

B-Engrossed
House Bill 2328

Ordered by the House May 16
Including House Amendments dated April 8 and May 16

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Transportation for Road User Fee Task Force)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Requires persons operating electric motor vehicles and plug-in hybrid electric motor vehicles to pay vehicle road usage charge. Becomes operative [*January 1, 2014*] **July 1, 2015**.

Permits person paying vehicle road usage charge to apply for refund of motor vehicle fuel tax.

Directs Department of Transportation to establish methods for reporting vehicle miles traveled.

Provides penalty for [*violation of laws*] **making false statements** related to payment and reporting of vehicle road usage charge **or for collecting, attempting to collect or receiving refund to which person is not entitled**. Punishes by maximum fine of \$720. [*Directs department to suspend driving privileges of person who fails to pay vehicle road usage charge or related penalties.*]

Creates offense of tampering with vehicle metering system. Punishes by maximum fine of \$720.

Permits person to seek refund for miles driven on private property.

Modifies definition of "transportation project" to allow department to enter into agreements under Oregon Innovative Partnerships Program for collection of vehicle road usage charge.

A BILL FOR AN ACT

1
2 Relating to motor vehicles; creating new provisions; amending ORS 184.843, 319.280, 319.550, 319.665,
3 319.831 and 367.802; and providing for revenue raising that requires approval by a three-fifths
4 majority.

5 Whereas the citizens of the State of Oregon rely heavily on an extensive multimodal transpor-
6 tation system for all aspects of living in a civil society, including economic opportunities, community
7 engagement, educational opportunities, maintenance of public health, enjoyment of life and disaster
8 management; and

9 Whereas Oregon's multimodal transportation system has 19,128 lane miles of state highways,
10 26,737 miles of county roads and 10,799 miles of city streets; and

11 Whereas Oregon depends on fuel taxes for the bulk of the revenue required to preserve, main-
12 tain and modernize the state's highway system; and

13 Whereas as an alternative to the fuel tax, Oregon has developed systems with the capability for
14 participating vehicle operators to pay a vehicle road usage charge based on miles traveled; and

15 Whereas highly fuel efficient vehicles are now common in the marketplace, the operators of
16 which pay much lower fuel taxes than the preceding vehicle fleet, and new technologies will con-
17 tinue to improve fuel efficiencies in these vehicles; and

18 Whereas among the emerging fleet of highly fuel efficient vehicles are electric motor vehicles
19 and plug-in hybrid motor vehicles that pay no fuel tax or a small amount; and

20 Whereas the federal government requires auto manufacturers to introduce a fleet of new vehi-
21 cles that will meet a corporate average fuel economy standard of 35.5 miles per gallon in 2016; and

22 Whereas the Legislative Assembly recognizes the potential for applying a new vehicle road us-

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 age charge based on miles traveled for the operation of vehicles that pay less than the median
2 amount of fuel taxes; and

3 Whereas the state should develop and deploy a vehicle road usage charge for a small group of
4 vehicles to ensure operational availability of the charge when the Legislative Assembly finds it is
5 necessary to expand the number of vehicles paying the charge; and

6 Whereas the state's constitutional requirement for cost responsibility requires that a road usage
7 charge be applied in a manner that ensures the share of revenues paid for the use of motor vehicles
8 is fair and proportionate to the costs incurred for the highway system for each class of vehicle; and

9 Whereas as a strategy to reduce emissions and protect the environment, Oregon wants to en-
10 courage market penetration of electric vehicles and other highly fuel efficient vehicles by providing
11 a transitional rate for a vehicle road usage charge during the early years of introduction into the
12 marketplace; now, therefore,

13 **Be It Enacted by the People of the State of Oregon:**

14 **SECTION 1. Definitions. As used in sections 1 to 12 of this 2011 Act:**

15 (1) **"Electric motor vehicle" means a motor vehicle that uses electricity as its only**
16 **source of motive power.**

17 (2) **"Highway" means every public way, road, street, thoroughfare and place, including**
18 **bridges, viaducts and other structures within the boundaries of this state, open, used or in-**
19 **tended for use of the general public for vehicles or vehicular traffic as a matter of right.**

20 (3) **"Lessee" means a person who leases a motor vehicle that is registered in Oregon and**
21 **who is subject to the vehicle road usage charge under section 2 of this 2011 Act.**

22 (4) **"Plug-in hybrid electric motor vehicle" means a motor vehicle that uses electricity**
23 **and another source of motive power and is designed for electric plug-in charging.**

24 (5) **"Registered owner" means a person who is the registered owner of a motor vehicle**
25 **that is registered in Oregon and who is subject to the vehicle road usage charge under sec-**
26 **tion 2 of this 2011 Act.**

