

REVENUE: Revenue statement issued
FISCAL: No fiscal impact

Action: Do Pass and Be Referred to the Committee on Tax Credits by Prior Reference
Vote: 6 - 0 - 0
Yeas: Edwards, Girod, Monroe, Starr, Thomsen, Beyer
Nays: 0
Exc.: 0
Prepared By: Patrick Brennan, Administrator
Meeting Dates: 3/12, 4/1

WHAT THE MEASURE DOES: Extends the tax credit for provision of mile-based or time-based motor vehicle insurance policies from January 2015 to January 2020.

ISSUES DISCUSSED:

- No one currently claiming tax credit
- Background information on mileage-based and time-based insurance

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: There are over 130 insurance companies that offer personal automobile insurance in Oregon. Of those, there are a growing number that offer a “pay as you drive” option for either personal use vehicles or business fleets. Most of these plans require a data logging device, provided by the insurer, to be plugged into the vehicle’s onboard diagnostic port, which has been standard on U.S. made automobiles since 1996. The device measures the number of miles driven; data which is then used to reward drivers (in the form of lower rates) who drive less, as fewer miles driven reduces exposure to accidents.