

# House Bill 2453

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Revenue)

## 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 **as introduced**.

Requires persons operating certain high-mileage motor vehicles to pay per-mile road usage charge or flat annual road usage charge. Becomes operative July 1, 2015.

Permits person paying per-mile road usage charge to apply for refund of motor vehicle fuel tax. Permits person paying per-mile road usage charge to apply for refund for miles driven on private property.

Directs Department of Transportation to establish methods for reporting vehicle miles traveled. Provides penalty for making false statements related to payment and reporting of road usage charge or for collecting, attempting to collect or receiving refund to which person is not entitled. Punishes by maximum fine of \$2,000.

Creates offense of tampering with vehicle metering system. Punishes by maximum fine of \$2,000.

Requires department to enter into agreements through Oregon Innovative Partnerships Program to undertake transportation projects related to operation of road usage charge system.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

Relating to motor vehicles; creating new provisions; amending ORS 305.410, 319.280, 319.550, 319.665, 319.831, 366.505, 367.802, 367.804, 367.806 and 803.350; prescribing an effective date; and providing for revenue raising that requires approval by a three-fifths majority.

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

## DEFINITIONS

**SECTION 1.** Sections 2 to 15 of this 2013 Act are added to and made a part of ORS chapter 319.

**SECTION 2.** As used in sections 2 to 15 of this 2013 Act:

(1) "Highway" has the meaning given that term in ORS 801.305.

(2) "Lessee" means a person that leases a motor vehicle that is required to be registered in Oregon.

(3) "Motor vehicle" has the meaning given that term in ORS 801.360.

(4) "Registered owner" means a person, other than a vehicle dealer that holds a certificate issued under ORS 822.020, that is required to register a motor vehicle in Oregon.

(5)(a) "Subject vehicle" means a motor vehicle that has a rating, as determined under a method established pursuant to section 6 of this 2013 Act, of 55 miles per gallon of gasoline or above or 55 miles per gallon of gasoline equivalent or above.

(b) "Subject vehicle" does not mean a motor vehicle designed to travel with fewer than four wheels in contact with the ground.

## ROAD USAGE CHARGES

**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       **SECTION 3.** (1)(a) Except as provided in paragraph (b) of this subsection, the registered  
 2 owner of a subject vehicle shall pay a per-mile road usage charge for metered use by the  
 3 subject vehicle of the highways in Oregon.

4       (b) During the term of a lease, the lessee of a subject vehicle shall pay the per-mile road  
 5 usage charge for metered use by the subject vehicle of the highways in Oregon.

6       (2) The per-mile road usage charge is \_\_\_\_\_ cents per mile.

7       **SECTION 4.** (1) Notwithstanding section 3 of this 2013 Act, in lieu of paying a per-mile  
 8 road usage charge, a registered owner or lessee of a subject vehicle may pay a flat annual  
 9 road usage charge for use of the highways in Oregon in an amount equal to the product of  
 10 \_\_\_\_\_ cents multiplied by 35,000 miles.

11       (2) For-hire carriers as defined in ORS 825.005 may not opt to pay the flat annual road  
 12 usage charge.

#### 13 14 REVENUE

15  
16       **SECTION 5.** Moneys collected from the road usage charges imposed under sections 3 and  
 17 4 of this 2013 Act shall be deposited in the State Highway Fund and allocated for distribution  
 18 as follows:

19       (1) 50 percent to the Department of Transportation.

20       (2) 30 percent to counties for distribution as provided in ORS 366.762.

21       (3) 20 percent to cities for distribution as provided in ORS 366.800.

#### 22 23 ADMINISTRATION

24  
25       **SECTION 6.** (1) As used in this section, "open system" means an integrated system based  
 26 on common standards and an operating system that has been made public so that compo-  
 27 nents performing the same function can be readily substituted or provided by multiple pro-  
 28 viders.

29       (2)(a) The Department of Transportation, in consultation with the Road User Fee Task  
 30 Force, shall establish the methods for:

31       (A) Identifying the motor vehicles that are subject vehicles; and

32       (B) Recording and reporting the number of miles that subject vehicles travel on high-  
 33 ways.

34       (b) When taking action under this subsection, the department shall consider:

35       (A) The accuracy of the data collected;

36       (B) Privacy options for persons liable for the per-mile road usage charge;

37       (C) The security of the technology;

38       (D) The resistance of the technology to tampering;

39       (E) The ability to audit compliance; and

40       (F) Other relevant factors that the department deems important.

41       (c) The department shall establish at least one method of collecting and reporting the  
 42 number of miles traveled by a subject vehicle that does not use vehicle location technology.

43       (d)(A) The department shall adopt standards for open system technology used in methods  
 44 established under this subsection.

45       (B) In adopting standards pursuant to this paragraph, the department shall collaborate

1 with agencies of the executive department as defined in ORS 174.112 to integrate information  
 2 systems currently in use or planned for future use.

3 (3) The department shall provide the persons liable for the per-mile road usage charge  
 4 the opportunity to select a method from among multiple options for identifying a subject  
 5 vehicle and for collecting and reporting the metered use by a subject vehicle of the highways  
 6 in Oregon.