27 **SECTION 2. Vehicle road usage charge; transitional rate.**

28 (1) **Except as provided in subsection (2) of this section, the registered owner of an electric**
29 **motor vehicle or plug-in hybrid electric motor vehicle shall pay a vehicle road usage charge.**

30 (2) **A lessee of an electric motor vehicle or plug-in hybrid electric motor vehicle shall pay**
31 **a vehicle road usage charge.**

32 (3) **A person subject to the vehicle road usage charge shall pay 0.85 cents per mile for**
33 **metered use of the highways in Oregon.**

34 (4) **Notwithstanding subsections (1) to (3) of this section, in lieu of paying the vehicle road**
35 **usage charge based on miles traveled, a person who is the registered owner or lessee of an**
36 **electric motor vehicle may pay the vehicle road usage charge as an annual fee of \$300.**
37 **Sections 5, 7, 8, 10, 11 and 14 of this 2011 Act do not apply to a person who chooses to pay**
38 **the annual fee under this subsection. If a person opts to pay the annual fee, the person shall**
39 **notify the Department of Transportation in the manner provided by rule by the department.**

40 (5) **This section does not apply to a vehicle dealer that holds a certificate issued under**
41 **ORS 822.020.**

42 **SECTION 3. Section 2 of this 2011 Act is amended to read:**

43 **Sec. 2. Vehicle road usage charge; normalized rate.** (1) **Except as provided in subsection (2)**
44 **of this section, the registered owner of an electric motor vehicle or plug-in hybrid electric motor**
45 **vehicle shall pay a vehicle road usage charge.**

1 (2) A lessee of an electric motor vehicle or plug-in hybrid electric motor vehicle shall pay a
2 vehicle road usage charge.

3 (3) A person subject to the vehicle road usage charge shall pay [0.85] **1.56** cents per mile for
4 metered use of the highways in Oregon.

5 *[(4) Notwithstanding subsections (1) to (3) of this section, in lieu of paying the vehicle road usage*
6 *charge based on miles traveled, a person who is the registered owner or lessee of an electric motor*
7 *vehicle may pay the vehicle road usage charge as an annual fee of \$300. Sections 5, 7, 8, 10, 11 and*
8 *14 of this 2011 Act do not apply to a person who chooses to pay the annual fee under this subsection.*
9 *If a person opts to pay the annual fee, the person shall notify the Department of Transportation in the*
10 *manner provided by rule by the department.]*

11 [(5)] (4) This section does not apply to a vehicle dealer that holds a certificate issued under ORS
12 822.020.

13 **SECTION 4. The amendments to section 2 of this 2011 Act by section 3 of this 2011 Act**
14 **become operative on July 1, 2018.**

15 **SECTION 5. Methods of reporting vehicle miles traveled.** (1) As used in this section,
16 **“open system” means an integrated system based on common standards and an operating**
17 **system accessible to the marketplace whereby components performing the same function can**
18 **be readily substituted or provided by multiple providers.**

19 (2) The Department of Transportation shall establish the methods for identifying the
20 motor vehicles that are subject to the vehicle road usage charge imposed under section 2 of
21 this 2011 Act and establish the methods for collecting and reporting the number of miles the
22 motor vehicles traveled on the highways.

23 (3) The department shall take into account at least the following when taking action
24 under subsection (2) of this section:

- 25 (a) The accuracy of the data collected;
- 26 (b) Privacy options for persons paying the vehicle road usage charge;
- 27 (c) The adaptability of the technology used;
- 28 (d) The installation of the technology;
- 29 (e) The safety of the installation;
- 30 (f) Resistance of the technology to tampering;
- 31 (g) Ease and cost of compliance by registered owners and lessees; and
- 32 (h) Cost efficiency of administration.

33 (4) The department shall establish at least one method of collecting and reporting the
34 number of miles traveled by the motor vehicle that does not use vehicle location technology.

35 (5) The department shall require that a vehicle subject to the vehicle road usage charge
36 imposed under section 2 of this 2011 Act be capable of electronically reporting the odometer
37 reading or be equipped with technology approved by the department that is capable of elec-
38 tronically reporting the odometer reading.

39 (6) The department shall establish standards under an open system for technology used
40 in methods for identifying motor vehicles that are subject to the vehicle road usage charge
41 imposed under section 2 of this 2011 Act and for technology used in methods for collecting
42 and reporting the number of miles the motor vehicles traveled on the highways. In develop-
43 ing the standards and systems, the department shall collaborate with state agencies to in-
44 tegrate information systems currently in use or planned for future use.

