

**PROPOSED AMENDMENTS TO
B-ENGROSSED HOUSE BILL 2281**

1 On page 1 of the printed B-engrossed bill, line 2, after “ORS” delete the
2 rest of the line and line 3 and insert “267.260, 267.385, 279C.305, 319.020,
3 319.530, 367.620, 456.587, 470.815, 646.905, 646.913, 646.922, 646.957, 757.612,
4 757.613, 803.420, 807.370, 818.225, 825.476 and 825.480 and section 18, chapter
5 30, Oregon Laws 2010; repealing ORS 646.912 and 646.921 and sections 6 and
6 9, chapter 754, Oregon Laws 2009, and section 2, chapter 4, Oregon Laws 2015
7 (Enrolled Senate Bill 324); prescribing an effective date; and providing for
8 revenue raising that requires approval by a three-fifths majority.”.

9 Delete lines 5 through 24 and delete pages 2 through 5 and insert:
10

11 **“REVENUE MEASURES**

12
13 **“SECTION 1. ORS 319.020 is amended to read:**

14 “319.020. (1) Subject to subsections (2) to (4) of this section, in addition
15 to the taxes otherwise provided for by law, every dealer engaging in the
16 dealer’s own name, or in the name of others, in the first sale, use or dis-
17 tribution of motor vehicle fuel or aircraft fuel or withdrawal of motor vehi-
18 cle fuel or aircraft fuel for sale, use or distribution within areas in this state
19 within which the state lacks the power to tax the sale, use or distribution
20 of motor vehicle fuel or aircraft fuel, shall:

21 “(a) Not later than the 25th day of each calendar month, render a state-
22 ment to the Department of Transportation of all motor vehicle fuel or air-

1 craft fuel sold, used, distributed or so withdrawn by the dealer in the State
2 of Oregon as well as all such fuel sold, used or distributed in this state by
3 a purchaser thereof upon which sale, use or distribution the dealer has as-
4 sumed liability for the applicable license tax during the preceding calendar
5 month. The dealer shall render the statement to the department in the man-
6 ner provided by the department by rule.

7 “(b) Except as provided in ORS 319.270, pay a license tax computed on the
8 basis of [30] **32** cents per gallon on the first sale, use or distribution of such
9 motor vehicle fuel or aircraft fuel so sold, used, distributed or withdrawn as
10 shown by such statement in the manner and within the time provided in ORS
11 319.010 to 319.430.

12 “(2) When aircraft fuel is sold, used or distributed by a dealer, the license
13 tax shall be computed on the basis of nine cents per gallon of fuel so sold,
14 used or distributed, except that when aircraft fuel usable in aircraft operated
15 by turbine engines (turbo-prop or jet) is sold, used or distributed, the tax rate
16 shall be one cent per gallon.

17 “(3) In lieu of claiming refund of the tax paid on motor vehicle fuel con-
18 sumed by such dealer in nonhighway use as provided in ORS 319.280, 319.290
19 and 319.320, or of any prior erroneous payment of license tax made to the
20 state by such dealer, the dealer may show such motor vehicle fuel as a credit
21 or deduction on the monthly statement and payment of tax.

22 “(4) The license tax computed on the basis of the sale, use, distribution
23 or withdrawal of motor vehicle or aircraft fuel may not be imposed wherever
24 such tax is prohibited by the Constitution or laws of the United States with
25 respect to such tax.

26 “**SECTION 2.** ORS 319.530 is amended to read:

27 “319.530. (1) To compensate this state partially for the use of its highways,
28 an excise tax hereby is imposed at the rate of [30] **32** cents per gallon on the
29 use of fuel in a motor vehicle.

30 “(2) Except as otherwise provided in subsections (3) and (4) of this sec-

1 tion, 100 cubic feet of fuel used or sold in a gaseous state, measured at 14.73
2 pounds per square inch of pressure at 60 degrees Fahrenheit, is taxable at
3 the same rate as a gallon of liquid fuel.

4 “(3) One hundred twenty cubic feet of compressed natural gas used or sold
5 in a gaseous state, measured at 14.73 pounds per square inch of pressure at
6 60 degrees Fahrenheit, is taxable at the same rate as a gallon of liquid fuel.

7 “(4) One and three-tenths liquid gallons of propane at 60 degrees
8 Fahrenheit is taxable at the same rate as a gallon of other liquid fuel.

9 “(5)(a) Except as provided in paragraph (b) of this subsection, the excise
10 tax imposed under subsection (1) of this section does not apply to diesel fuel
11 blended with a minimum of 20 percent biodiesel that is derived from used
12 cooking oil.

13 “(b) The exemption provided under paragraph (a) of this subsection does
14 not apply to fuel:

15 “(A) Used in motor vehicles that have a gross vehicle weight rating of
16 26,001 pounds or more;

17 “(B) That is not sold in retail operations; or

18 “(C) That is sold in operations involving fleet fueling or bulk sales.

19 **“SECTION 3.** ORS 319.530, as amended by section 3, chapter 648, Oregon
20 Laws 2013, is amended to read:

21 “319.530. (1) To compensate this state partially for the use of its highways,
22 an excise tax hereby is imposed at the rate of [30] **32** cents per gallon on the
23 use of fuel in a motor vehicle.

24 “(2) Except as otherwise provided in subsections (3) and (4) of this sec-
25 tion, 100 cubic feet of fuel used or sold in a gaseous state, measured at 14.73
26 pounds per square inch of pressure at 60 degrees Fahrenheit, is taxable at
27 the same rate as a gallon of liquid fuel.

28 “(3) One hundred twenty cubic feet of compressed natural gas used or sold
29 in a gaseous state, measured at 14.73 pounds per square inch of pressure at
30 60 degrees Fahrenheit, is taxable at the same rate as a gallon of liquid fuel.

1 “(4) One and three-tenths liquid gallons of propane at 60 degrees
2 Fahrenheit is taxable at the same rate as a gallon of other liquid fuel.

3 “**SECTION 4. The amendments to ORS 319.020 and 319.530 by**
4 **sections 1 to 3 of this 2015 Act apply to fuel sold, used or distributed**
5 **on or after January 1, 2016.**

6 “**SECTION 5.** ORS 319.020, as amended by section 1 of this 2015 Act, is
7 amended to read:

8 “319.020. (1) Subject to subsections (2) to (4) of this section, in addition
9 to the taxes otherwise provided for by law, every dealer engaging in the
10 dealer’s own name, or in the name of others, in the first sale, use or dis-
11 tribution of motor vehicle fuel or aircraft fuel or withdrawal of motor vehi-
12 cle fuel or aircraft fuel for sale, use or distribution within areas in this state
13 within which the state lacks the power to tax the sale, use or distribution
14 of motor vehicle fuel or aircraft fuel, shall:

15 “(a) Not later than the 25th day of each calendar month, render a state-
16 ment to the Department of Transportation of all motor vehicle fuel or air-
17 craft fuel sold, used, distributed or so withdrawn by the dealer in the State
18 of Oregon as well as all such fuel sold, used or distributed in this state by
19 a purchaser thereof upon which sale, use or distribution the dealer has as-
20 sumed liability for the applicable license tax during the preceding calendar
21 month. The dealer shall render the statement to the department in the man-
22 ner provided by the department by rule.

23 “(b) Except as provided in ORS 319.270, pay a license tax computed on the
24 basis of [32] **34** cents per gallon on the first sale, use or distribution of such
25 motor vehicle fuel or aircraft fuel so sold, used, distributed or withdrawn as
26 shown by such statement in the manner and within the time provided in ORS
27 319.010 to 319.430.

28 “(2) When aircraft fuel is sold, used or distributed by a dealer, the license
29 tax shall be computed on the basis of nine cents per gallon of fuel so sold,
30 used or distributed, except that when aircraft fuel usable in aircraft operated

1 by turbine engines (turbo-prop or jet) is sold, used or distributed, the tax rate
2 shall be one cent per gallon.

3 “(3) In lieu of claiming refund of the tax paid on motor vehicle fuel con-
4 sumed by such dealer in nonhighway use as provided in ORS 319.280, 319.290
5 and 319.320, or of any prior erroneous payment of license tax made to the
6 state by such dealer, the dealer may show such motor vehicle fuel as a credit
7 or deduction on the monthly statement and payment of tax.

8 “(4) The license tax computed on the basis of the sale, use, distribution
9 or withdrawal of motor vehicle or aircraft fuel may not be imposed wherever
10 such tax is prohibited by the Constitution or laws of the United States with
11 respect to such tax.

12 **“SECTION 6.** ORS 319.530, as amended by section 2 of this 2015 Act, is
13 amended to read:

14 “319.530. (1) To compensate this state partially for the use of its highways,
15 an excise tax hereby is imposed at the rate of [32] **34** cents per gallon on the
16 use of fuel in a motor vehicle.

17 “(2) Except as otherwise provided in subsections (3) and (4) of this sec-
18 tion, 100 cubic feet of fuel used or sold in a gaseous state, measured at 14.73
19 pounds per square inch of pressure at 60 degrees Fahrenheit, is taxable at
20 the same rate as a gallon of liquid fuel.

21 “(3) One hundred twenty cubic feet of compressed natural gas used or sold
22 in a gaseous state, measured at 14.73 pounds per square inch of pressure at
23 60 degrees Fahrenheit, is taxable at the same rate as a gallon of liquid fuel.

24 “(4) One and three-tenths liquid gallons of propane at 60 degrees
25 Fahrenheit is taxable at the same rate as a gallon of other liquid fuel.

26 “(5)(a) Except as provided in paragraph (b) of this subsection, the excise
27 tax imposed under subsection (1) of this section does not apply to diesel fuel
28 blended with a minimum of 20 percent biodiesel that is derived from used
29 cooking oil.

30 “(b) The exemption provided under paragraph (a) of this subsection does

1 not apply to fuel:

2 “(A) Used in motor vehicles that have a gross vehicle weight rating of
3 26,001 pounds or more;

4 “(B) That is not sold in retail operations; or

5 “(C) That is sold in operations involving fleet fueling or bulk sales.

6 **“SECTION 7.** ORS 319.530, as amended by section 3, chapter 648, Oregon
7 Laws 2013, and section 3 of this 2015 Act, is amended to read:

8 “319.530. (1) To compensate this state partially for the use of its highways,
9 an excise tax hereby is imposed at the rate of [32] **34** cents per gallon on the
10 use of fuel in a motor vehicle.

11 “(2) Except as otherwise provided in subsections (3) and (4) of this sec-
12 tion, 100 cubic feet of fuel used or sold in a gaseous state, measured at 14.73
13 pounds per square inch of pressure at 60 degrees Fahrenheit, is taxable at
14 the same rate as a gallon of liquid fuel.

15 “(3) One hundred twenty cubic feet of compressed natural gas used or sold
16 in a gaseous state, measured at 14.73 pounds per square inch of pressure at
17 60 degrees Fahrenheit, is taxable at the same rate as a gallon of liquid fuel.

18 “(4) One and three-tenths liquid gallons of propane at 60 degrees
19 Fahrenheit is taxable at the same rate as a gallon of other liquid fuel.

20 **“SECTION 8.** The amendments to ORS 319.020 and 319.530 by
21 sections 5 to 7 of this 2015 Act apply to fuel sold, used or distributed
22 on or after January 1, 2017.