7 **SECTION 7.** The Department of Transportation shall provide by rule for the collection  
 8 of the road usage charges imposed under sections 3 and 4 of this 2013 Act, including penalties  
 9 and interest imposed on delinquent charges.

10 **SECTION 8.** (1) The Department of Transportation shall establish by rule reporting pe-  
 11 riods for the road usage charges imposed under sections 3 and 4 of this 2013 Act.

12 (2) Reporting periods established under this section may vary according to the facts and  
 13 circumstances applicable to classes of registered owners, lessees and subject vehicles.

14 (3) In establishing reporting periods, the department shall consider:

15 (a) The effort required by registered owners or lessees to report metered use and to pay  
 16 the per-mile road usage charge;

17 (b) The amount of the per-mile road usage charge owed;

18 (c) The cost to the registered owner or lessee of reporting metered use and of paying the  
 19 per-mile road usage charge;

20 (d) The administrative cost to the department; and

21 (e) Other relevant factors that the department deems important.

22 **SECTION 9.** (1) As used in this section, “personally identifiable information” means any  
 23 information that identifies or describes a person, including, but not limited to, the person’s  
 24 travel pattern data, per-mile road usage charge account number, address, telephone number,  
 25 electronic mail address, driver license or identification card number, registration plate  
 26 number, photograph, recorded images, bank account information and credit card number.

27 (2) Except as provided in subsections (3) and (4) of this section, personally identifiable  
 28 information used for reporting metered use or for administrative services related to the  
 29 collection of the per-mile road usage charge imposed under section 3 of this 2013 Act is  
 30 confidential within the meaning of ORS 192.502 (9)(a) and is a public record exempt from  
 31 disclosure under ORS 192.410 to 192.505.

32 (3) The Department of Transportation, any entity that has entered into an agreement  
 33 with the department under ORS 367.806 for reporting metered use by a subject vehicle or for  
 34 administrative services related to the collection of the per-mile road usage charge, and any  
 35 contractor for such an entity, may not disclose personally identifiable information used or  
 36 developed in the conduct of these services to any person except:

37 (a) The registered owner or lessee;

38 (b) A financial institution, for the purpose of collecting per-mile road usage charges  
 39 owed;

40 (c) Employees of the department;

41 (d) An entity that has entered into an agreement with the department under ORS 367.806  
 42 for reporting metered use or for administrative services related to the collection of per-mile  
 43 road usage charges and authorized employees of the entity;

44 (e) A law enforcement officer who is acting in the officer’s official capacity in connection  
 45 with enforcement of per-mile road usage charges;

1 (f) A contractor for an entity that has entered into an agreement with the department  
 2 under ORS 367.806 for reporting metered use or for administrative services related to the  
 3 collection of per-mile road usage charges and authorized employees of the contractor, but  
 4 only to the extent the contractor provides services directly related to the entity's agreement  
 5 with the department; or

6 (g) An entity expressly approved to receive the information by the registered owner or  
 7 lessee of the subject vehicle.

8 (4) For purposes of traffic management and research, the department and an entity that  
 9 has entered into an agreement with the department under ORS 367.806 for reporting metered  
 10 use or for administrative services related to the collection of per-mile road usage charges  
 11 may aggregate and use information in records after removing personally identifiable infor-  
 12 mation.

13 (5) The department, in any agreement with an entity under ORS 367.806 for reporting  
 14 metered use or for administrative services related to the collection of per-mile road usage  
 15 charges, shall provide for penalties if the entity violates this section or any rule adopted  
 16 under ORS 803.350.

17 **SECTION 10.** (1) As soon as applicable, a person shall notify the Department of Trans-  
 18 portation of the following:

19 (a) That the person is the registered owner or lessee of a subject vehicle; and

20 (b)(A) Which method approved by the department under section 6 of this 2013 Act the  
 21 person chooses for reporting the metered use by the subject vehicle of the highways in  
 22 Oregon; or

23 (B) That the person opts to pay the flat annual road usage charge computed under sec-  
 24 tion 4 of this 2013 Act.

25 (2) On a date determined by the department under section 8 of this 2013 Act, the regis-  
 26 tered owner or lessee shall:

27 (a) Report the metered use by the subject vehicle, rounded up to the next whole mile,  
 28 and pay to the department the per-mile road usage charge due under section 3 of this 2013  
 29 Act for the reporting period; or

30 (b) Pay the flat annual road usage charge computed under section 4 of this 2013 Act.

31 (3) Unless a registered owner or lessee presents evidence in a manner approved by the  
 32 department by rule that the subject vehicle has been driven outside this state, the depart-  
 33 ment shall assume that all metered use reported represents miles driven by the subject ve-  
 34 hicle on the highways in Oregon.

35  
 36 **REFUNDS AND EXEMPTIONS**

37  
 38 **SECTION 11.** (1) The Department of Transportation shall provide a refund to a registered  
 39 owner or lessee that has overpaid the per-mile road usage charge imposed under section 3  
 40 of this 2013 Act.