45 **SECTION 6. Collection by Department of Transportation.** The Department of Transpor-

1 tation shall provide by rule for the collection of the vehicle road usage charge imposed under
2 section 2 of this 2011 Act.

3 **SECTION 7. Refund of vehicle road usage charge in operation of vehicle on certain roads**
4 **or property.** (1) A registered owner or lessee who pays the vehicle road usage charge imposed
5 under section 2 of this 2011 Act may apply to the Department of Transportation for a refund
6 of those miles traveled upon any road, thoroughfare or property in private ownership.

7 (2) A person shall submit an application for a refund under subsection (1) of this section
8 to the department within 15 months after the date the vehicle road usage charge, for which
9 a refund is claimed, is paid.

10 (3) The application for a refund provided by subsection (1) of this section shall include a
11 signed statement by the applicant indicating the amount of miles for which a refund is
12 claimed.

13 (4) The department may require any person who applies for a refund under subsection
14 (1) of this section to furnish any other information the department considers necessary.

15 **SECTION 8. Investigation of refund applications.** The Department of Transportation may
16 investigate refund applications submitted under section 7 of this 2011 Act and gather and
17 compile information in regard to the applications as the department considers necessary to
18 safeguard the state and prevent fraudulent practices in connection with tax refunds and tax
19 evasion. The department may, in order to establish the validity of any application, examine
20 the books and records of the applicant for such purposes. If an applicant does not permit the
21 department to examine the applicant's books and records, the applicant waives all rights to
22 a refund of the transaction questioned.

23 **SECTION 9. Allocation of moneys.** The moneys that the Department of Transportation
24 collects from the vehicle road usage charge imposed under section 2 of this 2011 Act shall
25 be allocated as follows:

26 (1) 50 percent to the Department of Transportation.

27 (2) 30 percent to counties for distribution as provided in ORS 366.762.

28 (3) 20 percent to cities for distribution as provided in ORS 366.800.

29 **SECTION 10. Reporting vehicle miles traveled.** (1) A registered owner or lessee subject
30 to the vehicle road usage charge imposed under section 2 of this 2011 Act shall equip the
31 electric motor vehicle or plug-in hybrid electric motor vehicle with technology, approved by
32 the Department of Transportation, that provides for electronic reporting of miles traveled.

33 (2) On the date determined by the department under subsection (3) of this section, the
34 registered owner or lessee shall report the number of miles the vehicle has traveled and pay
35 to the department the amount due under section 2 of this 2011 Act for the reporting period.
36 The number of miles reported shall be rounded up to the next whole mile.

37 (3) The department shall, by rule, establish the reporting period for each motor vehicle
38 subject to the vehicle road usage charge under section 2 of this 2011 Act. The department
39 may vary the length of the reporting period based on the circumstances of each registered
40 owner or lessee. In determining the length of a reporting period, the department shall con-
41 sider the following:

42 (a) The effort required by the registered owner or lessee to report miles traveled and to
43 pay the vehicle road usage charge;

44 (b) The amount of the vehicle road usage charge owed;

45 (c) The cost to the registered owner or lessee of reporting miles traveled and of paying

1 the vehicle road usage charge; and

2 (d) The administrative cost to the department.

3 (4) Unless a registered owner or lessee presents evidence, in a manner approved by the
4 department by rule, that the vehicle has been driven outside of Oregon, the department may
5 assume that all miles reported are miles driven within Oregon.

6 (5) The department shall provide a refund to a registered owner or lessee who has over-
7 paid the vehicle road usage charge. The department may provide the refund, by rule, as a
8 credit against future vehicle road usage charges under section 2 of this 2011 Act.

9 **SECTION 11. Prohibitions.** (1) A person may not intentionally make a false statement in
10 a report, application or other information required or permitted by section 7, 8 or 10 of this
11 2011 Act.

12 (2) A person may not intentionally collect, or attempt to collect or receive, a refund un-
13 der section 7 or 10 of this 2011 Act to which the person is not entitled.

14 (3) A person may not intentionally aid or assist another person to violate any provision
15 of section 7, 8 or 10 of this 2011 Act.

16 (4) A person who violates any prohibition specified in subsections (1) to (3) of this section
17 commits a Class A violation.

18 **SECTION 12. Privacy of personally identifiable information.** (1) As used in this section,
19 “personally identifiable information” means any information that identifies or describes a
20 person, including, but not limited to, the person’s travel pattern data, vehicle road usage
21 charge account number, address, telephone number, electronic mail address, driver license
22 or identification card number, registration plate number, photograph, recorded images, bank
23 account information and credit card number.