23 **“SECTION 9.** Section 10 of this 2015 Act is added to and made a part
24 of the Oregon Vehicle Code.

25 **“SECTION 10.** In addition to the fee for issuance of a certificate of
26 title specified in ORS 803.090, a person shall pay a fee of \$125 for issu-
27 ance of a certificate of title if the Department of Transportation issues
28 a title for a new motor vehicle that has not been titled in this state
29 or any other jurisdiction.

30 **“SECTION 11.** ORS 803.420 is amended to read:

1 “803.420. This section establishes registration fees for vehicles. If there
2 is uncertainty as to the classification of a vehicle for purposes of the pay-
3 ment of registration fees under the vehicle code, the Department of Trans-
4 portation may classify the vehicle to assure that registration fees for the
5 vehicle are the same as for vehicles the department determines to be com-
6 parable. The registration fees for the vehicle shall be those based on the
7 classification determined by the department. Except as otherwise provided
8 in this section, or unless the vehicle is registered quarterly, the fees de-
9 scribed in this section are for an entire registration period for the vehicle
10 as described under ORS 803.415. The department shall apportion any fee un-
11 der this section to reflect the number of quarters registered for a vehicle
12 registered for a quarterly registration period under ORS 803.415. The fees
13 are payable when a vehicle is registered and upon renewal of registration.
14 Except as provided in ORS 801.041 (3) and 801.042 (7), the fee shall be in-
15 creased by any amount established by the governing body of a county or by
16 the governing body of a district, as defined in ORS 801.237, under ORS
17 801.041 or 801.042 as an additional registration fee for the vehicle. The fees
18 for registration of vehicles are as follows:

19 “(1) Vehicles not otherwise provided for in this section or ORS 821.320,
20 [~~\$43~~] **\$53** for each year of the registration period.

21 “(2) Mopeds, [~~\$24~~] **\$30** for each year of the registration period.

22 “(3) Motorcycles, [~~\$24~~] **\$30** for each year of the registration period.

23 “(4) Government-owned vehicles registered under ORS 805.040, \$3.50.

24 “(5) State-owned vehicles registered under ORS 805.045, \$3.50 on registra-
25 tion or renewal.

26 “(6) Undercover vehicles registered under ORS 805.060, \$3.50 on registra-
27 tion or renewal.

28 “(7) Antique vehicles registered under ORS 805.010, \$54.

29 “(8) Vehicles of special interest registered under ORS 805.020, \$81.

30 “(9) Electric vehicles and hybrid vehicles that use electricity and another

1 source of motive power, as follows:

2 “(a) The registration fee for an electric or hybrid vehicle not otherwise
3 described in this subsection is [~~\$43~~] **\$188** for each year of the registration
4 period.

5 “(b) The registration fee for electric or hybrid vehicles that have two or
6 three wheels is [~~\$43~~] **\$188**. This paragraph does not apply to electric or hy-
7 brid mopeds. Electric or hybrid mopeds are subject to the same registration
8 fee as otherwise provided for mopeds under this section.

9 “(c) The registration fees for the following electric or hybrid vehicles are
10 the same as for comparable nonelectric vehicles described in this section plus
11 50 percent of such fee:

12 “(A) Motor homes.

13 “(B) Commercial buses.

14 “(C) Vehicles registered as farm vehicles under ORS 805.300.

15 “(D) Vehicles required to establish registration weight under ORS 803.430
16 or 826.013.

17 “(10) Motor vehicles required to establish a registration weight under
18 ORS 803.430 or 826.013, tow vehicles used to transport property for hire other
19 than as described in ORS 822.210, and commercial buses, as provided in the
20 following chart, based upon the weight submitted in the declaration of
21 weight prepared under ORS 803.435 or 826.015:

22 “

23	Weight in Pounds	Fee
24	8,000 or less	\$ 55
25	8,001 to 10,000	344
26	10,001 to 12,000	391
27	12,001 to 14,000	438
28	14,001 to 16,000	485
29	16,001 to 18,000	532
30	18,001 to 20,000	593

1	20,001	to	22,000	640
2	22,001	to	24,000	703
3	24,001	to	26,000	764
4	26,001	to	28,000	375
5	28,001	to	30,000	391
6	30,001	to	32,000	422
7	32,001	to	34,000	438
8	34,001	to	36,000	468
9	36,001	to	38,000	485
10	38,001	to	40,000	515
11	40,001	to	42,000	532
12	42,001	to	44,000	562
13	44,001	to	46,000	578
14	46,001	to	48,000	593
15	48,001	to	50,000	625
16	50,001	to	52,000	656
17	52,001	to	54,000	672
18	54,001	to	56,000	686
19	56,001	to	58,000	717
20	58,001	to	60,000	750
21	60,001	to	62,000	780
22	62,001	to	64,000	811
23	64,001	to	66,000	827
24	66,001	to	68,000	857
25	68,001	to	70,000	874
26	70,001	to	72,000	904
27	72,001	to	74,000	921
28	74,001	to	76,000	951
29	76,001	to	78,000	967
30	78,001	to	80,000	998

1	80,001	to	82,000	1,014
2	82,001	to	84,000	1,045
3	84,001	to	86,000	1,061
4	86,001	to	88,000	1,092
5	88,001	to	90,000	1,108
6	90,001	to	92,000	1,139
7	92,001	to	94,000	1,155
8	94,001	to	96,000	1,185
9	96,001	to	98,000	1,202
10	98,001	to	100,000	1,218
11	100,001	to	102,000	1,249
12	102,001	to	104,000	1,265
13	104,001	to	105,500	1,295

14 “

15 “(11)(a) Motor vehicles with a registration weight of more than 8,000
16 pounds that are described in ORS 825.015, that are operated by a charitable
17 organization as defined in ORS 825.017 (14), as provided in the following
18 chart:

19 “

20	Weight in Pounds			Fee
21	8,001	to	10,000	\$ 50
22	10,001	to	12,000	60
23	12,001	to	14,000	65
24	14,001	to	16,000	75
25	16,001	to	18,000	80
26	18,001	to	20,000	90
27	20,001	to	22,000	95
28	22,001	to	24,000	105
29	24,001	to	26,000	110
30	26,001	to	28,000	120

1	28,001	to	30,000	125
2	30,001	to	32,000	135
3	32,001	to	34,000	140
4	34,001	to	36,000	150
5	36,001	to	38,000	155
6	38,001	to	40,000	165
7	40,001	to	42,000	170
8	42,001	to	44,000	180
9	44,001	to	46,000	185
10	46,001	to	48,000	190
11	48,001	to	50,000	200
12	50,001	to	52,000	210
13	52,001	to	54,000	215
14	54,001	to	56,000	220
15	56,001	to	58,000	230
16	58,001	to	60,000	240
17	60,001	to	62,000	250
18	62,001	to	64,000	260
19	64,001	to	66,000	265
20	66,001	to	68,000	275
21	68,001	to	70,000	280
22	70,001	to	72,000	290
23	72,001	to	74,000	295
24	74,001	to	76,000	305
25	76,001	to	78,000	310
26	78,001	to	80,000	320
27	80,001	to	82,000	325
28	82,001	to	84,000	335
29	84,001	to	86,000	340
30	86,001	to	88,000	350

1	88,001	to	90,000	355
2	90,001	to	92,000	365
3	92,001	to	94,000	370
4	94,001	to	96,000	380
5	96,001	to	98,000	385
6	98,001	to	100,000	390
7	100,001	to	102,000	400
8	102,001	to	104,000	405
9	104,001	to	105,500	415

10 “ _____
11 “(b) Motor vehicles with a registration weight of more than 8,000 pounds
12 that are certified under ORS 822.205, unless the motor vehicle is registered
13 under subsection (10) of this section or that are used exclusively to transport
14 manufactured structures, as provided in the following chart:

15 “ _____

16	Weight in Pounds	Fee
17	8,001 to 10,000	\$ 102
18	10,001 to 12,000	122
19	12,001 to 14,000	132
20	14,001 to 16,000	153
21	16,001 to 18,000	163
22	18,001 to 20,000	183
23	20,001 to 22,000	193
24	22,001 to 24,000	214
25	24,001 to 26,000	224
26	26,001 to 28,000	244
27	28,001 to 30,000	255
28	30,001 to 32,000	275
29	32,001 to 34,000	285
30	34,001 to 36,000	306

1	36,001	to	38,000	316
2	38,001	to	40,000	336
3	40,001	to	42,000	346
4	42,001	to	44,000	367
5	44,001	to	46,000	377
6	46,001	to	48,000	387
7	48,001	to	50,000	407
8	50,001	to	52,000	428
9	52,001	to	54,000	438
10	54,001	to	56,000	448
11	56,001	to	58,000	468
12	58,001	to	60,000	489
13	60,001	to	62,000	509
14	62,001	to	64,000	530
15	64,001	to	66,000	540
16	66,001	to	68,000	560
17	68,001	to	70,000	570
18	70,001	to	72,000	591
19	72,001	to	74,000	601
20	74,001	to	76,000	621
21	76,001	to	78,000	631
22	78,001	to	80,000	652
23	80,001	to	82,000	662
24	82,001	to	84,000	682
25	84,001	to	86,000	692
26	86,001	to	88,000	713
27	88,001	to	90,000	723
28	90,001	to	92,000	743
29	92,001	to	94,000	754
30	94,001	to	96,000	774

1	96,001 to 98,000	784
2	98,001 to 100,000	794
3	100,001 to 102,000	815
4	102,001 to 104,000	825
5	104,001 to 105,500	845

6 “

7 “(c) The owner of a vehicle described in paragraphs (a) and (b) of this
8 subsection must certify at the time of initial registration, in a manner de-
9 termined by the department by rule, that the motor vehicle will be used ex-
10 clusively to transport manufactured structures or exclusively as described in
11 ORS 822.210, unless the motor vehicle is registered under subsection (10) of
12 this section, or as described in ORS 825.015 or 825.017 (14). Registration of
13 a vehicle described in paragraphs (a) and (b) of this subsection is invalid if
14 the vehicle is operated in any manner other than that described in the cer-
15 tification under this paragraph.

16 “(12) Trailers registered under permanent registration, \$10.

17 “(13) Fixed load vehicles as follows:

18 “(a) If a declaration of weight described under ORS 803.435 is submitted
19 establishing the weight of the vehicle at 3,000 pounds or less, \$54.

20 “(b) If no declaration of weight is submitted or if the weight of the vehi-
21 cle is in excess of 3,000 pounds, \$75.

22 “(14) Trailers for hire that are equipped with pneumatic tires made of an
23 elastic material and that are not travel trailers or trailers registered under
24 permanent registration, \$27.

25 “(15) Trailers registered as part of a fleet under an agreement reached
26 pursuant to ORS 802.500, the same as the fee for vehicles of the same type
27 registered under other provisions of the Oregon Vehicle Code.

28 “(16) Travel trailers, campers and motor homes as follows, based on
29 length as determined under ORS 803.425:

30 “(a) For travel trailers or campers that are 6 to 10 feet in length, \$81.

1 “(b) For travel trailers or campers over 10 feet in length, \$81 plus \$6.75
2 a foot for each foot of length over the first 10 feet.

3 “(c) For motor homes that are 6 to 14 feet in length, \$54.

4 “(d) For motor homes over 14 feet in length, \$126 plus \$7.50 a foot for
5 each foot of length over the first 10 feet.