41 (2) The department may provide by rule that the refund under this section be granted  
 42 as a credit against future per-mile road usage charges incurred by the registered owner or  
 43 lessee.

44 **SECTION 12.** (1) A registered owner or lessee that has paid the per-mile road usage  
 45 charge imposed under section 3 of this 2013 Act may apply to the Department of Transpor-

1 **tation for a refund for metered use of a road, thoroughfare or property in private ownership.**

2 **(2) An application for a refund under this section must be submitted to the department**  
 3 **within 15 months after the date on which the per-mile road usage charge for which a refund**  
 4 **is claimed is paid.**

5 **(3) The application required under this section shall be in a form prescribed by the de-**  
 6 **partment by rule and must include a signed statement by the applicant indicating the num-**  
 7 **ber of miles for which the refund is claimed.**

8 **(4) The department may require the applicant for a refund under this section to furnish**  
 9 **any information the department considers necessary for processing the application.**

10 **SECTION 13. (1) The Department of Transportation may investigate a refund application**  
 11 **submitted under section 12 of this 2013 Act and gather and compile such information related**  
 12 **to the application as the department considers necessary to safeguard the state and prevent**  
 13 **fraudulent practices in connection with tax refunds and tax evasion.**

14 **(2) The department may, in order to establish the validity of an application, examine the**  
 15 **relevant records of the applicant for such purposes.**

16 **(3) If an applicant does not permit the department to examine the relevant records, the**  
 17 **applicant waives all rights to the refund to which the application relates.**

18 **SECTION 14. (1) A person may not intentionally make a false statement in a report or**  
 19 **refund application or when supplying other information required under section 10 or 12 of**  
 20 **this 2013 Act.**

21 **(2) A person may not intentionally apply for, receive or attempt to receive a refund under**  
 22 **section 11 or 12 of this 2013 Act to which the person is not entitled.**

23 **(3) A person may not intentionally aid or assist another person to violate any provision**  
 24 **of section 10, 11 or 12 of this 2013 Act.**

25 **(4) A person who violates any provision of this section commits a Class A violation.**

26 **SECTION 15. (1) Upon application on a form prescribed by the Department of Transpor-**  
 27 **tation, the department shall issue an emblem to the registered owner of a subject vehicle to**  
 28 **show that the use of fuel in the subject vehicle is exempt from taxation under ORS 319.510**  
 29 **to 319.880.**

30 **(2) An emblem issued under this section shall be displayed:**

31 **(a) In a conspicuous place on the subject vehicle; and**

32 **(b) Only upon the subject vehicle with respect to which it is issued.**

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

34 **319.550. (1) Except as provided in this section, a person may not use fuel in a motor vehicle**  
 35 **in this state unless the person holds a valid user's license.[, *except that:*]**

36 **[*(1)*] (2) A nonresident may use fuel in a motor vehicle not registered in Oregon for a period not**  
 37 **exceeding 30 days without obtaining a user's license or the emblem [*provided in*] **issued under** ORS**  
 38 **319.600, if, for all fuel used in a motor vehicle in this state, the nonresident pays to a seller, at the**  
 39 **time of the sale, the tax provided in ORS 319.530.**

40 **[*(2)*] (3) A user's license is not required for a person who uses fuel in a motor vehicle with a**  
 41 **combined weight of 26,000 pounds or less if, for all fuel used in a motor vehicle in this state, the**  
 42 **person pays to a seller, at the time of the sale, the tax provided in ORS 319.530.**

43 **[*(3)*] (4)(a) A user's license is not required for a person who uses fuel as described in ORS**  
 44 **319.520 (7) in the vehicles specified in [*subsection (4) of this section*] **this subsection** if the person**  
 45 **pays to a seller, at the time of the sale, the tax provided in ORS 319.530.**

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

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

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

5        **(5) A user's license is not required for a person who uses fuel in a motor vehicle:**

6        **(a) Metered use by which is subject to the per-mile road usage charge imposed under**  
 7 **section 3 of this 2013 Act; and**

8        **(b) That also uses fuels subject to ORS 319.510 to 319.880.**

9        **SECTION 17.** ORS 319.665 is amended to read:

10        319.665. (1) The seller of fuel for use in a motor vehicle shall collect the tax provided by ORS  
 11 319.530 at the time the fuel is sold, unless one of the following situations applies:

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

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

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

23        **(d) Metered use by the vehicle is subject to the per-mile road usage charge imposed under**  
 24 **section 3 of this 2013 Act.**

25        (2) If a cardlock card is used for purchase of fuel at an attended portion of a retail facility  
 26 equipped with a cardlock card reader, the seller at the retail facility may deduct fuel purchases  
 27 made with a cardlock card from the seller's retail transactions if the seller provides the department  
 28 with the following information:

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

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

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

35        **SECTION 18.** ORS 319.831 is amended to read:

36        319.831. (1) If a user obtains fuel for use in a motor vehicle in this state and pays the use fuel  
 37 tax on the fuel obtained, the user may apply for a refund of that part of the use fuel tax paid which  
 38 is applicable to use of the fuel to propel a motor vehicle:

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

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

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

- 1 (A) An agency of the United States;
- 2 (B) The State Board of Forestry;
- 3 (C) The State Forester; or
- 4 (D) A licensee of an agency named in subparagraph (A), (B) or (C) of this paragraph;
- 5 (d) By an agency of the United States or of this state or of any county, city or port of this state
- 6 on any road, thoroughfare or property, other than a state highway, county road or city street;
- 7 (e) By any incorporated city or town of this state;
- 8 (f) By any county of this state or by any road assessment district formed under ORS 371.405 to
- 9 371.535;

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

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

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

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

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

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

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

27 (k) By any state agency, as defined in ORS 240.855.

28 **(L) In metered use subject to the per-mile road usage charge imposed under section 3**  
29 **of this 2013 Act if the user has paid the charge.**

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

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

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

43 **(5) The department may provide by rule that a refund under subsection (1)(L) of this**  
44 **section be granted as a credit against future per-mile road usage charges incurred by the**  
45 **applicant under section 3 of this 2013 Act.**

**SECTION 19.** ORS 319.280 is amended to read:

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

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

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

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

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

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

(d) Purchased and exported such fuel in the fuel supply tank of a motor vehicle and has used such fuel to operate the vehicle upon the highways of another state, if the user has paid to the other state a similar motor vehicle fuel tax on the same fuel, or has paid any other highway use tax the rate for which is increased because such fuel was not purchased in, and the tax thereon paid, to such state; *[or]*

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

**(f) Purchased and used such fuel for operating a motor vehicle the metered use of which is subject to the per-mile road usage charge imposed under section 3 of this 2013 Act, if the person has paid the charge.**

(2) When a motor vehicle with auxiliary equipment uses fuel and there is no auxiliary motor for such equipment or separate tank for such a motor, a refund may be claimed and allowed as provided by subsection [(4)] (5) of this section, except as otherwise provided by this subsection, without the necessity of furnishing proof of the amount of fuel used in the operation of the auxiliary equipment. The person claiming the refund may present to the Department of Transportation a statement of the claim and be allowed a refund as follows:

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

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

(3) When a person purchases and uses motor vehicle fuel in a vehicle equipped with a power take-off unit, a refund may be claimed for fuel used to operate the power take-off unit provided the vehicle is equipped with a metering device approved by the department and designed to operate only



1 while the vehicle is stationary and the parking brake is engaged; the quantity of fuel measured by  
 2 the metering device shall be presumed to be the quantity of fuel consumed by the operation of the  
 3 power take-off unit.

4 **(4)(a) The department may provide by rule that a refund under subsection (1)(f) of this**  
 5 **section be granted as a credit against future per-mile road usage charges incurred by the**  
 6 **person under section 3 of this 2013 Act.**

7 **(b)(A) The department may provide by rule for refund thresholds that are met by ag-**  
 8 **gregating refund amounts or by estimating motor vehicle fuel tax refunds by vehicle type,**  
 9 **at the option of the person claiming the refund.**

10 **(B) If the person claiming the refund opts for an estimated refund based on vehicle type,**  
 11 **the requirement under subsection (5) of this section that the person claiming the refund**  
 12 **must present original invoices or reasonable facsimiles showing motor vehicle fuel purchases**  
 13 **does not apply.**

14 [(4)] (5) Before any such refund may be granted, the person claiming such refund must present  
 15 to the department a statement, accompanied by the original invoices, or reasonable facsimiles ap-  
 16 proved by the department, showing such purchases; provided that in lieu of original invoices or  
 17 facsimiles, refunds submitted under subsection (1)(d) of this section shall be accompanied by infor-  
 18 mation showing source of the fuel used and evidence of payment of tax to the state in which the fuel  
 19 was used. The statement shall be made over the signature of the claimant, and shall state the total  
 20 amount of such fuel for which the claimant is entitled to be reimbursed under subsection (1) of this  
 21 section. The department upon the presentation of the statement and invoices or facsimiles, or other  
 22 required documents, shall cause to be repaid to the claimant from the taxes collected on motor ve-  
 23 hicle fuel such taxes so paid by the claimant.

24  
 25 **PENALTIES**

26  
 27 **SECTION 20. Section 21 of this 2013 Act is added to and made a part of the Oregon Ve-**  
 28 **hicle Code.**

29 **SECTION 21. (1) A person commits the offense of tampering with a vehicle metering**  
 30 **system if the person:**

31 **(a) With the intent to defraud, operates a motor vehicle that is subject to the per-mile**  
 32 **road usage charge imposed under section 3 of this 2013 Act on a highway knowing that the**  
 33 **vehicle metering system is disconnected or nonfunctional.**

34 **(b) Replaces, disconnects or resets the vehicle metering system of a motor vehicle that**  
 35 **is subject to the per-mile road usage charge imposed under section 3 of this 2013 Act with**  
 36 **the intent of reducing the metered use recorded by the vehicle metering system.**

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

39 **(3) As used in this section, “vehicle metering system” means a system used to record the**  
 40 **metered use by a motor vehicle for the purpose of complying with the reporting require-**  
 41 **ments under section 10 of this 2013 Act.**

42 **(4) Tampering with a vehicle metering system is a Class A traffic violation.**

43  
 44 **CONFORMING AMENDMENTS**

**SECTION 22.** ORS 366.505 is amended to read:

366.505. (1) The State Highway Fund shall consist of:

(a) All moneys and revenues derived under and by virtue of the sale of bonds, the sale of which is authorized by law and the proceeds thereof to be dedicated to highway purposes.