24 (2) Except as provided in subsections (3) and (4) of this section, personally identifiable
25 information used for reporting miles traveled or for business services related to the col-
26 lection of the vehicle road usage charge described in section 2 of this 2011 Act is exempt from
27 disclosure under public records law, ORS 192.410 to 192.505.

28 (3) The Department of Transportation, any entity that has entered into an agreement
29 with the department under ORS 367.806 for reporting miles traveled or for business services
30 related to the collection of the vehicle road usage charge and any contractor for an entity
31 may not disclose personally identifiable information used or developed in the conduct of these
32 services to any person except:

33 (a) The registered owner or lessee of the vehicle;

34 (b) A financial institution, for the purpose of collecting vehicle road usage charges owed;

35 (c) Employees of the department;

36 (d) An entity that has entered into an agreement with the department under ORS 367.806
37 for reporting miles traveled or for business services related to the collection of vehicle road
38 usage charges and authorized employees of the entity;

39 (e) A law enforcement officer who is acting in the officer’s official capacity in connection
40 with enforcement of vehicle road usage charges; or

41 (f) A contractor for an entity that has entered into an agreement with the department
42 under ORS 367.806 for reporting miles traveled or for business services related to the col-
43 lection of vehicle road usage charges and authorized employees of the contractor, but only
44 to the extent the contractor provides services directly related to the entity’s agreement with
45 the department.

1 (4) For purposes of traffic management and research, the department and an entity that
2 has entered into an agreement with the department under ORS 367.806 for reporting miles
3 traveled or for business services related to the collection of vehicle road usage charges may
4 aggregate and use information in records after removing personally identifiable information.

5 (5) The department, in any agreement with an entity under ORS 367.806 for reporting
6 miles traveled or for business services related to the collection of vehicle road usage charges,
7 shall provide for penalties if the entity violates this section or any rule adopted under this
8 section.

9 **SECTION 13.** Section 14 of this 2011 Act is added to and made a part of the Oregon Ve-
10 hicle Code.

11 **SECTION 14. Tampering with vehicle metering system; penalty.** (1) A person commits
12 the offense of tampering with a vehicle metering system if the person does any of the fol-
13 lowing:

14 (a) With the intent to defraud, operates a motor vehicle that is subject to a vehicle road
15 usage charge under section 2 of this 2011 Act on a highway knowing that the vehicle meter-
16 ing system is disconnected or nonfunctional.

17 (b) Replaces, disconnects or resets the vehicle metering system of a motor vehicle that
18 is subject to a vehicle road usage charge under section 2 of this 2011 Act with the intent to
19 reduce the number of miles the vehicle metering system records.

20 (2) This section does not apply to a person who is servicing, repairing or replacing a ve-
21 hicle metering system.

22 (3) As used in this section, “vehicle metering system” means a system used to record the
23 number of miles traveled for the purpose of complying with the reporting requirements es-
24 tablished under section 10 of this 2011 Act.

25 (4) The offense described in this section, tampering with a vehicle metering system, is a
26 Class A traffic violation.

27 **SECTION 15.** ORS 319.280 is amended to read:

28 319.280. (1) Any person who has paid any tax on motor vehicle fuel levied or directed to be paid
29 by ORS 319.010 to 319.430 either directly by the collection of the tax by the vendor from the con-
30 sumer, or indirectly by adding the amount of the tax to the price of the fuel and paid by the con-
31 sumer, shall be reimbursed and repaid the amount of such tax paid, except as provided in ORS
32 319.290 to 319.330, if such person has:

33 (a) Purchased and used such fuel for the purpose of operating or propelling a stationary gas
34 engine, a tractor or a motor boat, if the motor boat is used for commercial purposes at any time
35 during the period for which the refund is claimed;

36 (b) Purchased and used such fuel for cleaning or dyeing or other commercial use, except when
37 used in motor vehicles operated upon any highway;

38 (c) Purchased and exported such fuel from this state, in containers other than fuel supply tanks
39 of motor vehicles, provided that the person:

40 (A) Exports the motor vehicle fuel from this state to another state, territory or country, not
41 including a federally recognized Indian reservation located wholly or partially within the borders
42 of this state, where the motor vehicle fuel is unloaded; and

43 (B) Has a valid motor vehicle fuel dealer’s license or its equivalent issued by the state, territory
44 or country to which the fuel is exported and where it is unloaded;

45 (d) Purchased and exported such fuel in the fuel supply tank of a motor vehicle and has used

1 such fuel to operate the vehicle upon the highways of another state, if the user has paid to the other
2 state a similar motor vehicle fuel tax on the same fuel, or has paid any other highway use tax the
3 rate for which is increased because such fuel was not purchased in, and the tax thereon paid, to
4 such state; [or]

