



## Title, Register & Drive Kei Vehicles HB25-1281

Reps. Lindstedt, Suckla  
Sens. Hinrichsen, Pelton

other roads with speed limits higher than 55 mph. No Kei legalization statute has ever been repealed.

As recently as last year, four state DMVs (CO, MA, MI, TX) made unilateral moves to ban these vehicles causing swift public outcry and reversals in all four states. While the other three states resumed plating these vehicles in short order, in Colorado only the formal rule-making process was abandoned; the effort to quietly refuse to title or plate these vehicles without legal explanation has only increased.

### **What HB25-1281 does:**

1. Re-establish that Kei Vehicles can be titled, registered, plated and driven in CO
2. Prohibit Kei Vehicles from roads with speed limits above 55 mph and from limited-access highways like Interstates.
3. Codify into statute the existing policies surrounding Kei Vehicle emission testing.
4. This bill does not provide Kei Vehicles with any special privileges. These vehicles must follow all the rules of the road and complete all required emission testing.

### **Kei Vehicles and Emissions?**

- Kei Vehicles achieve 30-45 miles per gallon and come equipped with standard emissions equipment including o2 sensors and catalytic converters.
- Existing Colorado emissions policy requires that foreign vehicles meet the same emissions standards for the vehicle's year of manufacture as US vehicles.
- Existing written emissions policy allows for a two-speed idle test for vehicles that are incompatible with the treadmill test due to inherent design characteristics.
- HB25-1281 codifies into statute that a Kei Vehicle meets the requirements for the two-speed idle test.

**Do Kei Vehicles compete with US motor vehicle sales?** Kei vehicles are a small niche market. The following factors that keep them from competing with US sales:

- Must be at least 25 years old
- Can't travel long distances or on major highways; and can only barely fit 2 people in the cab
- Off-road ability is limited; no more than basic farm chores
- Importing any vehicle is time consuming and expensive (+\$2k to +\$5k)
- All light duty trucks are subject to a 25% federal tax on import



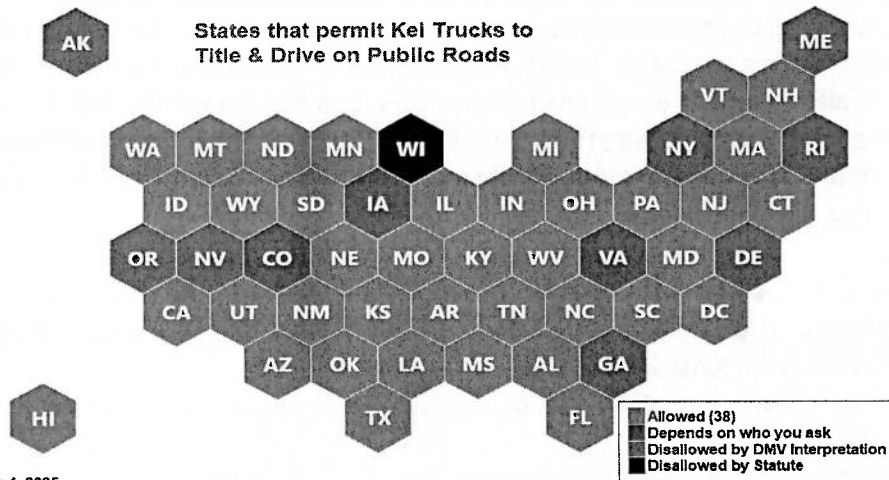
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**What is a Kei Vehicle?** Kei (pronounced “K”) are smaller, four-wheeled vehicles produced by the major Japanese automotive manufacturers Honda, Mitsubishi, Suzuki, Subaru, and Toyota for on-road use. Kei vehicles are 2.6 feet longer than the “Smart Car” that was sold in the US during the 2010s. While they come in car and van configurations, the Kei Truck configuration is the most popular in the US.



**Are Kei Vehicles legal in the US?** Federal law permits 25-year-old, on-road, foreign-market vehicles to be imported exempt from federal regulations (FMVSS and EPA). Vehicle title, registration, and road rules are regulated by the states. Currently 38 states permit on-road use of Kei Vehicles or Mini-trucks, with 13 of those states having enacted statutes explicitly permitting Kei, like the bill proposed here. No state legislature has had second thoughts and rolled back a Kei Vehicle statute.