(b) All moneys and revenues accruing from the licensing of motor vehicles, operators and chauffeurs.

(c) Moneys and revenues derived from any tax levied upon gasoline, distillate, liberty fuel or other volatile and inflammable liquid fuels, except moneys and revenues described in ORS 184.642 (2)(a) that become part of the Department of Transportation Operating Fund.

**(d) Moneys and revenues derived from the road usage charges imposed under sections 3 and 4 of this 2013 Act.**

[(d)] (e) Moneys and revenues derived from or made available by the federal government for road construction, maintenance or betterment purposes.

[(e)] (f) All moneys and revenues received from all other sources which by law are allocated or dedicated for highway purposes.

(2) The **State** Highway Fund shall be deemed and held as a trust fund, separate and distinct from the General Fund, and may be used only for the purposes authorized by law and is continually appropriated for such purposes.

(3) Moneys in the State Highway Fund may be invested as provided in ORS 293.701 to 293.820. All interest earnings on any of the funds designated in subsection (1) of this section shall be placed to the credit of the highway fund.

**SECTION 23.** ORS 367.802 is amended to read:

367.802. As used in ORS 367.800 to 367.824:

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

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

(3) "Transportation project" or "project" means any proposed or existing undertaking that facilitates:

(a) Any mode of transportation in this state [*or that facilitates*];

(b) The collection of taxes and fees as an alternative to the motor vehicle fuel taxes imposed under ORS 319.020 and 319.530[.]; **or**

**(c) The collection of the per-mile road usage charge imposed under section 3 of this 2013 Act.**

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

**SECTION 24.** ORS 367.804 is amended to read:

367.804. (1) The Department of Transportation shall establish the Oregon Innovative Partnerships Program for the planning, acquisition, financing, development, design, construction, reconstruction, replacement, improvement, maintenance, management, repair, leasing and operation of transportation projects.

- 1 (2) The goals of the **Oregon Innovative Partnerships** Program are to:
- 2 (a) Develop an expedited project delivery process;
- 3 (b) Maximize innovation; and
- 4 (c) Develop partnerships with private entities and units of government.
- 5 (3) As part of the program established under this section[,]:
- 6 (a) The department may:
- 7 [(a)] **(A)** Solicit concepts or proposals for transportation projects from private entities and units
- 8 of government.
- 9 [(b)] **(B)** Accept unsolicited concepts or proposals for transportation projects from private enti-
- 10 ties and units of government.
- 11 [(c)] **(C)** Evaluate the concepts or proposals received under this subsection and select potential
- 12 projects based on the concepts or proposals. The evaluation under this [*paragraph*] **subparagraph**
- 13 shall include consultation with any appropriate local government, metropolitan planning organiza-
- 14 tion or area commission on transportation.
- 15 [(d)] **(D)** Charge an administrative fee for the evaluation in an amount determined by the de-
- 16 partment.
- 17 **(b) The department shall enter into agreements to undertake transportation projects**
- 18 **described in ORS 367.806 (2).**
- 19 (4) Following an evaluation by the department of concepts or proposals [*submitted*] **the depart-**
- 20 **ment receives** under subsection (3)(a) of this section, and the selection of potential transportation
- 21 projects, the department may negotiate and enter into the agreements described in ORS 367.806 for
- 22 implementing the selected transportation projects.
- 23 (5) Except as provided in subsection (6) of this section:
- 24 (a) Information related to a transportation project proposed under ORS 367.800 to 367.824, in-
- 25 cluding but not limited to the project's design, management, financing and other details, is exempt
- 26 from disclosure under ORS 192.410 to 192.505 until:
- 27 (A) The department shares the information with a local government, metropolitan planning or-
- 28 ganization or area commission on transportation under subsection [(3)(c)] **(3)(a)(C)** of this section;
- 29 or
- 30 (B) The department completes its evaluation of the proposed project and has selected the pro-
- 31 posal for negotiation of an agreement.
- 32 (b) After the department has either shared the information described in paragraph (a) of this
- 33 subsection with a local government, metropolitan planning organization or area commission on
- 34 transportation, or has completed its evaluation of the proposed project, the information is subject
- 35 to disclosure under ORS 192.410 to 192.505.
- 36 (6) Sensitive business, commercial or financial information that is not customarily provided to
- 37 business competitors that is submitted to the department in connection with a transportation project
- 38 under ORS 367.800 to 367.824 is exempt from disclosure under ORS 192.410 to 192.505 until the in-
- 39 formation is submitted to the Oregon Transportation Commission in connection with its review and
- 40 approval of the transportation project under ORS 367.806.
- 41 (7) The department may, in connection with the evaluation of concepts or proposals for trans-
- 42 portation projects, consider any financing mechanisms, including but not limited to the imposition
- 43 and collection of franchise fees or user fees and the development or use of other revenue sources.
- 44 (8) The department and any other unit of government may expend, out of any funds available for
- 45 the purpose, such moneys as may be necessary for the evaluation of concepts or proposals for