5 (e) Purchased and used such fuel for small engines that are not used to propel motor vehicles
6 on highways, including but not limited to those that power lawn mowers, leaf blowers, chain saws
7 and similar implements[.]; or

8 **(f) Purchased and used such fuel for a motor vehicle, if the person has paid the vehicle**
9 **road usage charge as required under section 2 of this 2011 Act.**

10 (2) When a motor vehicle with auxiliary equipment uses fuel and there is no auxiliary motor for
11 such equipment or separate tank for such a motor, a refund may be claimed and allowed as provided
12 by subsection (4) of this section, except as otherwise provided by this subsection, without the ne-
13 cessity of furnishing proof of the amount of fuel used in the operation of the auxiliary equipment.
14 The person claiming the refund may present to the Department of Transportation a statement of the
15 claim and be allowed a refund as follows:

16 (a) For fuel used in pumping aircraft fuel, motor vehicle fuel, fuel or heating oils or other pe-
17 troleum products by a power take-off unit on a delivery truck, refund shall be allowed claimant for
18 tax paid on fuel purchased at the rate of three-fourths of one gallon for each 1,000 gallons of pe-
19 troleum products delivered.

20 (b) For fuel used in operating a power take-off unit on a cement mixer truck or on a garbage
21 truck, claimant shall be allowed a refund of 25 percent of the tax paid on all fuel used in such a
22 truck.

23 (3) When a person purchases and uses motor vehicle fuel in a vehicle equipped with a power
24 take-off unit, a refund may be claimed for fuel used to operate the power take-off unit provided the
25 vehicle is equipped with a metering device approved by the department and designed to operate only
26 while the vehicle is stationary and the parking brake is engaged; the quantity of fuel measured by
27 the metering device shall be presumed to be the quantity of fuel consumed by the operation of the
28 power take-off unit.

29 (4) Before any such refund may be granted, the person claiming such refund must present to the
30 department a statement, accompanied by the original invoices, or reasonable facsimiles approved by
31 the department, showing such purchases; provided that in lieu of original invoices or facsimiles, re-
32 funds submitted under subsection (1)(d) of this section shall be accompanied by information showing
33 source of the fuel used and evidence of payment of tax to the state in which the fuel was used. The
34 statement shall be made over the signature of the claimant, and shall state the total amount of such
35 fuel for which the claimant is entitled to be reimbursed under subsection (1) of this section. The
36 department upon the presentation of the statement and invoices or facsimiles, or other required
37 documents, shall cause to be repaid to the claimant from the taxes collected on motor vehicle fuel
38 such taxes so paid by the claimant.

39 **(5)(a) The department, by rule, may provide a refund to a person under subsection (1)(f)**
40 **of this section as a credit against future vehicle road usage charges under section 2 of this**
41 **2011 Act.**

42 **(b) The department may provide for refund thresholds that may be met by aggregating**
43 **refund amounts or by estimating gas tax refunds by vehicle type. If the person claiming the**
44 **refund opts for an estimated refund amount based on vehicle type, the department may not**
45 **require original invoices or reasonable facsimiles showing motor vehicle fuel purchases.**

1 (c) **The person claiming the refund shall render the statement of the claim to the de-**
2 **partment in the manner provided by the department by rule.**

3 **SECTION 16.** ORS 319.550 is amended to read:

4 319.550. A person may not use fuel in a motor vehicle in this state unless the person holds a
5 valid user's license, except that:

6 (1) A nonresident may use fuel in a motor vehicle not registered in Oregon for a period not
7 exceeding 30 days without obtaining a user's license or the emblem provided in ORS 319.600, if, for
8 all fuel used in a motor vehicle in this state, the nonresident pays to a seller, at the time of the sale,
9 the tax provided in ORS 319.530.

10 (2) A user's license is not required for a person who uses fuel in a motor vehicle with a com-
11 bined weight of 26,000 pounds or less if, for all fuel used in a motor vehicle in this state, the person
12 pays to a seller, at the time of the sale, the tax provided in ORS 319.530.

13 (3)(a) A user's license is not required for a person who uses fuel as described in ORS 319.520
14 (7) in the vehicles specified in **this** subsection [(4) of this section] if the person pays to a seller, at
15 the time of the sale, the tax provided in ORS 319.530.

16 [(4)] (b) [Subsection (3) of this section] **Paragraph (a) of this subsection** applies to the following
17 vehicles:

18 [(a)] (A) Motor homes as defined in ORS 801.350.

19 [(b)] (B) Recreational vehicles as defined in ORS 446.003.

