

76TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE

MEASURE: HB 2328 B
CARRIER:

REVENUE: Revenue Impact Issued

FISCAL: Fiscal Impact Issued

Action: Do Pass as Amended, be printed Engrossed, and Bill be Referred to Ways and Means.

Vote: 8-0-0

Yeas: Bailey, Bentz, Brewer, Gelsner, Read, Wand, Barnhart, Berger

Nays: 0

Exc.: 0

Prepared By: Mazen Malik, Economist

Meeting Dates: 4/14, 4/15, 4/27, 5/2, 5/4, 5/9, 5/12

WHAT THE BILL DOES: Creates a vehicle road usage charge to account for road use by motorists who do not pay a fuel tax.

ISSUES DISCUSSED:

- Electric vehicles market. How mature is the market.
- Types of electric vehicles, how we get to encourage electric vehicles yet pay for roads.
- Cost responsibility and impacts on system. Efficient fee method. Rate per mile.
- Penalties, collections and the fines. Compliance with the system.
- Flat fee option. Cost for the collection system. Policy objectives

EFFECT OF COMMITTEE AMENDMENTS: The amendment includes policy statements, transitional rate by 2015, and normalized rate by 2018, less penalties and fines, flat fee option, and removes the pilot program.

BACKGROUND:

Requires the owners of electric and plug-in electric hybrid vehicles to pay 1.56 cents per mile for Road User Charge (**RUC**) use of Oregon highways. **Allows** for a transitional rate for electric and plug-in electric hybrids RUC (0.85 cents), and for a \$300 flat fee program, which sunsets at the end of 2018.

Requires ODOT to develop the methods for reporting miles driven and requires at least one method that does not involve vehicle location technology. The bill authorizes electronic reporting of the odometer reading to be one reporting method.

Requires ODOT to adopt rules for a collection system, and to set open system standards for a mileage reporting method that involves vehicle location technology for the purpose of differentiating between miles driven within Oregon and miles driven outside the state. **Provides** for refund of RUC paid for miles traveled on any private road or private property, and for refund of fuel tax paid by owners of plug-in electric hybrid vehicles who have paid RUC.

Revenue distribution follows the formula (50 percent), to counties (30 percent) and to cities (20 percent).

The bill requires monthly **reporting**, but allows the department to prescribe other reporting periods. Unless owners report miles driven outside Oregon, the department may assume that all miles were traveled in Oregon.

Provides penalties for delinquent payment of RUC and methods of collecting delinquent RUC, and penalties for tampering with the system used to record the miles. The bill provides for suspension of driving privileges or right to apply for driving privileges based on unpaid vehicle road usage fees.

Requires the department to report to the interim transportation committees no later than October 1, 2012, and 2014, on the likelihood that the department could implement the RUC by January 1, 2015.

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