1 transportation projects and for negotiating agreements for transportation projects under ORS  
 2 367.806. The department or other unit of government may employ engineers, consultants or other  
 3 experts the department or other unit of government determines are needed for the purposes of doing  
 4 the evaluation and negotiation. Expenses incurred by the department or other unit of government  
 5 under this subsection prior to the issuance of transportation project revenue bonds or other fi-  
 6 nancing shall be paid by the department or other unit of government, as applicable, and charged to  
 7 the appropriate transportation project. The department or other unit of government shall keep re-  
 8 cords and accounts showing each amount so charged. Upon the sale of transportation project re-  
 9 venue bonds or upon obtaining other financing for any transportation project, the funds expended  
 10 by the department or other unit of government under this subsection in connection with the project  
 11 shall be repaid to the department or the unit of government from the proceeds of the bonds or other  
 12 financing, as allowed by applicable law.

13 **SECTION 25.** ORS 367.806 is amended to read:

14 367.806. (1) As part of the **Oregon Innovative Partnerships** Program established under ORS  
 15 367.804, the Department of Transportation may:

16 (a) Enter into any agreement or any configuration of agreements relating to transportation  
 17 projects with any private entity or unit of government or any configuration of private entities and  
 18 units of government. The subject of agreements entered into under this section may include, but  
 19 need not be limited to, planning, acquisition, financing, development, design, construction, recon-  
 20 struction, replacement, improvement, maintenance, management, repair, leasing and operation of  
 21 transportation projects.

22 (b) Include in any agreement entered into under this section any financing mechanisms, includ-  
 23 ing but not limited to the imposition and collection of franchise fees or user fees and the develop-  
 24 ment or use of other revenue sources.

25 **(2) As part of the Oregon Innovative Partnerships Program established under ORS**  
 26 **367.804, the department shall enter into agreements to undertake transportation projects the**  
 27 **subjects of which include the application of technology standards to determine whether to**  
 28 **certify technology, the collection of metered use data, tax processing and account manage-**  
 29 **ment, as these subjects relate to the operation of a road usage charge system pursuant to**  
 30 **sections 2 to 15 of this 2013 Act.**

31 [(2)] (3) The agreements among the public and private sector partners entered into under this  
 32 section must specify at least the following:

33 (a) At what point in the transportation project public and private sector partners will enter the  
 34 project and which partners will assume responsibility for specific project elements;

35 (b) How the partners will share management of the risks of the project;

36 (c) How the partners will share the costs of development of the project;

37 (d) How the partners will allocate financial responsibility for cost overruns;

38 (e) The penalties for nonperformance;

39 (f) The incentives for performance;

40 (g) The accounting and auditing standards to be used to evaluate work on the project; and

41 (h) Whether the project is consistent with the plan developed by the Oregon Transportation  
 42 Commission under ORS 184.618 and any applicable regional transportation plans or local transpor-  
 43 tation system programs and, if not consistent, how and when the project will become consistent with  
 44 applicable plans and programs.

45 [(3)] (4) The department may, either separately or in combination with any other unit of gov-

ernment, enter into working agreements, coordination agreements or similar implementation agreements to carry out the joint implementation of any transportation project selected under ORS 367.804.

[(4)] (5) Except for ORS 383.015, 383.017 (1), (2), (3) and (5) and 383.019, the provisions of ORS 383.003 to 383.075 apply to any tollway project entered into under ORS 367.800 to 367.824.

[(5)] (6) The provisions of ORS 279.835 to 279.855 and ORS chapters 279A, 279B and 279C do not apply to concepts or proposals submitted under ORS 367.804, or to agreements entered into under this section, except that if public moneys are used to pay any costs of construction of public works that is part of a project, the provisions of ORS 279C.800 to 279C.870 apply to the public works. In addition, if public moneys are used to pay any costs of construction of public works that is part of a project, the construction contract for the public works must contain provisions that require the payment of workers under the contract in accordance with ORS 279C.540 and 279C.800 to 279C.870.

[(6)(a)] (7)(a) The department may not enter into an agreement under this section until the agreement is reviewed and approved by the Oregon Transportation Commission.

(b) The department may not enter into, and the commission may not approve, an agreement under this section for the construction of a public improvement as part of a transportation project unless the agreement provides for bonding, financial guarantees, deposits or the posting of other security to secure the payment of laborers, subcontractors and suppliers who perform work or provide materials as part of the project.

