Energy NASCAR Cup Series, the NHRA Mello Yello Drag Racing Series, and the Verizon IndyCar Series.

While major events garner much of the racing community's attention at a national level, the facility is a year-round motorsport complex with events scheduled 340 days and 50 weekends a year. Many of these days include anywhere from two to four events occurring simultaneously.

While the professional racing scene is seasonal, amateur racing is year-round. In fact, most of the activity at Sonoma Raceway consists of participant driving programs—sports car and vintage

racing, drag racing, motorcycle racing, testing and other activities involving the recreational motor racing community. Nearly all of the top national and regional amateur racing organizations spend time on our track. Some of these activities involve purpose-built race cars, others involve unmodified street cars, but the majority of the vehicles competing on our track on any given day began their lives as production automobiles and have been modified with high performance suspension, safety and exhaust systems. These are cars that have given up their license plates and they arrive and depart our facility on trailers.

The 75 small businesses located in our industrial park are where many of these vehicles are converted, modified, stored, prepared for events and fixed when they break. Those businesses employ hundreds of skilled technicians and they in turn support a range of high-performance parts and components manufacturers and distributors whose products are delivered to our facility on a daily basis. Although racing is a hobby for our spectators and many of the drivers as well, Sonoma Raceway is an economic small business driver in the region. Sonoma Raceway itself employs about 80 full-time workers and including the tenants in our industrial park there are 300-400 people who come to work at the raceway every day. During large events, staffing numbers can balloon as high as 2000-2500 workers.

Racing's footprint on the local economy also extends well beyond our campus. The Sonoma County Economic Development Board measured the regional economic impact of a single vintage race weekend at our facility -last spring at nearly \$2 million. This is the kind of activity that takes place at Sonoma Raceway on a regular basis. Our marquee events like NASCAR or IndyCar fill up hotel rooms and restaurants for 30 miles in every direction with

spectators, drivers, race teams, support staff, sponsors, and race officials. Since many of the sponsors activate promotional programs in every market in which a race takes place, race teams often use various events to entertain their sponsors and their guests. The same is true at other race venues around the country.

Background on Production Vehicle Racing

Racing is an integral part of our American automotive heritage that dates back to the late 1800s. For purposes of today's hearing, my testimony is focused on stock car racing, whereby a production vehicle designed for general transportation is modified into a dedicated racecar.

Automobile racing's origin is likely tied to the prohibition era, as bootleggers competed against each other when they weren't otherwise outrunning law enforcement. Formal rules governing fair competition emerged after World War II and racing quickly became a beloved past-time for participants and spectators alike. The National Association of Stock Car Auto Racing (NASCAR) was formed in December 1947, with the first sanctioned event in Daytona Beach commencing less than two months later.

While most people associate stock car racing with NASCAR, the majority of racers compete at local racetracks around the country in amateur and sportsman classes of racing. Tens of thousands of amateur and grassroots level professional racers compete in converted street vehicles, including cars, motorcycles, and trucks that undergo varying levels of modifications before they are ready for competition.

A number of NHRA's (National Hot Rod Association) racing classes are also designed for sportsmen competing in converted street vehicles. NHRA was founded in part as a means of getting hot rodders to race at drag strips instead of on the roads and highways. This effort was an undisputed success, as more than 40,000 licensed competitors are currently affiliated with NHRA.

It is also important to note that hundreds of American companies employing tens of thousands of American workers create innovative products to make race cars and motorcycles perform better. These products cover a broad spectrum, from improving fuel-efficiency, suspension and aerodynamics to increasing power output and incorporating advanced composite materials. Once fully-outfitted, these race vehicles bear little resemblance to their time in the show room. From roll-cages, netting, a safety harness, and an interior that is void of most standard features, race vehicles that are converted from automobiles are easily distinguishable.

EPA's Draft Rule and Interpretation Adversely Impact Racing

While many classes of racing at oval, road, track and off-road racetracks feature motor vehicles that were originally designed and sold for street use, in July 2015 the EPA issued a proposed regulation to make illegal the act of converting a motor vehicle into a race vehicle. To accomplish this prohibition, EPA set forth a new interpretation of the Act. EPA stated that if a motor vehicle has been certified for emissions compliance, there is no exemption from the law's tampering prohibitions that would allow for converting it for competition use. The EPA's 2015

position rendered illegal the majority of future and current race cars and motorcycles that compete at tracks around the country, since it applies retroactively to all vehicles subject to the law which was enacted in 1970.

The racing community was first made aware of this provision in early 2016. It had been included within a large and unrelated rulemaking for greenhouse gas emissions from trucks and buses. As someone who has worked in racing for over 25 years, I can attest that I have never seen a greater threat posed to the sport. News of this change spread quickly and sparked fear among racing enthusiasts, our employees and all businesses connected to motorsports.

Despite the EPA's decision to remove the race vehicle conversion provision from the final rulemaking, the issue is still unresolved for the racing community. The agency stood by its position that the Clean Air Act does not provide a legal means for modifying a motor vehicle's emissions system when converting it into a dedicated race vehicle. This interpretation is inconsistent with the EPA's application of the law for as long as I have been in the industry.

While the EPA has signaled that it does not currently plan to bring enforcement actions against racers who compete in emissions-modified vehicles, the agency maintains that it has the authority to do so. It is important to note that racers make substantial investments in their vehicles, outfitting them with products that improve their safety and performance. For race tracks and motorsports parts businesses, the need for a solution to this problem is also critical. Parts manufacturers and the businesses that sell these products remain under threat of significant civil penalties. I find it very concerning that this interpretation considers them to be breaking the law.

While the EPA may not be penalizing racing in the short-term, an enforcement freeze is not a long-term solution. Accordingly, the world of motorsports requires certainty in federal law that what they are doing is legal, just as it always had been prior to 2015.

The RPM Act

The practice of converting a motor vehicle into a dedicated race vehicle has been unquestioned for the past 45 years. Representative Patrick McHenry's bill, the "RPM Act," makes clear that making such a conversion does not violate the law. The legislation provides assurances to businesses that produce, sell, and install race parts on vehicles used solely for motorsports competition. Further, it restores the original intent of the Clean Air Act, that the law applies to motor vehicles used on our roads and highways but not to race vehicles and racing parts.

As one of the 70 racetracks in California, we are also anxious for the clarity the "RPM Act" would provide, establishing congruence with California statute and the approach taken by the California Air Resources Board (CARB), which allow for motor vehicles to be modified for use exclusively in motorsports competition.

Conclusion

On behalf of Sonoma Raceway, our employees, drivers, and the dozens of small businesses that populate our industrial park, I strongly support the "RPM Act" and ask the Subcommittee to

consider the important role that racetracks and motorsports parts businesses play in our economy when reviewing this legislation.

Thank you again for this opportunity to address the Subcommittee. I look forward to answering any questions you may have.