20 **(4) A user's license is not required for a person who uses fuel in a plug-in hybrid electric**
21 **motor vehicle, as defined in section 1 of this 2011 Act, that also uses fuels subject to ORS**
22 **319.510 to 319.880.**

23 **SECTION 17. Emblem. Upon application by a person, the Department of Transportation**
24 **may issue an emblem to a motor vehicle that is subject to the vehicle road usage charge**
25 **imposed under section 2 of this 2011 Act. An emblem issued under this section shall be dis-**
26 **played only upon the motor vehicle with respect to which it is issued.**

27 **SECTION 18.** ORS 319.665 is amended to read:

28 319.665. (1) The seller of fuel for use in a motor vehicle shall collect the tax provided by ORS
29 319.530 at the time the fuel is sold, unless one of the following situations applies:

30 (a) The vehicle into which the seller delivers or places the fuel bears a valid permit or user's
31 emblem issued by the Department of Transportation.

32 (b) The fuel is dispensed at a nonretail facility, in which case the seller shall collect any tax
33 owed at the same time the seller collects the purchase price from the person to whom the fuel was
34 dispensed at the nonretail facility. A seller is not required to collect the tax under this paragraph
35 from a person who certifies to the seller that the use of the fuel is exempt from the tax imposed
36 under ORS 319.530.

37 (c) A cardlock card is used for purchase of the fuel at an attended portion of a retail facility
38 equipped with a cardlock card reader, in which case the cardlock card issuer licensed in this state
39 is responsible for collecting and remitting the tax unless the person making the purchase certifies
40 to the seller that the use of the fuel is exempt from the tax imposed under ORS 319.530.

41 **(d) The vehicle is subject to the vehicle road usage charge under section 2 of this 2011**
42 **Act.**

43 (2) If a cardlock card is used for purchase of fuel at an attended portion of a retail facility
44 equipped with a cardlock card reader, the seller at the retail facility may deduct fuel purchases
45 made with a cardlock card from the seller's retail transactions if the seller provides the department

1 with the following information:

2 (a) A monthly statement from a cardlock card issuer that details the cardlock card purchases
3 at the retail facility; and

4 (b) A listing of cardlock card issuers and gallons of fuel purchased at the retail facility by the
5 issuers' customers.

6 (3) The department shall supply each seller of fuel for use in a motor vehicle with a chart which
7 sets forth the tax imposed on given quantities of fuel.

8 **SECTION 19.** ORS 319.831 is amended to read:

9 319.831. (1) If a user obtains fuel for use in a motor vehicle in this state and pays the use fuel
10 tax on the fuel obtained, the user may apply for a refund of that part of the use fuel tax paid which
11 is applicable to use of the fuel to propel a motor vehicle:

12 (a) In another state, if the user pays to the other state an additional tax on the same fuel;

13 (b) Upon any road, thoroughfare or property in private ownership;

14 (c) Upon any road, thoroughfare or property, other than a state highway, county road or city
15 street, for the removal of forest products, as defined in ORS 321.005, or the products of such forest
16 products converted to a form other than logs at or near the harvesting site, or for the construction
17 or maintenance of the road, thoroughfare or property, pursuant to a written agreement or permit
18 authorizing the use, construction or maintenance of the road, thoroughfare or property, with or by:

19 (A) An agency of the United States;

20 (B) The State Board of Forestry;

21 (C) The State Forester; or

22 (D) A licensee of an agency named in subparagraph (A), (B) or (C) of this paragraph;

23 (d) By an agency of the United States or of this state or of any county, city or port of this state
24 on any road, thoroughfare or property, other than a state highway, county road or city street;

25 (e) By any incorporated city or town of this state;

26 (f) By any county of this state or by any road assessment district formed under ORS 371.405 to
27 371.535;

28 (g) Upon any county road for the removal of forest products as defined in ORS 321.005, or the
29 products of such forest products converted to a form other than logs at or near the harvesting site,
30 if:

31 (A) Such use upon the county road is pursuant to a written agreement entered into with, or to
32 a permit issued by, the State Board of Forestry, the State Forester or an agency of the United
33 States, authorizing such user to use such road and requiring such user to pay for or to perform the
34 construction or maintenance of the county road;

35 (B) The board, officer or agency that entered into the agreement or granted the permit, by
36 contract with the county court or board of county commissioners, has assumed the responsibility for
37 the construction or maintenance of such county road; and

38 (C) Copies of the agreements or permits required by subparagraphs (A) and (B) of this paragraph
39 are filed with the Department of Transportation;

40 (h) By a school district or education service district of this state or the contractors of a school
41 district or education service district, for those vehicles being used to transport students;

42 (i) By a rural fire protection district organized under the provisions of ORS chapter 478;

43 (j) By any district, as defined in ORS chapter 198, that is not otherwise specifically provided for
44 in this section; [or]

45 (k) By any state agency, as defined in ORS 240.855[.]; or

1 **(L) By a person subject to the vehicle road usage charge under section 2 of this 2011 Act**
2 **if the person has paid the charge.**

3 (2) An application for a refund under subsection (1) of this section shall be filed with the de-
4 partment within 15 months after the date the use fuel tax, for which a refund is claimed, is paid.