6 “(17) Special use trailers as follows, based on length as determined under
7 ORS 803.425:

8 “(a) For lengths 6 to 10 feet, \$54.

9 “(b) For special use trailers over 10 feet in length, \$54 plus \$3 a foot for
10 each foot of length over the first 10 feet.

11 “(18) Fees for vehicles with proportional registration under ORS 826.009,
12 or proportioned fleet registration under ORS 826.011, are as provided for ve-
13 hicles of the same type under this section except that the fees shall be fixed
14 on an apportioned basis as provided under the agreement established under
15 ORS 826.007.

16 “(19) For any vehicle that is registered under a quarterly registration
17 period, a minimum of \$15 for each quarter registered plus an additional fee
18 of \$1.

19 “(20) In addition to any other fees charged for registration of vehicles in
20 fleets under ORS 805.120, the department may charge the following fees:

21 “(a) A \$2 service charge for each vehicle entered into a fleet.

22 “(b) A \$1 service charge for each vehicle in the fleet at the time of re-
23 newal.

24 “(21) The registration fee for vehicles with special registration for disa-
25 bled veterans under ORS 805.100 is a fee of \$15.

26 “(22) Subject to subsection (19) of this section, the registration fee for
27 motor vehicles registered as farm vehicles under ORS 805.300 is as follows
28 based upon the registration weight given in the declaration of weight sub-
29 mitted under ORS 803.435:

30 “ _____

1	Weight in Pounds	Fee
2	8,000 or less	\$ 35
3	8,001 to 10,000	46
4	10,001 to 12,000	53
5	12,001 to 14,000	68
6	14,001 to 16,000	76
7	16,001 to 18,000	91
8	18,001 to 20,000	99
9	20,001 to 22,000	114
10	22,001 to 24,000	121
11	24,001 to 26,000	137
12	26,001 to 28,000	144
13	28,001 to 30,000	159
14	30,001 to 32,000	167
15	32,001 to 34,000	182
16	34,001 to 36,000	190
17	36,001 to 38,000	205
18	38,001 to 40,000	213
19	40,001 to 42,000	228
20	42,001 to 44,000	235
21	44,001 to 46,000	251
22	46,001 to 48,000	258
23	48,001 to 50,000	273
24	50,001 to 52,000	281
25	52,001 to 54,000	288
26	54,001 to 56,000	304
27	56,001 to 58,000	319
28	58,001 to 60,000	326
29	60,001 to 62,000	334
30	62,001 to 64,000	349

1	64,001	to	66,000	364
2	66,001	to	68,000	372
3	68,001	to	70,000	380
4	70,001	to	72,000	395
5	72,001	to	74,000	402
6	74,001	to	76,000	418
7	76,001	to	78,000	425
8	78,001	to	80,000	440
9	80,001	to	82,000	448
10	82,001	to	84,000	463
11	84,001	to	86,000	471
12	86,001	to	88,000	486
13	88,001	to	90,000	493
14	90,001	to	92,000	509
15	92,001	to	94,000	516
16	94,001	to	96,000	531
17	96,001	to	98,000	539
18	98,001	to	100,000	554
19	100,001	to	102,000	562
20	102,001	to	104,000	577
21	104,001	to	105,500	585

22 “ _____

23 “(23) The registration fee for school vehicles registered under ORS 805.050

24 is \$7.50.

25 “(24) The registration fee for a low-speed vehicle is [~~\$43~~] **\$53**, for each

26 year of the registration period.

27 “(25) A rental or leasing company, as defined in ORS 221.275, that elects

28 to initially register a vehicle for an annual or biennial registration period

29 shall pay a fee of \$1 in addition to the vehicle registration fee provided under

30 this section.

1 “(26) Racing activity vehicles registered under ORS 805.035, \$81.

2 “(27) Medium-speed electric vehicles, [~~\$43~~] **\$188** for each year of the reg-
3 istration period.

4 **“SECTION 12.** ORS 818.225 is amended to read:

5 “818.225. (1)(a) In addition to any fee for a single-trip nondivisible load
6 permit, a person who is issued the permit or who operates a vehicle in a
7 manner that requires the permit is liable for payment of a road use assess-
8 ment fee of [*seven and one-tenths cents*] **eight and six-tenths cents** per
9 equivalent single-axle load mile traveled. As used in this subsection, ‘equiv-
10 alent single-axle load’ means the relationship between actual or requested
11 weight and an 18,000 pound single-axle load as determined by the American
12 Association of State Highway and Transportation Officials Road Tests re-
13 ported at the Proceedings Conference of 1962. The Department of Transpor-
14 tation may adopt rules to standardize the determination of equivalent
15 single-axle load computation based on average highway conditions.

16 “(b) If the road use assessment fee is not collected at the time of issuance
17 of the permit, the department shall bill the permittee for the amount due.
18 The account shall be considered delinquent if not paid within 60 days of
19 billing.

20 “(c) The miles of travel authorized by a single-trip nondivisible load per-
21 mit shall be exempt from taxation under ORS chapter 825.

22 “(2) The department by rule may establish procedures for payment, col-
23 lection and enforcement of the fees and assessments established by this
24 chapter.

25 **“SECTION 13.** ORS 825.476 is amended to read:

26 “825.476.

27 “

28 MILEAGE TAX RATE TABLE “A”

29 Declared Combined Fee Rates
30 Weight Groups Per Mile

1	(Pounds)	(Mills)
2	26,001 to 28,000	[49.8] 59.8
3	28,001 to 30,000	[52.8] 63.3
4	30,001 to 32,000	[55.2] 66.2
5	32,001 to 34,000	[57.6] 69.2
6	34,001 to 36,000	[59.9] 71.9
7	36,001 to 38,000	[63.0] 75.6
8	38,001 to 40,000	[65.4] 78.4
9	40,001 to 42,000	[67.7] 81.3
10	42,001 to 44,000	[70.2] 84.3
11	44,001 to 46,000	[72.6] 87.1
12	46,001 to 48,000	[74.9] 89.9
13	48,001 to 50,000	[77.4] 92.9
14	50,001 to 52,000	[80.3] 96.4
15	52,001 to 54,000	[83.3] 99.9
16	54,001 to 56,000	[86.4] 103.7
17	56,001 to 58,000	[90.0] 108.0
18	58,001 to 60,000	[94.1] 112.9
19	60,001 to 62,000	[99.0] 118.8
20	62,001 to 64,000	[104.5] 125.3
21	64,001 to 66,000	[110.4] 132.5
22	66,001 to 68,000	[118.3] 141.9
23	68,001 to 70,000	[126.6] 151.9
24	70,001 to 72,000	[135.0] 161.9
25	72,001 to 74,000	[142.7] 171.2
26	74,001 to 76,000	[150.0] 180.0
27	76,001 to 78,000	[157.2] 188.7
28	78,001 to 80,000	[163.8] 196.6

29 “

AXLE-WEIGHT MILEAGE

30

TAX RATE TABLE "B"

1					
2	Declared Combined	Number of Axles			
3	Weight Groups	5	6	7	8 9 or
4	(Pounds)	(Mills)		more	
5	80,001 to 82,000	[169.2	154.8	144.7	137.4 129.6]
6		208.1	190.3	177.9	169.1 159.4
7	82,001 to 84,000	[174.7	157.2	147.0	139.2 131.3]
8		214.8	193.4	180.9	171.2 161.6
9	84,001 to 86,000	[179.9	160.9	149.4	140.9 133.2]
10		221.3	197.9	183.8	173.3 163.9
11	86,001 to 88,000	[186.0	164.3	151.8	143.4 135.0]
12		228.8	202.1	186.7	176.4 166.0
13	88,001 to 90,000	[193.2	168.6	154.3	145.8 137.4]
14		237.7	207.3	189.7	179.3 169.1
15	90,001 to 92,000	[201.6	173.4	156.5	148.2 139.8]
16		247.9	213.3	192.5	182.2 172.0
17	92,001 to 94,000	[210.7	178.2	159.0	150.5 141.7]
18		259.1	219.1	195.6	185.1 174.3
19	94,001 to 96,000	[220.2	183.6	162.0	153.0 143.9]
20		270.9	225.9	199.2	188.2 177.0
21	96,001 to 98,000	[230.4	190.2	165.6	155.5 146.4]
22		283.5	234.0	203.7	191.3 180.1
23	98,001 to 100,000	[197.3	169.2	158.4	148.8]
24		242.7	208.1	194.8	183.0
25	100,001 to 102,000	[172.8	162.0	151.3]	
26		212.6	199.2	186.1	
27	102,001 to 104,000	[176.4	165.6	154.3]	
28		217.0	203.7	189.7	
29	104,001 to 105,500	[181.1	169.2	157.2]	
30		222.8	208.1	193.4	

1 “

2 **“SECTION 14.** ORS 825.480 is amended to read:

3 “825.480. (1)(a) In lieu of other fees provided in ORS 825.474, carriers en-
4 gaged in operating motor vehicles in the transportation of logs, poles, peeler
5 cores or piling may pay annual fees for such operation computed at the rate
6 of [*seven dollars and fifty-nine cents*] **nine dollars and fifty-two cents** for
7 each 100 pounds of declared combined weight.

8 “(b) Any carrier electing to pay fees under this method may, as to vehicles
9 otherwise exempt from taxation, elect to be taxed on the mileage basis for
10 movements of such empty vehicles over public highways whenever operations
11 are for the purpose of repair, maintenance, servicing or moving from one
12 exempt highway operation to another.

13 “(2) The annual fees provided in subsections (1), (4) and (5) of this section
14 may be paid on a monthly basis. Any carrier electing to pay fees under this
15 method may not change an election during the same calendar year in which
16 the election is made, but may be relieved from the payment due for any
17 month on a motor vehicle which is not operated. A carrier electing to pay
18 fees under this method shall report and pay these fees on or before the 10th
19 of each month for the preceding month’s operations. A monthly report shall
20 be made on all vehicles on the annual fee basis including any vehicle not
21 operated for the month.

22 “(3)(a) In lieu of the fees provided in ORS 825.470 to 825.474, motor vehi-
23 cles described in ORS 825.024 with a combined weight of less than 46,000
24 pounds that are being operated under a permit issued under ORS 825.102 may
25 pay annual fees for such operation computed at the rate of [*six dollars and*
26 *twenty-three cents*] **seven dollars and fifty-four cents** for each 100 pounds
27 of declared combined weight.

28 “(b) The annual fees provided in this subsection shall be paid in advance
29 but may be paid on a monthly basis on or before the first day of the month.
30 A carrier may be relieved from the fees due for any month during which the

1 motor vehicle is not operated for hire if a statement to that effect is filed
2 with the Department of Transportation on or before the fifth day of the first
3 month for which relief is sought.

4 “(4)(a) In lieu of other fees provided in ORS 825.474, carriers engaged in
5 the operation of motor vehicles equipped with dump bodies and used in the
6 transportation of sand, gravel, rock, dirt, debris, cinders, asphaltic concrete
7 mix, metallic ores and concentrates or raw nonmetallic products, whether
8 crushed or otherwise, moving from mines, pits or quarries may pay annual
9 fees for such operation computed at the rate of [*seven dollars and fifty-three*
10 *cents*] **nine dollars and forty-four cents** for each 100 pounds of declared
11 combined weight.

