

**Road Usage Charge for Highly Fuel Efficient Vehicles
House Bill 2453 Section by Section Review**

DEFINITIONS

SECTION 2

- **Defines terms used throughout the bill.**
 - o “subject vehicle”
 - o “registered owner”
 - o “lessee”
 - o “motor vehicles”
 - o “highway”

ROAD USAGE CHARGES

SECTION 3

- Requires owners and lessees of certain vehicles to pay a *road usage charge*.
 - o Does not apply to a vehicle dealer.
 - o The tax rate is left blank for the legislature to determine.

SECTION 4

- Creates an option to elect to pay a high flat fee instead of a road usage charge.
 - o The high flat fee amount would equal the tax rate for the road usage charge multiplied by 35,000 miles.

REVENUE

SECTION 5

- Allocates moneys collected from the road usage charge 50 percent to ODOT, 30 percent to the counties and 20 percent to the cities.

ADMINISTRATION

SECTION 6

- ODOT shall establish methods for identifying vehicles subject to the road usage charge and recording and reporting the number of miles a vehicle travels on highways.
 - o ODOT must take into account accuracy, privacy options, security, resistance to tampering and ability to audit compliance.
 - o At least one method of collecting and reporting miles traveled must not use vehicle location technology.
 - o ODOT must adopt standards for an open system for technologies and must collaborate with other state agencies to integrate with current or planned information systems.
 - o ODOT must provide the opportunity to select a method from among multiple options for collecting and reporting metered use of the highways.

SECTION 7

- ODOT shall provide by rule for collection of the road usage charge, including penalties and interest for delinquent charges.

SECTION 8

- Requires ODOT to establish reporting periods for road usage charges.
 - o ODOT shall consider individual factors in establishing reporting periods which may vary according to facts and circumstances.

SECTION 9

- Protects personally identifiable information.
 - o Defines terms for this section
 - “personally identifiable information”
 - “certified service provider”
 - “VIN summary report”
 - o Declares the confidentiality of personally identifiable information.
 - o Prohibits disclosure of personally identifiable information except to the registered owner or lessee and entities responsible for services pertaining to collection of the road usage charge and entities approved by the registered owner or lessee. Further provides that disclosure of personally identifiable information to a person authorized to receive it is limited to the information necessary to the recipient’s function.
 - o Provides that location and daily metered use information must be destroyed within 30 days after payment processing, dispute resolution or noncompliance investigation. Exceptions: (1) when an owner or lessee consents; (2) aggregated data used for traffic management and research; (3) monthly summaries of metered use.
 - o Requires ODOT to provide for penalties for entities violating this section.
 - o Provides access to personally identifiable information by a policy officer based on probable cause in an authorized criminal investigation.

SECTION 10

- Choice of Method for Mileage Reporting or Flat Annual Road Usage Charge.
 - o Requires a person owning or leasing a subject vehicle to report metered use and pay the road usage charge or pay the flat annual road usage charge.
 - o Requires a person to notify ODOT when the person becomes the registered owner or lessee of a subject vehicle and either which method the person chooses for reporting metered use on the highway or that the person opts for the flat annual road usage charge
 - o Unless the registered owner or lessee presents evidence in a manner approved in rule by ODOT that a subject vehicle has been driven outside the state, all metered use reported shall represent miles driven on highways in Oregon.

REFUNDS AND EXEMPTIONS

SECTION 11

- Requires ODOT to provide a refund to a person who overpays the road usage charge and this refund may be a credit against future charges.

SECTION 12

- Provides for refunds for operation of vehicles on private roads or property.
 - o Must apply for refund within a 15-month period after payment. ODOT determines the form of the application and additional information required.

SECTION 13

- Investigation of refund applications.

o Allows ODOT to investigate refund claims to prevent fraudulent claims. The applicant must permit ODOT to examine relevant records or waive refund claim.

SECTION 14

• Prohibits false statements in reports, petitions, or applications including for refunds. This is a Class A violation.

SECTION 15

• Provides for issuance of an emblem for vehicles to use diesel fuel (or other use fuel) without paying the diesel tax (or other use fuel tax).

SECTION 16

• Exempts a person who uses diesel fuel (or other use fuel) in a vehicle subject to the road usage charge from requirements to obtain a user's license.

SECTION 17

• Allows diesel (or other use fuel) sellers to not collect the use fuel tax if the use fuel is dispensed into the fuel tank of a vehicle subject to the road usage charge.

SECTION 18

• Refund of use fuel tax paid. o Provides that payers of the road usage charge who have paid the use fuel tax may be reimbursed the amount of the fuel tax paid or be granted a credit against future road usage charges.

SECTION 19

• Refund of fuel tax paid. o Provides that payers of the road usage charge who have paid the fuel tax may be reimbursed the amount of the fuel tax paid or be granted a credit against future road usage charges.

PENALTIES

SECTION 20

• Provides that section 21 is added to the Oregon Vehicle Code.

SECTION 21

• Offense of tampering with vehicle metering system.
o Provides that a person who tampers with a vehicle metering system commits a Class A traffic violation.

CONFORMING AMENDMENTS

SECTION 22

• Provides that all moneys derived from road usage charges are part of the State Highway Fund.

SECTION 23

• For purposes of establishing public private partnerships, redefines the term "transportation project" to include collection of a road usage charge.

SECTIONS 24 and 25

• Requires ODOT to enter into agreements as public private partnerships for certification of technology, collection of metered use data, tax processing and account management relating to operation of a road usage charge system.

SECTION 26

• Provides that ODOT may not issue registration for a subject vehicle for which an applicant has not notified the department that metered use by the vehicle is subject to the road usage charge nor the method by which the applicant chooses to report metered use or that the applicant chooses to pay a flat annual road usage charge.

SECTION 27

• A road usage charge shall not be considered a tax for purposes of jurisdiction of the tax court.

TECHNICAL PROVISIONS

SECTION 28

• Requires ODOT to prepare plans and specifications to undertake public private partnership agreements for operation of a road usage charge system no later than April 1, 2014 and begin implementation of agreements not later than October 1, 2014.

SECTION 29

• The operative date for the road usage charge is July 1, 2015. Allows ODOT to take necessary action before the operative date to enable ODOT to exercise by the operative date all duties, functions and powers conferred on ODOT by this legislation.

SECTION 30

• The road usage charge first applies to 2015 model year vehicles.

SECTION 31

• Captions in this legislation are not part of statutory law.

SECTION 32

• The effective date is the 91st day after sine die of the 77th Legislative Assembly.