(c) Before presenting an agreement to the commission for approval under this subsection, the department must consider whether to implement procedures to promote competition among subcontractors for any subcontracts to be let in connection with the transportation project. As part of its request for approval of the agreement, the department shall report in writing to the commission its conclusions regarding the appropriateness of implementing such procedures.

[(7)(a)] (8)(a) Except as provided in paragraph (b) of this subsection, documents, communications and information developed, exchanged or compiled in the course of negotiating an agreement with a private entity under this section are exempt from disclosure under ORS 192.410 to 192.505.

(b) The documents, communications or information described in paragraph (a) of this subsection are subject to disclosure under ORS 192.410 to 192.505 when the documents, communications or information are submitted to the commission in connection with its review and approval of a transportation project under subsection [(6)] (7) of this section.

[(8)] (9) The terms of a final agreement entered into under this section and the terms of a proposed agreement presented to the commission for review and approval under subsection [(6)] (7) of this section are subject to disclosure under ORS 192.410 to 192.505.

[(9)] (10) As used in this section:

(a) “Public improvement” has the meaning given that term in ORS 279A.010.

(b) “Public works” has the meaning given that term in ORS 279C.800.

**SECTION 26.** ORS 803.350 is amended to read:

803.350. *[This section establishes the requirements for qualification for registration.]* The Department of Transportation *[shall]* **may** not issue registration to a vehicle if the requirements under this section are not met. The department, in the absence of just cause for refusing to register a vehicle upon application, shall assign a distinctive number or other distinctive means of identification and shall issue registration for a vehicle if all of the following requirements are met:

(1) The applicant applies for and is granted title in the applicant’s name at the same time the person makes application for registration, or presents satisfactory evidence that title covering the

1 vehicle has been previously issued to the applicant.

2 (2) The applicant completes an application described under ORS 803.370. If the vehicle is a re-  
3 constructed or assembled vehicle or a replica, the person must indicate that fact in the application  
4 or be subject to ORS 803.225.

5 (3) The applicant pays the department the registration fee established under ORS 803.420 and  
6 any applicable fees for issuance of registration plates.

7 (4) For motor vehicles, proof of compliance with pollution control equipment requirements is  
8 provided to the department. Proof required to comply with this subsection is described under ORS  
9 815.310. This subsection does not apply if the vehicle is exempt from the requirements for proof of  
10 compliance under ORS 815.300.

11 (5) The applicant is domiciled in this state, as described in ORS 803.355, if required by ORS  
12 803.360 to be domiciled in the state in order to register a vehicle. If the department has reason to  
13 believe that the applicant is not domiciled in this state and is required to be in order to register a  
14 vehicle, the department may require the person to submit proof of domicile. The department shall  
15 determine by rule what constitutes proof of domicile.

16 (6) The applicant owns a vehicle that qualifies under ORS 803.360 (2) for registration in this  
17 state, if the owner is not domiciled in this state and is not required by ORS 803.200, or any other  
18 provision of law, to register the vehicle in this state.

19 (7) The applicant surrenders all evidence of any former registration or title as required by ORS  
20 803.380.

21 (8)(a) Beginning with 2009 model year new motor vehicles, the applicant provides proof of com-  
22 pliance with low emission motor vehicle standards adopted pursuant to ORS 468A.360. The depart-  
23 ment shall determine by rule what constitutes proof of compliance with low emission motor vehicle  
24 standards.

25 (b) The department shall determine by rule which new motor vehicles are exempt from the re-  
26 quirements of this subsection. Any rules adopted pursuant to this paragraph shall be consistent with  
27 the Environmental Quality Commission standards adopted pursuant to ORS 468A.360.

28 (c) For purposes of this subsection, "new motor vehicle" means a motor vehicle with 7,500 miles  
29 or less on the odometer when the vehicle is initially registered under ORS 803.420 (1), 805.100 or  
30 805.120.

31 (9) If required to do so by the department, the applicant provides the department with satisfac-  
32 tory proof that the vehicle was designed to be operated on highways and meets equipment require-  
33 ments imposed by statute or rule for the lawful operation of a vehicle on highways. The department  
34 may adopt rules specifying the kinds of vehicles that are subject to this subsection and what con-  
35 stitutes satisfactory proof under this subsection.

36 **(10) If applicable, the applicant provides proof that the applicant has notified the depart-**  
37 **ment, pursuant to section 8 or 10 of this 2013 Act, that metered use by the vehicle is subject**  
38 **to the per-mile road usage charge imposed under section 3 of this 2013 Act. The department**  
39 **shall determine by rule what constitutes proof of notification.**

40 **SECTION 27.** ORS 305.410 is amended to read:

41 305.410. (1) Subject only to the provisions of ORS 305.445 relating to judicial review by the Su-  
42 preme Court and to subsection (2) of this section, the tax court shall be the sole, exclusive and final  
43 judicial authority for the hearing and determination of all questions of law and fact arising under  
44 the tax laws of this state. For the purposes of this section, and except to the extent that they pre-  
45 clude the imposition of other taxes, the following are not tax laws of this state:

- 1 (a) ORS chapter 577 relating to Oregon Beef Council contributions.
- 2 (b) ORS 576.051 to 576.455 relating to commodity commission assessments.
- 3 (c) ORS chapter 477 relating to fire protection assessments.
- 4 (d) ORS chapters 731, 732, 733, 734, 737, 742, 743, 743A, 744, 746, 748 and 750 relating to insur-
- 5 ance company fees and taxes.
- 6 (e) ORS chapter 473 relating to liquor taxes.
- 7 (f) ORS chapter 583 relating to milk marketing, production or distribution fees.
- 8 (g) ORS chapter 825 relating to motor carrier taxes.
- 9 (h) ORS chapter 319 relating to motor vehicle and aircraft fuel taxes **and the road usage**
- 10 **charges imposed under sections 3 and 4 of this 2013 Act.**
- 11 (i) ORS title 59 relating to motor vehicle and motor vehicle operators' license fees and ORS title
- 12 39 relating to boat licenses.
- 13 (j) ORS chapter 578 relating to Oregon Wheat Commission assessments.
- 14 (k) ORS chapter 462 relating to racing taxes.
- 15 (L) ORS chapter 657 relating to unemployment insurance taxes.
- 16 (m) ORS chapter 656 relating to workers' compensation contributions, assessments or fees.
- 17 (n) ORS 311.420, 311.425, 311.455, 311.650, 311.655 and ORS chapter 312 relating to foreclosure
- 18 of real and personal property tax liens.
- 19 (o) Sections 15 to 22, 24 and 29, chapter 736, Oregon Laws 2003, relating to long term care fa-
- 20 cility assessments.
- 21 (2) The tax court and the circuit courts shall have concurrent jurisdiction to try actions or suits
- 22 to determine:
- 23 (a) The priority of property tax liens in relation to other liens.
- 24 (b) The validity of any deed, conveyance, transfer or assignment of real or personal property
- 25 under ORS 95.060 and 95.070 (1983 Replacement Part) or 95.200 to 95.310 where the Department of
- 26 Revenue has or claims a lien or other interest in the property.
- 27 (3) Subject only to the provisions of ORS 305.445 relating to judicial review by the Supreme
- 28 Court, the tax court shall be the sole, exclusive and final judicial authority for the hearing and de-
- 29 termination of all questions of law and fact concerning the authorized uses of the proceeds of bonded
- 30 indebtedness described in section 11 (11)(d), Article XI of the Oregon Constitution.
- 31 (4) Except as permitted under section 2, amended Article VII, Oregon Constitution, this section
- 32 and ORS 305.445, no person shall contest, in any action, suit or proceeding in the circuit court or
- 33 any other court, any matter within the jurisdiction of the tax court.

34  
35 **TECHNICAL PROVISIONS**  
36

- 37 **SECTION 28.** (1) **Not later than April 1, 2014, the Department of Transportation shall**
- 38 **prepare plans and specifications necessary to comply with the amendments to ORS 367.802,**
- 39 **367.804 and 367.806 by sections 23 to 25 of this 2013 Act.**
- 40 (2) **Not later than October 1, 2014, the department shall begin implementing the agree-**
- 41 **ments entered into pursuant to the amendments to ORS 367.802, 367.804 and 367.806 by**
- 42 **sections 23 to 25 of this 2013 Act.**
- 43 **SECTION 29.** (1) **Sections 3 to 5, 10 to 15 and 21 of this 2013 Act and the amendments to**
- 44 **ORS 319.280, 319.550, 319.665, 319.831, 366.505 and 803.350 by sections 16 to 19, 22 and 26 of this**
- 45 **2013 Act become operative on July 1, 2015.**

1 (2) The Department of Transportation may take any action before the operative date  
2 specified in subsection (1) of this section that is necessary to enable the department to ex-  
3 ercise, on and after the operative date specified in subsection (1) of this section, all the du-  
4 ties, functions and powers conferred on the department by sections 2 to 15 and 21 of this 2013  
5 Act and the amendments to ORS 319.280, 319.550, 319.665, 319.831, 366.505 and 803.350 by  
6 sections 16 to 19 and 22 and 26 of this 2013 Act.

7 SECTION 30. Sections 2 to 15 and 21 of this 2013 Act and the amendments to ORS 305.410,  
8 319.280, 319.550, 319.665, 319.831, 366.505, 367.802, 367.804, 367.806 and 803.350 by sections 16 to  
9 19 and 22 to 27 of this 2013 Act apply to motor vehicles with a model year of 2015 or later.

10 SECTION 31. The unit captions used in this 2013 Act are provided only for the conven-  
11 ience of the reader and do not become part of the statutory law of this state or express any  
12 legislative intent in the enactment of this 2013 Act.

13  
14 **EFFECTIVE DATE**

15  
16 SECTION 32. This 2013 Act takes effect on the 91st day after the date on which the 2013  
17 regular session of the Seventy-seventh Legislative Assembly adjourns sine die.

18 \_\_\_\_\_