12 “(b) Any carrier electing to pay fees under this method may, as to vehicles
13 otherwise exempt for taxation, elect to be taxed on the mileage basis for
14 movements of such empty vehicles over public highways whenever operations
15 are for the purpose of repair, maintenance, servicing or moving from one
16 exempt highway operation to another.

17 “(5)(a) In lieu of other fees provided in ORS 825.474, carriers engaged in
18 operating motor vehicles in the transportation of wood chips, sawdust,
19 barkdust, hog fuel or shavings may pay annual fees for such operation com-
20 puted at the rate of [*thirty dollars and sixty-five cents*] **thirty-seven dollars**
21 **and ten cents** for each 100 pounds of declared combined weight.

22 “(b) Any carrier electing to pay under this method may, as to vehicles
23 otherwise exempt from taxation, elect to be taxed on the mileage basis for
24 movement of such empty vehicles over public highways whenever operations
25 are for the purpose of repair, maintenance, service or moving from one ex-
26 empt highway operation to another.

27 **“SECTION 15. The amendments to ORS 803.420, 818.225, 825.476 and**
28 **825.480 by sections 11 to 14 of this 2015 Act become operative on Janu-**
29 **ary 1, 2016.**

30

1 **“DISTRIBUTION AND USES OF MONEYS**

2
3 **“SECTION 16. Section 17 of this 2015 Act is added to and made a**
4 **part of ORS chapter 366.**

5 **“SECTION 17. (1) The following moneys shall be allocated as de-**
6 **scribed in subsections (2) and (3) of this section:**

7 **“(a) The amount attributable to the increase in tax rates by the**
8 **amendments to ORS 319.020 and 319.530 by sections 1 to 3 and 5 to 7**
9 **of this 2015 Act.**

10 **“(b) The amount attributable to the title fee established in section**
11 **10 of this 2015 Act.**

12 **“(c) The amount attributable to the fee increases by the amend-**
13 **ments to ORS 803.420 by section 11 of this 2015 Act.**

14 **“(d) The amount attributable to tax and fee increases by the**
15 **amendments to ORS 818.225, 825.476 and 825.480 by sections 12 to 14 of**
16 **this 2015 Act.**

17 **“(2) The moneys described in subsection (1) of this section shall be**
18 **allocated as follows:**

19 **“(a) Fifty percent to the Department of Transportation.**

20 **“(b) Thirty percent to counties for distribution as provided in ORS**
21 **366.762.**

22 **“(c) Twenty percent to cities for distribution as provided in ORS**
23 **366.800.**

24 **“(3) The moneys described in subsection (2)(a) of this section or**
25 **equivalent amounts that become available to the Department of**
26 **Transportation shall be allocated as follows:**

27 **“(a) Forty-nine percent for bridges.**

28 **“(b) Thirty-two percent to pay debt service for the purposes de-**
29 **scribed in ORS 367.620 (3)(d).**

30 **“(c) Nineteen percent for state highway maintenance, preservation**

1 and safety improvements.

2 **“SECTION 18. (1) The Oregon Transportation Commission shall use**
3 **the proceeds of bonds, as defined in ORS 367.010, authorized under ORS**
4 **367.620 (3)(d) to finance the transportation projects listed in this sec-**
5 **tion.**

6 **“(2) The following amounts are allocated to each region in this state**
7 **for the transportation projects listed in this section:**

- 8 (a) Region one..... \$ 124.6 million
- 9 (b) Region two..... \$ 115.4 million
- 10 (c) Region three..... \$ 42.6 million
- 11 (d) Region four..... \$ 55 million
- 12 (e) Region five..... \$ 32.4 million

13 **“(3) The moneys allocated to region one under subsection (2)(a) of**
14 **this section shall be used for the following transportation projects:**

15 **“(a) Add lanes to Interstate 205: Stafford Road to Oregon City.**

16 **“(b) Cornelius Pass Road improvements.**

17 **“(c) Auxiliary lanes in the Portland area for congestion relief in-**
18 **cluding:**

19 **“(A) Interstate 5 southbound and northbound between Lower**
20 **Boones Ferry Road and the Interstate 205 interchange.**

21 **“(B) Interstate 205 northbound auxiliary lane: Interstate 84 to**
22 **Columbia Boulevard.**

23 **“(C) Interstate 205 southbound auxiliary lane: Interstate 84 to Stark**
24 **and Washington Streets.**

25 **“(D) Interstate 205 northbound auxiliary lane: Powell to Interstate**
26 **84.**

27 **“(d) Interstate 84: Improve Northwest Forest Lane overpass vertical**
28 **clearance.**

29 **“(e) U.S. Highway 26: Interstate 205 to 174th Street.**

30 **“(4) The moneys allocated to region two under subsection (2)(b) of**

1 **this section shall be used for the following transportation projects:**
2 **“(a) State Highway 126: Eugene to Florence safety improvements.**
3 **“(b) Interstate 5: Aurora-Donald interchange, Phase I.**
4 **“(c) State Highway 34 from Interstate 5 to Corvallis: Improves**
5 **safety, constructs frontage road between Peoria Road and South**
6 **Corvallis Bypass, and adds median barrier and rumbles.**
7 **“(d) U.S. Highway 101: Camp Rilea-Sunset Beach, three-lane sec-**
8 **tion.**
9 **“(e) State Highway 126B: Springfield improvements.**
10 **“(f) Territorial Highway safety improvements.**
11 **“(g) State Highway 18 at State Highway 22, widens highway to four**
12 **lanes, improves safety and provides congestion relief, Phase I.**
13 **“(5) The moneys allocated to region three under subsection (2)(c)**
14 **of this section shall be used for the following transportation projects:**
15 **“(a) Interstate 5: Sexton summit southbound truck climbing lane.**
16 **“(b) Interstate 5: Coon Hill southbound truck climbing lane.**
17 **“(c) State Highway 42, county line curves and paving.**
18 **“(d) Foothill Road Extension to State Highway 140 in Jackson**
19 **County.**
20 **“(6) The moneys allocated to region four under subsection (2)(d) of**
21 **this section shall be used for the following transportation projects:**
22 **“(a) U.S. Highway 97 Redmond-Bend safety corridor, Phase 1.**
23 **“(b) State Highway 140 freight mobility improvements.**
24 **“(7) The moneys allocated to region five under subsection (2)(e) of**
25 **this section shall be used for the following transportation projects:**
26 **“(a) U.S. Highway 20 freight mobility improvements.**
27 **“(b) Improvement of roads connecting to Eastern Oregon Trade and**
28 **Event Center.**
29 **“(c) Juntura cutoff in Harney and Malheur Counties.**
30 **“(d) Port of Morrow.**

1 **“(8) For the purposes of this section, the regions are as follows:**

2 **“(a) Region one consists of Clackamas, Hood River, Multnomah and**
3 **Washington Counties.**

4 **“(b) Region two consists of Benton, Clatsop, Columbia, Lane,**
5 **Lincoln, Linn, Marion, Polk, Tillamook and Yamhill Counties.**

6 **“(c) Region three consists of Coos, Curry, Douglas, Jackson and**
7 **Josephine Counties.**

8 **“(d) Region four consists of Crook, Deschutes, Gilliam, Jefferson,**
9 **Klamath, Lake, Sherman, Wasco and Wheeler Counties.**

10 **“(e) Region five consists of Baker, Grant, Harney, Malheur,**
11 **Morrow, Umatilla, Union and Wallowa Counties.**

12 **“(9) Prior to July 1, 2016, in addition to the projects listed in this**
13 **section, if transportation projects are recommended to the Oregon**
14 **Transportation Commission by the applicable local area commission**
15 **on transportation after consultation with the local governments listed**
16 **in this subsection, the Oregon Transportation Commission may also**
17 **approve and allocate funds to the following local governments for**
18 **projects:**

19 **“(a) Port of Umatilla.**

20 **“(b) City of Dufur.**

21 **“(c) Baker County for two cities located in Baker County.**

22 **“(10) The Oregon Transportation Commission shall determine the**
23 **order of completion for the transportation projects listed in this sec-**
24 **tion.**

25 **“(11)(a) Before beginning construction of the project described in**
26 **subsection (3)(e) of this section, the department shall enter into a**
27 **memorandum of understanding with the City of Portland to transfer**
28 **jurisdiction over the segment of U.S. Highway 26 from Interstate 205**
29 **to 174th Street to the City of Portland after completion of the project.**

30 **“(b) Before beginning construction of the project described in sub-**

1 section (4)(e) of this section, the department shall enter into a mem-
2 orandum of understanding with the City of Springfield to transfer
3 jurisdiction over the segment of State Highway 126B within the city
4 to the City of Springfield after completion of the project.

5 “(c) Before beginning construction of the project described in sub-
6 section (4)(f) of this section, the department shall enter into a memo-
7 randum of understanding with Lane County to transfer jurisdiction
8 over the Territorial Highway within the county to Lane County after
9 completion of the project.

10 **“SECTION 18a.** (1) The Department of Transportation shall conduct
11 a study of the Cornelius Pass Road to address the regional significance
12 of the corridor and shall develop a plan for its future. The department
13 shall conduct the study in consultation with local governments. The
14 study must examine safety improvements required for hazardous ma-
15 terial routes. After completing the study, the department shall develop
16 a plan to finance construction of the recommended improvements.

17 “(2) The department may use a portion of the funds allocated to the
18 Cornelius Pass Road project listed in section 18 (3)(b) of this 2015 Act
19 to:

20 “(a) Conduct the study and develop the plan as required in this
21 section; and

22 “(b) To make safety and operational improvements to Cornelius
23 Pass Road as recommended by the study described in this section and
24 taking into consideration Multnomah County’s Cornelius Pass Road
25 Safety Evaluation.

26 “(3) The department shall submit a report on the plan required by
27 subsection (1) of this section, and may include recommendations for
28 legislation, to the interim committees of the Legislative Assembly re-
29 lated to transportation in the manner provided under ORS 192.245 no
30 later than September 15, 2017.

1 **“SECTION 18b. Section 18a of this 2015 Act is repealed on January**
2 **2, 2018.**

3 **“SECTION 19. (1) As part of the Oregon Innovative Partnerships**
4 **Program established under ORS 367.800 to 367.824, the Department of**
5 **Transportation shall solicit proposals and may enter into agreements**
6 **to widen the segment of Interstate 205 from Stafford Road to Oregon**
7 **City, including the Abernethy Bridge, by adding one travel lane in**
8 **each direction.**

9 **“(2) The department may consider using toll revenues to finance the**
10 **project in whole or in part.**

11

12

“BONDS

13

14 **“SECTION 20. ORS 367.620 is amended to read:**

15 **“367.620. (1) The principal amount of Highway User Tax Bonds issued**
16 **under ORS 367.615 shall be subject to the provisions of ORS 286A.035.**

17 **“(2) Highway User Tax Bonds may be issued under ORS 367.615 for the**
18 **purposes described in ORS 367.622 in an aggregate principal amount suffi-**
19 **cient to produce net proceeds of not more than \$500 million.**

20 **“(3)(a) Highway User Tax Bonds may be issued under ORS 367.615 for**
21 **bridge purposes described in section 10 (1), chapter 618, Oregon Laws 2003,**
22 **in an aggregate principal amount sufficient to produce net proceeds of not**
23 **more than \$1.6 billion.**

24 **“(b) Highway User Tax Bonds may be issued under ORS 367.615 for mod-**
25 **ernization purposes described in sections 10 (2) and 11, chapter 618, Oregon**
26 **Laws 2003, in an aggregate principal amount sufficient to produce net pro-**
27 **ceeds of not more than \$300 million.**

28 **“(c) Highway User Tax Bonds may be issued under ORS 367.615 for the**
29 **purposes described section 64, chapter 865, Oregon Laws 2009, in an aggre-**
30 **gate principal amount sufficient to produce net proceeds of not more than**

1 \$840 million. The proceeds from bonds issued as described in this paragraph
2 that are not required for the purposes described in section 64, chapter 865,
3 Oregon Laws 2009, shall be allocated to transportation projects, as defined
4 in ORS 367.010, that are approved by the Legislative Assembly by law.