5 (3) The application for a refund provided by subsection (1) of this section shall include a signed
6 statement by the applicant indicating the amount of fuel for which a refund is claimed, and the way
7 in which the fuel was used which qualifies the applicant for a refund. If the fuel upon which the
8 refund is claimed was obtained from a seller to whom the use fuel tax was paid, the application shall
9 be supported by the invoices which cover the purchase of the fuel. If the applicant paid the use fuel
10 tax directly to the department, the applicant shall indicate the source of the fuel and the date it
11 was obtained.

12 (4) The department may require any person who applies for a refund provided by subsection (1)
13 of this section to furnish a statement, under oath, giving the person's occupation, description of the
14 machines or equipment in which the fuel was used, the place where used and such other information
15 as the department may require.

16 **(5) The department, by rule, may provide a refund to a person under subsection (1)(L)**
17 **of this section as a credit against future vehicle road usage charges under section 2 of this**
18 **2011 Act.**

19 **SECTION 20.** ORS 367.802 is amended to read:

20 367.802. As used in ORS 367.800 to 367.824:

21 (1) "Agreement" means a written agreement, including but not limited to a contract, for a
22 transportation project that is entered into under ORS 367.806.

23 (2) "Private entity" means any entity that is not a unit of government, including but not limited
24 to a corporation, partnership, company, nonprofit organization or other legal entity or a natural
25 person.

26 (3) "Transportation project" or "project" means any proposed or existing undertaking that fa-
27 cilitates any mode of transportation in this state **or that facilitates the collection of the vehicle**
28 **road usage charge imposed under section 2 of this 2011 Act.**

29 (4) "Unit of government" means any department or agency of the federal government, any state
30 or any agency, office or department of a state, any city, county, district, commission, authority, en-
31 tity, port or other public corporation organized and existing under statutory law or under a voter-
32 approved charter and any intergovernmental entity created under ORS 190.003 to 190.130, 190.410
33 to 190.440 or 190.480 to 190.490.

34 **SECTION 21. Rules.** In accordance with ORS chapter 183, the Department of Transpor-
35 tation shall adopt rules for the implementation, administration and enforcement of sections
36 **1 to 12, 14 and 17 of this 2011 Act.**

37 **SECTION 22. Operative date.** (1) Sections 1, 2, 5 to 14, 17 and 21 of this 2011 Act and the
38 amendments to ORS 319.280, 319.550, 319.665, 319.831 and 367.802 by sections 15, 16 and 18 to
39 **20 of this 2011 Act become operative on July 1, 2015.**

40 (2) **The Department of Transportation may take any action before the operative date**
41 **specified in subsection (1) of this section that is necessary to enable the department to ex-**
42 **ercise, on and after the operative date specified in subsection (1) of this section, all the du-**
43 **ties, functions and powers conferred on the department by sections 1, 2, 5 to 14, 17 and 21**
44 **of this 2011 Act and the amendments to ORS 319.280, 319.550, 319.665, 319.831 and 367.802 by**
45 **sections 15, 16 and 18 to 20 of this 2011 Act.**

1 **SECTION 23. Applicability.** (1) Sections 1, 2, 5 to 14, 17 and 21 of this 2011 Act and the
2 amendments to ORS 319.280, 319.550, 319.665, 319.831 and 367.802 by sections 15, 16 and 18 to
3 20 of this 2011 Act first apply to 2016 model year electric motor vehicles and plug-in hybrid
4 electric motor vehicles.

5 (2) The amendments to section 2 of this 2011 Act by section 3 of this 2011 Act apply to
6 all electric motor vehicles and plug-in hybrid motor vehicles, regardless of the model year
7 of the motor vehicle.

8 **SECTION 24. Report by Department of Transportation.** No later than October 1, 2012, and
9 October 1, 2014, the Department of Transportation shall report to the interim legislative
10 committees related to transportation and revenue on the likelihood that the department
11 could implement the vehicle road usage charge imposed under section 2 of this 2011 Act prior
12 to July 1, 2015.

13 **SECTION 25.** ORS 184.843 is amended to read:

14 184.843. (1) There is created the Road User Fee Task Force.

15 (2) The purpose of the task force is to develop a design for revenue collection for Oregon's roads
16 and highways that will replace the current system for revenue collection. The task force shall con-
17 sider all potential revenue sources.