**What is the trend nationally?** The trend over the past 15 years is entirely toward the normalization of these vehicles. Kei vehicles have surged in popularity in recent years as the federal 25-year import window has grown to include model years with increased conveniences and safety features. Thirteen states now have laws on the books explicitly permitting them. All of these statutes restrict Kei Vehicles vehicles from Interstates and

## HB25-1281: Claims and Counterpoints

- Kei Vehicles are not safe; or it's not fair that federal rules permit them:
  - **Federal and state laws balance the safety needs of mass-market vehicles against the public's desire to access specialized vehicles for utility, historic, or enthusiast purposes.**
  - All permitted vehicles that don't comply with modern safety standards **have barriers that prevent mass adoption:**
    - Pre-2000 US vehicles (or older Pinto, Beetle, Model-T) are vanishingly rare.
    - Motorcycles & similar (limited utility, limited weather usability)
    - Colorado LSEV / Golf Carts (no heat, limited to roads 35mph or under)
    - Foreign direct import vehicles (including Kei Vehicles)
      - Must be >25 years old, limited local parts & mechanical support, vehicles must be shipped (\$2k-\$5k) using a complicated export/import process with a foreign and domestic broker, limited supply.
      - Taxed up to 25% on import.
      - **Need to be able to fix things yourself** (farmer, rancher, enthusiast)
      - The **proposed 55mph limit** for these vehicles further reduces the attractiveness of this vehicle to the mass market.
  - **Private insurance companies** often impose restrictions on permitted vehicles to improve safety, for example limiting them to occasional use, or requiring a separate daily driver. Commercial policies generally only cover vehicles adhering to safety standards.
  - Newer Kei Vehicles (1999+, being imported today) **include airbags and enhanced crumple zones**. Older Kei Vehicles are already aging out.
  - Colorado has historically encouraged unconventional vehicles use
    - Colorado permits motorcycles and autocycles, some with a top speed of 55mph, to be driven on Interstates with **no helmet and flipflops**.
    - Colorado allows innovative on-road "LSEV" - Low Speed Electric Vehicles (think rugged golf carts) on roads up to 35mph.
      - The IIHS performed a series of crash tests in 2010 where they separately tested an LSEV and a Kei Truck clone. The LSEV was proven **far less safe than the truck**.
  - Canada's "Advanced Technology Vehicles Program" report states of newer Kei Vehicles:
    - "Preliminary frontal crash test results on these small cars suggest that they meet the applicable occupant protection standard under the Motor Vehicle Safety Act."
  - Colorado is a state that historically recognizes the freedom of residents and visitors to make their own personal risk assessments when it comes to activities like hiking, biking, skiing, mountaineering, and riding motorcycles.

- Kei Vehicles cause pollution
  - Kei vehicles are very fuel efficient, include all major emissions equipment, and are **required to comply with all existing Colorado emission testing**.
  - Example: pre-1999 models sometimes need tuning for altitude to pass emissions.
- It's not fair that Kei Vehicles are allowed on-road, but not OHV / ATV / UTV
  - Kei Vehicles are **designed for on-road use under 62mph**, are **federally recognized as on-road vehicles**, and do not have off-road abilities beyond that of a typical crossover.
  - **Kei Trucks are just trucks**, like a Ford F-150. A farmer or rancher can choose to use an F-150 instead of an off-road UTV, but this does not make an F-150 into a UTV.
  - Off topic, but some notes on the subject of ATV/UTV/OHV on public roads:
    - Colorado law already provides for a "local option" that permits cities and counties to permit OHVs on local roads. Kei Vehicles younger than 25 years are federally recognized as off-road vehicles and must be imported with 25mph speed limiters.
    - The idea of allowing off-road vehicles onto Colorado's heavily touristed roads en-mass like Utah, Montana or Wyoming is politically untenable.
- The AAMVA has recommendations against Kei Vehicles.
  - The AAMVA is a private non-profit **funded by the US and all 50 states** that has **no political oversight or input from the public**. Its membership consists only of State Police and State DMV leaders. The recommendations they cite come from themselves and only reflect their point of view.
  - The AAMVA publication on Kei Vehicles dated Jan 10, 2011 has either been pulled or is no longer available for the public or this committee to read.
    - This document includes statements indicating that if a jurisdiction is to legalize these vehicles, it should have rules in place including:
      - Ensuring proper importation (Colorado already complies)
      - Require dealers to be licensed (Colorado already complies)
      - Verify the VIN (Colorado already complies)
      - Emission test the vehicle (Colorado already complies)
      - Prohibiting use on roads with higher speed limits (this bill proposes)
  - AAMVA is ok with LSEV / Golf Carts despite being **proven to be more dangerous**.
    - The AAMVA asked the IIHS (Highway Safety) to support their Kei policy, but the response was effectively "Sure, Kei aren't the safest vehicles on the road, but you seem to have no problem allowing LSV / golf carts" which are more dangerous than kei trucks.