5 **“(d) Highway User Tax Bonds may be issued under ORS 367.615 for**
6 **purposes described in section 18 of this 2015 Act, in an aggregate**
7 **principal amount sufficient to produce net proceeds of not more than**
8 **\$400 million.**

9 **“[(d)] (e) The Department of Transportation, with the approval of the**
10 **State Treasurer, may designate the extent to which a series of bonds au-**
11 **thorized under this subsection is secured and payable on a parity of lien or**
12 **on a subordinate basis to existing or future Highway User Tax Bonds.**

13 **“SECTION 21. The amendments to ORS 367.620 by section 20 of this**
14 **2015 Act do not impair the interest of the holders of Highway User Tax**
15 **Bonds that are outstanding on the effective date of this 2015 Act or**
16 **any obligations of the agreements of the Department of Transporta-**
17 **tion under its Amended and Restated Master Highway User Tax Rev-**
18 **enue Bond Declaration dated June 1, 2006, as amended and**
19 **supplemented.**

20 **“SECTION 22. Notwithstanding ORS 367.620 (1), the provisions of**
21 **ORS 286A.035 do not apply to bonds described in ORS 367.620 (3)(d) for**
22 **the biennium beginning July 1, 2015.**

23
24 **“APPLICABILITY**

25
26 **“SECTION 23. The amendments to ORS 803.420, 818.225, 825.476 and**
27 **825.480 by sections 11 to 14 of this 2015 Act apply to fees and taxes**
28 **imposed on or after January 1, 2016.**

29
30 **“TEMPORARY DRIVER LICENSE FEE INCREASE**

1 **“SECTION 24.** ORS 807.370 is amended to read:
2 “807.370. The following are the fees relating to the issuance and renewal
3 of licenses, driver permits and endorsements:
4 “(1) Disability golf cart driver permit fees under ORS 807.210, as follows:
5 “(a) For issuance, \$44.
6 “(b) For renewal fee under ORS 807.210, \$32.
7 “(2) Emergency driver permit fee under ORS 807.220, \$23.50.
8 “(3) Instruction driver permit fees under ORS 807.280, as follows:
9 “(a) For issuance, \$23.50.
10 “(b) For renewal, \$23.50.
11 “(4)(a) License issuance fee for a Class C license, [~~\$54~~] **\$64**.
12 “(b) Fee to take the knowledge test for a Class C license, \$5.
13 “(c) Fee to take the skills test for a Class C license, \$9.
14 “(5) License issuance fee for a restricted Class C license, \$54.
15 “(6) License issuance fee for a commercial driver license, whether or not
16 the license contains endorsements, \$75.50.
17 “(7) Test fees for a commercial driver license or permit:
18 “(a) To take the knowledge test for a Class A commercial license or per-
19 mit, \$10.
20 “(b) To take the skills test for a Class A commercial license, \$70.
21 “(c) To take the knowledge test for a Class B commercial license or per-
22 mit, \$10.
23 “(d) To take the skills test for a Class B commercial license, \$70.
24 “(e) To take the knowledge test for a Class C commercial license or per-
25 mit, \$10.
26 “(f) To take the skills test for a Class C commercial license, \$70.
27 “(8) Notwithstanding subsection (6) of this section, for issuance of a
28 commercial driver license of any class when the Department of Transporta-
29 tion accepts a certificate of competency issued under ORS 807.080, \$40 in
30 addition to the fee under subsection (6) of this section.

1 “(9) Notwithstanding subsection (6) of this section, for original issuance
2 of a school bus endorsement to a person who has a commercial driver license
3 with a passenger endorsement:

4 “(a) \$21; or

5 “(b) \$61 if the department accepts a certificate of competency issued under
6 ORS 807.080.

7 “(10) For a farm endorsement, \$26.

8 “(11) Test fees for the knowledge test for endorsements other than mo-
9 torcycle and farm endorsements:

10 “(a) For a hazardous materials endorsement, \$10.

11 “(b) For a tank vehicle endorsement, \$10.

12 “(c) For a passenger endorsement, \$10.

13 “(d) For a double and triple trailer endorsement, \$10.

14 “(e) For a school bus endorsement, \$10.

15 “(12) Fee to take an airbrake knowledge test, \$10.

16 “(13) Fee to take an airbrake skills test to remove an airbrake restriction,
17 \$56.

18 “(14) License renewal fee for a commercial driver license, \$55.50.

19 “(15) License renewal fee for a Class C license, [~~\$34~~] **\$44**.

20 “(16) License or driver permit replacement fee under ORS 807.160,
21 [~~\$26.50~~] **\$36.50**.

22 “(17) Original endorsement issuance fee under ORS 807.170 for a motor-
23 cycle endorsement, \$46, in addition to any fees for the endorsed license.

24 “(18) Special student driver permit fee under ORS 807.230, \$23.50.

25 “(19) Student Driver Training Fund eligibility fee under ORS 807.040 and
26 807.150, \$6.

27 “(20) Motorcycle Safety Subaccount fee as follows:

28 “(a) Upon original issuance of motorcycle endorsements under ORS
29 807.170, \$38.

30 “(b) Upon renewal of a license with a motorcycle endorsement under ORS

1 807.170, \$28.

2 “(21) Probationary driver permit application fee under ORS 807.270, \$50.

3 “(22) Hardship driver permit application fee under ORS 807.240, \$50.

4 “(23) Fee for reinstatement of revoked driving privileges under ORS
5 809.390, \$75.

6 “(24) Fee for reinstatement of suspended driving privileges under ORS
7 809.380, \$75.

8 “(25) Fee for reinstatement of right to apply for driving privileges after
9 a delay under ORS 809.280 (10) (1997 Edition), the same as the fee for rein-
10 statement of suspended driving privileges.

11 “(26) Fee for a special limited vision condition learner’s permit under ORS
12 807.359, \$13.

13 “(27)(a) License issuance fee for a Class C limited term license, \$23.

14 “(b) Fee to take the knowledge test for a Class C limited term license,
15 \$5.

16 “(c) Fee to take the skills test for a Class C limited term license, \$9.

17 “(28) License issuance fee for a restricted Class C limited term license,
18 \$23.

19 “(29) License issuance fee for a limited term commercial driver license,
20 whether or not the license contains endorsements, \$45.

21 “(30) License renewal fee for a limited term commercial driver license,
22 \$14.

23 “(31) License renewal fee for a Class C limited term license, \$8.

24 “(32) Limited term license or limited term driver permit replacement fee
25 under ORS 807.160, \$26.50.

26 “(33) Limited term Student Driver Training Fund eligibility fee under
27 ORS 807.040 and 807.150, \$2.

28 **“SECTION 25.** ORS 807.370, as amended by section 33, chapter 237,
29 Oregon Laws 2013, is amended to read:

30 “807.370. The following are the fees relating to the issuance and renewal

1 of licenses, driver permits and endorsements:

2 “(1) Disability golf cart driver permit fees under ORS 807.210, as follows:

3 “(a) For issuance, \$44.

4 “(b) For renewal fee under ORS 807.210, \$32.

5 “(2) Emergency driver permit fee under ORS 807.220, \$23.50.

6 “(3) Instruction driver permit fees under ORS 807.280, as follows:

7 “(a) For issuance, \$23.50.

8 “(b) For renewal, \$23.50.

9 “(4) Commercial learner driver permit issuance fee under ORS 807.285,

10 \$23.50.

11 “(5)(a) License issuance fee for a Class C license, [~~\$54~~] **\$64**.

12 “(b) Fee to take the knowledge test for a Class C license, \$5.

13 “(c) Fee to take the skills test for a Class C license, \$9.

14 “(6) License issuance fee for a restricted Class C license, \$54.

15 “(7) License issuance fee for a commercial driver license, whether or not

16 the license contains endorsements, \$75.50.

17 “(8) Test fees for a commercial driver license or permit:

18 “(a) To take the knowledge test for a Class A commercial driver license

19 or permit, \$10.

20 “(b) To take the skills test for a Class A commercial driver license, \$70.

21 “(c) To take the knowledge test for a Class B commercial driver license

22 or permit, \$10.

23 “(d) To take the skills test for a Class B commercial driver license, \$70.

24 “(e) To take the knowledge test for a Class C commercial driver license

25 or permit, \$10.

26 “(f) To take the skills test for a Class C commercial driver license, \$70.

27 “(9) Notwithstanding subsection (7) of this section, for issuance of a

28 commercial driver license of any class when the Department of Transporta-

29 tion accepts a certificate of competency issued under ORS 807.080, \$40 in

30 addition to the fee under subsection (7) of this section.

1 “(10) Notwithstanding subsection (7) of this section, for original issuance
2 of a school bus endorsement to a person who has a commercial driver license
3 with a passenger endorsement:

4 “(a) \$21; or

5 “(b) \$61 if the department accepts a certificate of competency issued under
6 ORS 807.080.

7 “(11) For a farm endorsement, \$26.

8 “(12) Test fees for the knowledge test for endorsements other than mo-
9 torcycle and farm endorsements:

10 “(a) For a hazardous materials endorsement, \$10.

11 “(b) For a tank vehicle endorsement, \$10.

12 “(c) For a passenger endorsement, \$10.

13 “(d) For a double and triple trailer endorsement, \$10.

14 “(e) For a school bus endorsement, \$10.

15 “(13) Fee to take an airbrake knowledge test, \$10.

16 “(14) Fee to take an airbrake skills test to remove an airbrake restriction,
17 \$56.

18 “(15) License renewal fee for a commercial driver license, \$55.50.

19 “(16) License renewal fee for a Class C license, [~~\$34~~] **\$44**.

20 “(17) License or driver permit replacement fee under ORS 807.160,
21 [~~\$26.50~~] **\$36.50**.

22 “(18) Original endorsement issuance fee under ORS 807.170 for a motor-
23 cycle endorsement, \$46, in addition to any fees for the endorsed license.

24 “(19) Special student driver permit fee under ORS 807.230, \$23.50.

25 “(20) Student Driver Training Fund eligibility fee under ORS 807.040 and
26 807.150, \$6.

27 “(21) Motorcycle Safety Subaccount fee as follows:

28 “(a) Upon original issuance of motorcycle endorsements under ORS
29 807.170, \$38.

30 “(b) Upon renewal of a license with a motorcycle endorsement under ORS

1 807.170, \$28.

2 “(22) Probationary driver permit application fee under ORS 807.270, \$50.

3 “(23) Hardship driver permit application fee under ORS 807.240, \$50.

4 “(24) Fee for reinstatement of revoked driving privileges under ORS
5 809.390, \$75.

6 “(25) Fee for reinstatement of suspended driving privileges under ORS
7 809.380, \$75.