18 (3) The task force shall consist of 12 members, as follows:

19 (a) Two members shall be members of the House of Representatives, appointed by the Speaker
20 of the House of Representatives.

21 (b) Two members shall be members of the Senate, appointed by the President of the Senate.

22 (c) Four members shall be appointed by the Governor, the Speaker and the President acting
23 jointly. In making appointments under this paragraph, the appointing authorities shall consider in-
24 dividuals who are representative of the telecommunications industry, of highway user groups, of the
25 Oregon transportation research community and of national research and policy-making bodies such
26 as the Transportation Research Board and the American Association of State Highway and Trans-
27 portation Officials.

28 (d) One member shall be an elected city official, appointed by the Governor, the Speaker and the
29 President acting jointly.

30 (e) One member shall be an elected county official, appointed by the Governor, the Speaker and
31 the President acting jointly.

32 (f) Two members shall be members of the Oregon Transportation Commission, appointed by the
33 chairperson of the commission.

34 (4)(a) The term of a legislator appointed to the task force is four years except that the legislator
35 ceases to be a member of the task force when the legislator ceases to be a legislator. A legislator
36 may be reappointed to the task force.

37 (b) The term of a member of the task force appointed under subsection (3)(c) of this section is
38 four years and the member may be reappointed.

39 (c) The term of a member of the task force appointed under subsection (3)(d) or (e) of this section
40 is four years except that the member ceases to be a member of the task force when the member
41 ceases to be a city or county elected official. A city or county elected official may be reappointed
42 to the task force.

43 (d) The term of a member of the Oregon Transportation Commission appointed to the task force
44 is four years except that the member ceases to be a member of the task force when the member
45 ceases to be a member of the commission. A member of the commission may be reappointed to the

1 task force.

2 (5) A legislator appointed to the task force is entitled to per diem and other expense payments
3 as authorized by ORS 171.072 from funds appropriated to the Legislative Assembly. Other members
4 of the task force are entitled to compensation and expenses as provided in ORS 292.495.

5 (6) The Department of Transportation shall provide staff to the task force.

6 (7) The task force shall **do all of the following:**

7 (a) Study alternatives to the current system of taxing highway use through motor vehicle fuel
8 taxes. The task force shall gather public comment on alternative approaches and shall make rec-
9 ommendations to the Department of Transportation and the Oregon Transportation Commission on
10 the design of pilot programs to be used to test alternative approaches. The task force may also make
11 recommendations to the department and the commission on criteria to be used to evaluate pilot
12 programs. The task force may evaluate any pilot program implemented by the department and report
13 the results of the evaluation to the Legislative Assembly, the department and the commission.

14 (b) **Examine the progress of implementing the vehicle road usage charge described in**
15 **section 2 of this 2011 Act.**

16 (c) **Examine the effect of the vehicle road usage charge on market penetration of electric**
17 **motor vehicles and plug-in hybrid electric motor vehicles, both as defined in section 1 of this**
18 **2011 Act.**

19 (d) **Examine the potential for application of the vehicle road usage charge system to hy-**
20 **brid electric vehicles and other vehicle types with emerging technologies.**

21 (e) **Make recommendations to the Legislative Assembly regarding:**

22 (A) **Adding options for motorists to voluntarily pay the vehicle road usage charge in lieu**
23 **of the motor vehicle fuel tax;**

24 (B) **Adding out-of-state motorists to the vehicle road usage charge system; and**

25 (C) **Improving compliance with the requirement to pay the vehicle road usage charge.**

26 [(8) *In addition to the requirements of subsection (9) of this section, the task force shall propose to*
27 *the Seventy-second Legislative Assembly options for the design of a revenue collection system for*
28 *Oregon's roads and highways that would replace the current system for revenue collection.*]

29 [(9)] (8) The task force shall report to each regular session of the Legislative Assembly on the
30 work of the task force, the department and the commission in designing, implementing and evaluat-
31 ing pilot programs.

32 [(10)] (9) Official action by the task force requires the approval of a majority of the members
33 of the task force.

34 [(11)] (10) Notwithstanding ORS 171.130 and 171.133, the task force by official action may re-
35 commend legislation. Legislation recommended by the task force must indicate that it is introduced
36 at the request of the task force. Legislative measures proposed by the task force shall be prepared
37 in time for pre-session filing with the Legislative Counsel by December 15 of the year preceding a
38 regular session of the Legislative Assembly.

39 **SECTION 26. Captions. The section captions used in this 2011 Act are provided only for**
40 **the convenience of the reader and do not become part of the statutory law of this state or**
41 **express any legislative intent in the enactment of this 2011 Act.**