2007 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 1022 STATUS: A Engrossed

SUBJECT: Revises tollway statutes.

GOVERNMENT UNIT AFFECTED: Oregon Department of Transportation, Oregon Judicial

Department, Public Defense Services Commission

PREPARED BY: Tim Walker

REVIEWED BY: Susan Jordan, Robin LaMonte

DATE: April 10, 2007

<u>2007-2009</u> <u>2009-2011</u>

EXPENDITURES:

See Comments

REVENUES:

See Comments

EFFECTIVE DATE: January 1, 2008

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: This bill directs the Oregon Transportation Commission to approve all proposals to establish tolls, creates obligation of person to pay toll, imposes civil penalty for failure to pay toll and imposes penalties, authorizes use of photo radar to enforce toll payment, authorizes Oregon Department of Transportation (ODOT) to hold the registration of vehicle owned by an individual who fails to pay toll and exempts tollway fees from biennial review.

This bill will give ODOT the authority to undertake rulemaking to govern the review and approval of tollway proposals, standards for electronic toll collections, photo enforcement of tolls and assessment and collection of civil penalties for unpaid tolls. ODOT anticipates the rulemaking process will cost approximately \$200,000 and would be paid from State Highway Funds. Since this is an ongoing activity of the department, Legislative Fiscal Office believes these costs can be absorbed by the department.

This bill also requires Driver and Motor Vehicles (DMV) to place holds on vehicle registrations in which and individual has avoided or unpaid tolls. This would require substantive changes to the DMV motor vehicle registration system which would require 1,900 hours of data programming. ODOT estimates this cost at \$690,000. It is important to note that ODOT analyzes all legislation that passes and develops a work plan to complete all the changes together in order to efficiently complete the necessary work. Therefore, while each bill is analyzed for changes as if it were the only change necessary, actual programming time could be reduced due to efficiencies. The Department will develop a work plan to address all computer changes required to conform motor vehicle registration systems to enacted legislation. The Department will then appear before the Emergency Board, if necessary, during the interim to request an expenditure limitation increase needed to address the required work.

The bill is permissive and does not require ODOT to undertake these activities and there is no timeline for implementation. ODOT does not currently have tollway proposals pending, but anticipates the need in the future. ODOT may undertake these activities in the 2009-11 biennium, but any activity in the 2007-09 biennium would be minimal. The fiscal impact for this bill is indeterminate based the uncertainly around timing of when costs would be incurred and whether or not ODOT would undertake these activities. Oregon Judicial Department is unable to accurately project the number of potential violations due to the lack of historical data.