8 “(26) Fee for reinstatement of right to apply for driving privileges after
9 a delay under ORS 809.280 (10) (1997 Edition), the same as the fee for rein-
10 statement of suspended driving privileges.

11 “(27) Fee for a special limited vision condition learner’s permit under ORS
12 807.359, \$13.

13 “(28)(a) License issuance fee for a Class C limited term license, \$23.

14 “(b) Fee to take the knowledge test for a Class C limited term license,
15 \$5.

16 “(c) Fee to take the skills test for a Class C limited term license, \$9.

17 “(29) License issuance fee for a restricted Class C limited term license,
18 \$23.

19 “(30) License issuance fee for a limited term commercial driver license,
20 whether or not the license contains endorsements, \$45.

21 “(31) License renewal fee for a limited term commercial driver license,
22 \$14.

23 “(32) License renewal fee for a Class C limited term license, \$8.

24 “(33) Limited term license or limited term driver permit replacement fee
25 under ORS 807.160, \$26.50.

26 “(34) Limited term Student Driver Training Fund eligibility fee under
27 ORS 807.040 and 807.150, \$2.

28 **“SECTION 26. Notwithstanding any other provision of law, the**
29 **amount attributable to the increase in the license issuance, renewal**
30 **and replacement fees for a Class C license and the increase in the**

1 **driver permit replacement fees by the amendments to ORS 807.370 by**
2 **sections 24 and 25 of this 2015 Act shall be allocated to the Department**
3 **of Transportation for the purpose of redeveloping and modernizing the**
4 **department's information technology system.**

5 **“SECTION 27.** ORS 807.370, as amended by section 24 of this 2015 Act,
6 is amended to read:

7 “807.370. The following are the fees relating to the issuance and renewal
8 of licenses, driver permits and endorsements:

9 “(1) Disability golf cart driver permit fees under ORS 807.210, as follows:

10 “(a) For issuance, \$44.

11 “(b) For renewal fee under ORS 807.210, \$32.

12 “(2) Emergency driver permit fee under ORS 807.220, \$23.50.

13 “(3) Instruction driver permit fees under ORS 807.280, as follows:

14 “(a) For issuance, \$23.50.

15 “(b) For renewal, \$23.50.

16 “(4)(a) License issuance fee for a Class C license, [~~\$64~~] **\$54**.

17 “(b) Fee to take the knowledge test for a Class C license, \$5.

18 “(c) Fee to take the skills test for a Class C license, \$9.

19 “(5) License issuance fee for a restricted Class C license, \$54.

20 “(6) License issuance fee for a commercial driver license, whether or not
21 the license contains endorsements, \$75.50.

22 “(7) Test fees for a commercial driver license or permit:

23 “(a) To take the knowledge test for a Class A commercial license or per-
24 mit, \$10.

25 “(b) To take the skills test for a Class A commercial license, \$70.

26 “(c) To take the knowledge test for a Class B commercial license or per-
27 mit, \$10.

28 “(d) To take the skills test for a Class B commercial license, \$70.

29 “(e) To take the knowledge test for a Class C commercial license or per-
30 mit, \$10.

1 “(f) To take the skills test for a Class C commercial license, \$70.

2 “(8) Notwithstanding subsection (6) of this section, for issuance of a
3 commercial driver license of any class when the Department of Transporta-
4 tion accepts a certificate of competency issued under ORS 807.080, \$40 in
5 addition to the fee under subsection (6) of this section.

6 “(9) Notwithstanding subsection (6) of this section, for original issuance
7 of a school bus endorsement to a person who has a commercial driver license
8 with a passenger endorsement:

9 “(a) \$21; or

10 “(b) \$61 if the department accepts a certificate of competency issued under
11 ORS 807.080.

12 “(10) For a farm endorsement, \$26.

13 “(11) Test fees for the knowledge test for endorsements other than mo-
14 torcycle and farm endorsements:

15 “(a) For a hazardous materials endorsement, \$10.

16 “(b) For a tank vehicle endorsement, \$10.

17 “(c) For a passenger endorsement, \$10.

18 “(d) For a double and triple trailer endorsement, \$10.

19 “(e) For a school bus endorsement, \$10.

20 “(12) Fee to take an airbrake knowledge test, \$10.

21 “(13) Fee to take an airbrake skills test to remove an airbrake restriction,
22 \$56.

23 “(14) License renewal fee for a commercial driver license, \$55.50.

24 “(15) License renewal fee for a Class C license, [~~\$44~~] **\$34**.

25 “(16) License or driver permit replacement fee under ORS 807.160,
26 [~~\$36.50~~] **\$26.50**.

27 “(17) Original endorsement issuance fee under ORS 807.170 for a motor-
28 cycle endorsement, \$46, in addition to any fees for the endorsed license.

29 “(18) Special student driver permit fee under ORS 807.230, \$23.50.

30 “(19) Student Driver Training Fund eligibility fee under ORS 807.040 and

1 807.150, \$6.

2 “(20) Motorcycle Safety Subaccount fee as follows:

3 “(a) Upon original issuance of motorcycle endorsements under ORS
4 807.170, \$38.

5 “(b) Upon renewal of a license with a motorcycle endorsement under ORS
6 807.170, \$28.

7 “(21) Probationary driver permit application fee under ORS 807.270, \$50.

8 “(22) Hardship driver permit application fee under ORS 807.240, \$50.

9 “(23) Fee for reinstatement of revoked driving privileges under ORS
10 809.390, \$75.

11 “(24) Fee for reinstatement of suspended driving privileges under ORS
12 809.380, \$75.

13 “(25) Fee for reinstatement of right to apply for driving privileges after
14 a delay under ORS 809.280 (10) (1997 Edition), the same as the fee for rein-
15 statement of suspended driving privileges.

16 “(26) Fee for a special limited vision condition learner’s permit under ORS
17 807.359, \$13.

18 “(27)(a) License issuance fee for a Class C limited term license, \$23.

19 “(b) Fee to take the knowledge test for a Class C limited term license,
20 \$5.

21 “(c) Fee to take the skills test for a Class C limited term license, \$9.

22 “(28) License issuance fee for a restricted Class C limited term license,
23 \$23.

24 “(29) License issuance fee for a limited term commercial driver license,
25 whether or not the license contains endorsements, \$45.

26 “(30) License renewal fee for a limited term commercial driver license,
27 \$14.

28 “(31) License renewal fee for a Class C limited term license, \$8.

29 “(32) Limited term license or limited term driver permit replacement fee
30 under ORS 807.160, \$26.50.

1 “(33) Limited term Student Driver Training Fund eligibility fee under
2 ORS 807.040 and 807.150, \$2.

3 **“SECTION 28.** ORS 807.370, as amended by section 33, chapter 237,
4 Oregon Laws 2013, and section 25 of this 2015 Act, is amended to read:

5 “807.370. The following are the fees relating to the issuance and renewal
6 of licenses, driver permits and endorsements:

7 “(1) Disability golf cart driver permit fees under ORS 807.210, as follows:

8 “(a) For issuance, \$44.

9 “(b) For renewal fee under ORS 807.210, \$32.

10 “(2) Emergency driver permit fee under ORS 807.220, \$23.50.

11 “(3) Instruction driver permit fees under ORS 807.280, as follows:

12 “(a) For issuance, \$23.50.

13 “(b) For renewal, \$23.50.

14 “(4) Commercial learner driver permit issuance fee under ORS 807.285,
15 \$23.50.

16 “(5)(a) License issuance fee for a Class C license, [~~\$64~~] **\$54**.

17 “(b) Fee to take the knowledge test for a Class C license, \$5.

18 “(c) Fee to take the skills test for a Class C license, \$9.

19 “(6) License issuance fee for a restricted Class C license, \$54.

20 “(7) License issuance fee for a commercial driver license, whether or not
21 the license contains endorsements, \$75.50.

22 “(8) Test fees for a commercial driver license or permit:

23 “(a) To take the knowledge test for a Class A commercial driver license
24 or permit, \$10.

25 “(b) To take the skills test for a Class A commercial driver license, \$70.

26 “(c) To take the knowledge test for a Class B commercial driver license
27 or permit, \$10.

28 “(d) To take the skills test for a Class B commercial driver license, \$70.

29 “(e) To take the knowledge test for a Class C commercial driver license
30 or permit, \$10.

1 “(f) To take the skills test for a Class C commercial driver license, \$70.

2 “(9) Notwithstanding subsection (7) of this section, for issuance of a
3 commercial driver license of any class when the Department of Transporta-
4 tion accepts a certificate of competency issued under ORS 807.080, \$40 in
5 addition to the fee under subsection (7) of this section.

6 “(10) Notwithstanding subsection (7) of this section, for original issuance
7 of a school bus endorsement to a person who has a commercial driver license
8 with a passenger endorsement:

9 “(a) \$21; or

10 “(b) \$61 if the department accepts a certificate of competency issued under
11 ORS 807.080.

12 “(11) For a farm endorsement, \$26.

13 “(12) Test fees for the knowledge test for endorsements other than mo-
14 torcycle and farm endorsements:

15 “(a) For a hazardous materials endorsement, \$10.

16 “(b) For a tank vehicle endorsement, \$10.

17 “(c) For a passenger endorsement, \$10.

18 “(d) For a double and triple trailer endorsement, \$10.

19 “(e) For a school bus endorsement, \$10.

20 “(13) Fee to take an airbrake knowledge test, \$10.

21 “(14) Fee to take an airbrake skills test to remove an airbrake restriction,
22 \$56.

23 “(15) License renewal fee for a commercial driver license, \$55.50.

24 “(16) License renewal fee for a Class C license, [~~\$44~~] **\$34**.

25 “(17) License or driver permit replacement fee under ORS 807.160,
26 [~~\$36.50~~] **\$26.50**.

27 “(18) Original endorsement issuance fee under ORS 807.170 for a motor-
28 cycle endorsement, \$46, in addition to any fees for the endorsed license.

29 “(19) Special student driver permit fee under ORS 807.230, \$23.50.

30 “(20) Student Driver Training Fund eligibility fee under ORS 807.040 and

1 807.150, \$6.

2 “(21) Motorcycle Safety Subaccount fee as follows:

3 “(a) Upon original issuance of motorcycle endorsements under ORS
4 807.170, \$38.

5 “(b) Upon renewal of a license with a motorcycle endorsement under ORS
6 807.170, \$28.

7 “(22) Probationary driver permit application fee under ORS 807.270, \$50.

8 “(23) Hardship driver permit application fee under ORS 807.240, \$50.

9 “(24) Fee for reinstatement of revoked driving privileges under ORS
10 809.390, \$75.

11 “(25) Fee for reinstatement of suspended driving privileges under ORS
12 809.380, \$75.

13 “(26) Fee for reinstatement of right to apply for driving privileges after
14 a delay under ORS 809.280 (10) (1997 Edition), the same as the fee for rein-
15 statement of suspended driving privileges.

16 “(27) Fee for a special limited vision condition learner’s permit under ORS
17 807.359, \$13.

18 “(28)(a) License issuance fee for a Class C limited term license, \$23.

19 “(b) Fee to take the knowledge test for a Class C limited term license,
20 \$5.

21 “(c) Fee to take the skills test for a Class C limited term license, \$9.

22 “(29) License issuance fee for a restricted Class C limited term license,
23 \$23.

24 “(30) License issuance fee for a limited term commercial driver license,
25 whether or not the license contains endorsements, \$45.

26 “(31) License renewal fee for a limited term commercial driver license,
27 \$14.

28 “(32) License renewal fee for a Class C limited term license, \$8.

29 “(33) Limited term license or limited term driver permit replacement fee
30 under ORS 807.160, \$26.50.

1 “(34) Limited term Student Driver Training Fund eligibility fee under
2 ORS 807.040 and 807.150, \$2.

3 **“SECTION 29. (1) The amendments to ORS 807.370 by sections 24
4 and 25 of this 2015 Act become operative on January 1, 2016.**

5 **“(2) The amendments to ORS 807.370 by sections 27 and 28 of this
6 2015 Act become operative on January 1, 2024.**

7 **“(3) Section 26 of this 2015 Act is repealed on January 2, 2024.**

8 **“(4) The amounts described in section 26 of this 2015 Act that have
9 not been expended on the operative date specified in subsection (2) of
10 this section for redeveloping and modernizing the Department of
11 Transportation’s information technology system may be expended in
12 the same manner as other driver license fee revenues are expended.**

13 **“SECTION 30. (1) The amendments to ORS 807.370 by sections 24
14 and 25 of this 2015 Act apply to fees imposed on or after January 1,
15 2016, and until December 31, 2023.**

16 **“(2) The amendments to ORS 807.370 by sections 27 and 28 of this
17 2015 Act apply to fees imposed on or after January 1, 2024.**

18

19 **“MASS TRANSIT PAYROLL TAX**

20

21 **“SECTION 31. ORS 267.385 is amended to read:**

22 **“267.385. (1) To carry out the powers granted by ORS 267.010 to 267.390,
23 a mass transit district may by ordinance impose an excise tax on every
24 employer equal to not more than eight-tenths of one percent of the wages
25 paid with respect to the employment of individuals. For the same purposes,
26 a district may by ordinance impose a tax on each individual equal to not
27 more than eight-tenths of one percent of the individual’s net earnings from
28 self-employment.**

29 **“(2) A district shall impose an excise tax on every employee of an
30 employer whose wages are subject to tax under subsection (1) of this**

1 **section equal to 0.185 percent of the wages paid with respect to the**
2 **employee's employment.**

3 **"(3) Each employer required to collect taxes imposed under this**
4 **section shall make a deduction from the wages of each employee de-**
5 **scribed in subsection (2) of this section, but may not make a deduction**
6 **from the employee's wages for any other amount of tax imposed under**
7 **this section.**

8 **"(4) Every employer required to collect taxes imposed under this**
9 **section is deemed to hold the same in trust for the district imposing**
10 **the tax. An employee for whom taxes due under subsection (2) of this**
11 **section is conclusively deemed to have paid the tax imposed under**
12 **subsection (2) of this section if the taxes have been withheld from the**
13 **employee's wages.**

14 *"[(2) No employer shall make a deduction from the wages of an employee*
15 *to pay all or any portion of a tax imposed under this section.]*

16 *"[(3)] (5) The provisions of ORS 305.620 are applicable to collection,*
17 *enforcement, administration and distribution of a tax imposed under this*
18 *section.*

19 *"[(4)] (6) At any time an employer or individual fails to remit the amount*
20 *of taxes when due under [an ordinance of the district board imposing a tax*
21 *under] this section, the Department of Revenue may enforce collection by the*
22 *issuance of a distraint warrant for the collection of the delinquent amount*
23 *and all penalties, interest and collection charges accrued thereon. Such*
24 *warrant shall be issued and may be enforced in the same manner and have*
25 *the same force and effect as prescribed with respect to warrants for the*
26 *collection of delinquent state income taxes.*

27 *"[(5)] (7) Any ordinance adopted under subsection (1) of this section shall*
28 *require an individual having net earnings from self-employment from activity*
29 *both within and without the district taxable by the State of Oregon to allo-*
30 *cate and apportion such net earnings to the district in the manner required*

1 for allocation and apportionment of income under ORS 314.280 and 314.605
2 to 314.675. Such ordinance shall give the individual the option of appor-
3 tioning income based on a single factor designated by the ordinance.

4 “[6] (8) Any ordinance adopted under subsection (1) of this section with
5 respect to net earnings from self-employment may impose a tax for a taxable
6 year measured by each individual’s net earnings from self-employment for the
7 prior taxable year, whether such prior taxable year begins before or after
8 November 1, 1981, or such ordinance.

9 “[7] (9) Any ordinance imposing a tax authorized by subsection (1) of
10 this section shall not apply to any business, trade, occupation or profession
11 upon which a tax is imposed under ORS 267.360.

12 “[8] (10) The district board may not adopt an ordinance increasing a tax
13 authorized by subsection (1) of this section unless the board makes a finding
14 that the economy in the district has recovered to an extent sufficient to
15 warrant the increase in tax. In making the finding, the board shall consider
16 regional employment and income growth.

17 **“(11) A tax shall be imposed under subsection (2) of this section only**
18 **if the district has elected to impose a tax under subsection (1) of this**
19 **section.**

20 **“SECTION 32.** ORS 267.260 is amended to read:

21 “267.260. (1) As used in this section, ‘withdrawal date’ means the effective
22 date of an ordinance approving withdrawal of an affected area under ORS
23 267.250 to 267.263.

24 “(2) An ordinance approving the withdrawal of an affected area under
25 ORS 267.250 to 267.263 shall take effect on the first day of January next
26 following the date which is 30 days after the adoption of the ordinance.

27 “(3) Commencing immediately upon the withdrawal date and notwith-
28 standing any other provision of law, the rate of each tax imposed by the
29 district shall automatically be increased to a rate equal to the rate deter-
30 mined by dividing the rate at which such tax was levied immediately prior

1 to the withdrawal date by a fraction, not more than one, which is equal to
2 the total revenue derived from such tax by the district for the calendar year
3 preceding the year in which the withdrawal ordinance is adopted attributable
4 to the area of the district other than the withdrawn affected area divided
5 by the total revenue derived from such tax by the district for the same pe-
6 riod.

7 “(4) If the tax rates required under subsection (3) of this section do not
8 produce tax revenues sufficient to enable the district to make the annual or
9 semiannual payments, when due, and otherwise satisfy the requirements of
10 the bonded or other indebtedness of the district incurred prior to the with-
11 drawal, the district may increase the rate of each tax to a rate that produces
12 revenues sufficient to enable the district to make the annual or semiannual
13 payments, when due, and otherwise satisfy the requirements of such indebt-
14 edness.

15 “(5) The district board shall determine rates in accordance with the for-
16 mula prescribed by subsection (3) of this section and adopt the rates as part
17 of the ordinance approving the withdrawal of the affected area. Any such
18 determination and adoption shall be final and conclusive unless it is shown
19 to be arbitrary and capricious.

20 “(6) If a district adopts an ordinance that increases the rate of an excise
21 tax described in ORS 267.385 (1), the increase shall be adjusted as prescribed
22 in subsection (3) of this section to take into account the withdrawal of an
23 affected area that occurred or occurs at any time after the date the district
24 first imposed any taxes pursuant to ORS 267.385 (1).

25 **“SECTION 33. The amendments to ORS 267.260 and 267.385 by**
26 **sections 31 and 32 of this 2015 Act apply to mass transit district payroll**
27 **taxes imposed for payroll tax reporting periods beginning on or after**
28 **the effective date of this 2015 Act.**

29 **“SECTION 34. Section 35 of this 2015 Act is added to and made a**
30 **part of ORS 267.010 to 267.390.**

1 **“SECTION 35. Following the payment of any refunds of tax other-**
2 **wise due, revenues from the tax imposed under ORS 267.385 (2) are**
3 **dedicated to and may be expended by a mass transit district only on:**

4 **“(1) Enhancing frequency of bus service;**

5 **“(2) Acquisition of buses;**

6 **“(3) Bus service expansion; or**

7 **“(4) Maintenance and operations of buses.**

8
9 **“OREGON STATE UNIVERSITY RESEARCH OF**
10 **CLEAN DIESEL ENGINE TECHNOLOGY**

11
12 **“SECTION 36. In addition to and not in lieu of any other appropri-**
13 **ation, there is appropriated to the Higher Education Coordinating**
14 **Commission, for the biennium beginning July 1, 2015, out of the Gen-**
15 **eral Fund, the amount of \$1,500,000, to be allocated to Oregon State**
16 **University for use in engineering research and development into clean**
17 **diesel and engine technology.**

18
19 **“DEPARTMENT OF TRANSPORTATION REVIEW**

20
21 **“SECTION 37. The Director of Transportation shall:**

22 **“(1) Procure an independent efficiency management review of the**
23 **expenditure of State Highway Fund moneys and shall report on the**
24 **results of the review to a committee or interim committee of the**
25 **Legislative Assembly related to transportation no later than Septem-**
26 **ber 15, 2016.**

27 **“(2) Prepare and implement a plan, for each calendar year during**
28 **the period beginning January 1, 2017, and ending December 31, 2023,**
29 **under which the department redirects \$50 million per year out of**
30 **moneys available to the department and not being spent on highway**

1 **and bridge maintenance and preservation. The moneys that are redi-**
2 **rected under this section shall be expended for the purpose of highway**
3 **and bridge maintenance and preservation. The director shall submit**
4 **an annual report on the plan to a committee or interim committee of**
5 **the Legislative Assembly related to transportation not later than**
6 **September 15 of each year.**

7 **“SECTION 38. Section 37 of this 2015 Act is repealed on January 2,**
8 **2024.**

9 **“SECTION 38a. Section 18, chapter 30, Oregon Laws 2010, is amended to**
10 **read:**

11 **“Sec. 18. The Department of Transportation shall report quarterly to the**
12 **legislative committees on revenue if the Legislative Assembly is in session**
13 **or, if the Legislative Assembly is not in session, to the Legislative Revenue**
14 **Officer. The department’s report shall include an estimate of the amounts**
15 **received in the previous quarter from the increased taxes and fees estab-**
16 **lished in:**

17 **“(1) Chapter 865, Oregon Laws 2009, and an estimate of the projected**
18 **revenue in the current quarter from the increased taxes and fees established**
19 **in chapter 865, Oregon Laws 2009[.]; and**

20 **“(2) This 2015 Act, and an estimate of the projected revenue in the**
21 **current quarter from the increased taxes and fees established in this**
22 **2015 Act.**

23

24

“CONTRACTING

25

26 **“SECTION 38b. ORS 279C.305 is amended to read:**

27 **“279C.305. (1) [*It is*] The policy of the State of Oregon **is** that contracting**
28 **agencies shall make every effort to construct public improvements at the**
29 **least cost to the contracting agency.**

30 **“(2) Not less than 30 days [*prior to adoption of the contracting agency’s*]**

1 **before adopting a** budget for the subsequent budget period, each contracting
2 agency shall prepare and file with the Commissioner of the Bureau of Labor
3 and Industries a list of every public improvement [*known to the contracting*
4 *agency*] that the contracting agency plans to fund in the budget period,
5 identifying each improvement by name and estimating the total on-site con-
6 struction costs. The list [*shall*] **must** also [*contain a statement as to*] **state**
7 whether the contracting agency intends to perform the construction through
8 a private contractor. If the contracting agency intends to perform con-
9 struction work using the contracting agency’s own equipment and personnel
10 on a project estimated to cost more than \$125,000, the contracting agency
11 shall [*also show*] **include with the list an analysis** that **shows that** the
12 contracting agency’s decision conforms to the policy stated in subsection (1)
13 of this section. The list **and analysis** [*is a*] **are** public [*record*] **records** and
14 [*may be revised periodically by the agency*] **the contracting agency may**
15 **periodically revise the list or analysis.**

16 **“(3)(a) The Commissioner of the Bureau of Labor and Industries**
17 **shall adopt rules for transportation projects, as defined under ORS**
18 **367.010, that specify how a contracting agency must conduct the writ-**
19 **ten analysis required under subsection (2) of this section. The rules**
20 **must:**

21 **“(A) Require a contracting agency to estimate the cost of con-**
22 **structing a public improvement through a private contractor and**
23 **compare the estimated cost with the estimated cost of constructing**
24 **the public improvement with the contracting agency’s own equipment**
25 **and personnel.**

26 **“(B) Provide that in estimating a contracting agency’s cost of con-**
27 **structing a public improvement with the contracting agency’s own**
28 **equipment and personnel, the contracting agency shall account for:**

29 **“(i) The cost of labor at the applicable prevailing rate of wage that**
30 **the commissioner determines under ORS 279C.815, if the public im-**

1 **provement is a public works project;**

2 **“(ii) The cost of equipment, including any associated costs of in-**
3 **vestment and ownership;**

4 **“(iii) The costs of administration and overhead the contracting**
5 **agency will incur in connection with the public improvement;**

6 **“(iv) Tax revenue the state will not realize if the contracting agency**
7 **constructs a public improvement with the contracting agency’s own**
8 **equipment and personnel;**

9 **“(v) The costs of subcontracts into which the contracting agency**
10 **must enter; and**

11 **“(vi) Other costs that a private contractor would incur, including**
12 **but not limited to costs associated with obtaining applicable insurance**
13 **and warranties, engaging contractors for quality control, inviting**
14 **participation from small business enterprises certified under ORS**
15 **200.055 and traffic control.**

16 **“(b) Before adopting or amending rules in accordance with this**
17 **subsection, the commissioner shall consult with the Secretary of**
18 **State, the Director of the Oregon Department of Administrative Ser-**
19 **vices, the Director of Transportation, local contracting agencies, pri-**
20 **vate construction contractors and subcontractors and other**
21 **knowledgeable persons.**

22 **“[(3)] (4) Before a contracting agency constructs a public improvement**
23 **with [its] the contracting agency’s own equipment or personnel, the con-**
24 **tracting agency shall:**

25 **“(a) File the list and analysis required under subsection (2) of this**
26 **section with the commissioner.**

27 **“[(a)] (b) [If the estimated cost exceeds \$125,000, the contracting agency**
28 **shall] Prepare adequate plans and specifications and the estimated unit cost**
29 **of each classification of work, if the estimated cost of the public im-**
30 **provement exceeds \$125,000. [The estimated cost of the work must include**

1 a reasonable allowance for the cost, including investment cost, of any equip-
2 ment used.] As used in this paragraph, ‘adequate’ means sufficient to control
3 the performance of the work and to ensure satisfactory quality of con-
4 struction by the contracting agency personnel.

5 “[~~(b)~~] (c) [*The contracting agency shall cause to be kept and preserved*]
6 **Keep and preserve** a full, true and accurate account of the costs of per-
7 forming the work, including all engineering and administrative expenses,
8 **labor costs at the applicable prevailing rate of wage if the public im-**
9 **provement is a public works project** and the cost, including investment
10 costs, of any equipment **that will be** used. The final account of the costs is
11 a public record.

12 “[~~(4)~~] (5) Subsections (2) [*and (3)*] **to (4)** of this section do not apply to
13 a contracting agency [*when*] **if** the public improvement is [*to be used for the*
14 *distribution or transmission of*] **for distributing or transmitting** electric
15 power.

16 “[~~(5)~~] (6) For purposes of this section, resurfacing [*of*] highways, roads or
17 streets at a depth of two or more inches [*and*] **or** at an estimated cost that
18 exceeds \$125,000 is a public improvement.

19 **“(7) With respect to transportation projects, as defined under ORS**
20 **367.010, the commissioner may investigate violations of this section or**
21 **ORS 279C.307 or 279C.310 and in the course of the investigation may:**

22 **“(a) Compel attendance from witnesses, examine the witnesses un-**
23 **der oath and otherwise receive testimony;**

24 **“(b) Require a contracting agency or employee of a contracting**
25 **agency to produce books, records, files or other documents; or**

26 **“(c) Take any other action that is necessary to conduct an investi-**
27 **gation under this subsection.**

28 **“(8)(a) A trade association of construction contractors or another**
29 **person, in addition to any other remedy the trade association or other**
30 **person may have under the Public Contracting Code, may file a com-**

1 **plaint with the commissioner that alleges a violation of this section**
2 **or ORS 279C.307 or 279C.310 to the extent the alleged violation arises**
3 **out of a transportation project. The complaint must set forth the acts**
4 **or omissions that constituted the violation and the trade association**
5 **or other person must file the complaint within one year after the acts**
6 **or omissions occurred. A trade association or another person may not**
7 **file a complaint with the commissioner under this paragraph if the**
8 **trade association or other person brings an action in a court of this**
9 **state for a violation of this section or ORS 279C.307 or 279C.310 that**
10 **sets forth acts or omissions that are similar to or the same as the acts**
11 **or omissions in the complaint to the commissioner. The commissioner**
12 **shall dismiss a complaint the commissioner receives under this para-**
13 **graph if a trade association or another person brings an action in a**
14 **court of this state as provided in this paragraph.**

15 **“(b) If the commissioner reasonably believes that the acts or omis-**
16 **sions set forth in a complaint under paragraph (a) of this subsection**
17 **occurred and constituted a violation of this section or ORS 279C.307**
18 **or 279C.310, the commissioner, within 30 days after receiving the**
19 **complaint, shall notify the contracting agency against which the**
20 **complaint alleges the violation and:**

21 **“(A) May issue a temporary order to cease and desist from the acts**
22 **or omissions set forth in the complaint and cease any construction**
23 **that has occurred in connection with the alleged violation.**

24 **“(B) Shall investigate the complaint and, if the commissioner finds**
25 **substantial evidence of a violation in the course of the investigation,**
26 **shall make and deliver to the contracting agency and the trade asso-**
27 **ciation or other person that filed the complaint a finding of substantial**
28 **evidence that sets forth the evidence the commissioner found.**

29 **“(C) May facilitate a settlement agreement between the contracting**
30 **agency and the trade association or other person that filed the com-**

1 **plaint to eliminate the effects of any violation and to discourage fu-**
2 **ture violations. The commissioner may enforce the settlement**
3 **agreement in the same manner provided under this section for en-**
4 **forcing a violation of this section or ORS 279C.307 or 279C.310.**

5 **“(c) A party to a settlement agreement under paragraph (b) of this**
6 **subsection may bring an action to enforce the settlement agreement.**
7 **The court may enjoin a violation of the settlement agreement or may**
8 **require specific performance from a party to the settlement agree-**
9 **ment.**

10 **“(9)(a) If the commissioner issues a finding of substantial evidence**
11 **under subsection (8)(b)(B) of this section and the trade association or**
12 **other person that filed a complaint under subsection (8)(a) of this**
13 **section and the contracting agency against which the trade association**
14 **or other person filed the complaint do not enter into a settlement**
15 **agreement within 30 days after the date of the commissioner’s finding**
16 **of substantial evidence, the commissioner shall conduct a hearing on**
17 **the complaint as provided in ORS 183.413 to 183.470.**

18 **“(b) After conducting a hearing under paragraph (a) of this sub-**
19 **section and considering the evidence, the commissioner shall deter-**
20 **mine whether a violation of this section or ORS 279C.307 or 279C.310**
21 **occurred. If the commissioner determines that a violation has oc-**
22 **curred, the commissioner shall issue an order to cease and desist from**
23 **the conduct that constitutes the violation and may impose a fine of**
24 **not more than \$5,000 on the contracting agency for each violation.**

25 **“(c) The commissioner shall apply the proceeds of a fine under**
26 **paragraph (b) of this subsection first to the costs the commissioner**
27 **incurs in investigating the complaint that resulted in the commis-**
28 **sioner finding a violation and the costs associated with conducting a**
29 **hearing under paragraph (a) of this subsection. The commissioner**
30 **shall transfer any remaining moneys to the State Treasurer for deposit**

1 into the State Highway Fund.

2 “(d) An order to cease and desist that the commissioner issues un-
3 der paragraph (b) of this subsection must provide that the contracting
4 agency perform actions that the commissioner reasonably determines
5 will:

6 “(A) Carry out the purposes of this section or ORS 279C.307 or
7 279C.310, as appropriate; and

8 “(B) Eliminate the effects of the violation, which may include hav-
9 ing a private contractor perform any remaining construction on the
10 public improvement that is the subject of the violation.

11 “SECTION 38c. The amendments to ORS 279C.305 by section 38b of
12 this 2015 Act apply to procurements that a contracting agency adver-
13 tises or otherwise solicits or, if the contracting agency does not ad-
14 vertise or solicit the procurement, to public improvement contracts
15 into which the contracting agency enters on or after the operative
16 date specified in section 38d of this 2015 Act.

17 “SECTION 38d. (1) The amendments to ORS 279C.305 by section 38b
18 of this 2015 Act become operative on January 1, 2016.

19 “(2) The Commissioner of the Bureau of Labor and Industries, the
20 Director of the Oregon Department of Administrative Services, the
21 Director of Transportation or a contracting agency that adopts rules
22 under ORS 279A.065 may adopt rules and take any other action before
23 the operative date specified in subsection (1) of this section that is
24 necessary to enable the commissioner, the director or the contracting
25 agency to exercise, on and after the operative date specified in sub-
26 section (1) of this section, all of the duties, functions and powers
27 conferred on the commissioner, the director or the contracting agency
28 by the amendments to ORS 279C.305 by section 38b of this 2015 Act.

29

30

“LOW CARBON BLENDING PROGRAM

1 **“SECTION 39. (1) ORS 646.912 and 646.921 are repealed.**

2 **“(2) Section 2, chapter 4, Oregon Laws 2015 (Enrolled Senate Bill**
3 **324), is repealed.**

4 **“(3) Section 6, chapter 754, Oregon Laws 2009, as amended by section**
5 **3, chapter 4, Oregon Laws 2015 (Enrolled Senate Bill 324), is repealed.**

6 **“(4) Section 9, chapter 754, Oregon Laws 2009, as amended by section**
7 **4, chapter 4, Oregon Laws 2015 (Enrolled Senate Bill 324), is repealed.**

8 **“SECTION 40. ORS 646.905 is amended to read:**

9 **“646.905. As used in ORS 646.910 to 646.923:**

10 **“(1) ‘Alcohol’ means a volatile flammable liquid having the general for-**
11 **mula $C_nH_{(2n+1)}OH$ used or sold for the purpose of blending or mixing with**
12 **gasoline for use in propelling motor vehicles, and commonly or commercially**
13 **known or sold as an alcohol, and includes ethanol or methanol.**

14 **“(2) ‘Biodiesel’ means a motor vehicle fuel consisting of mono-alkyl esters**
15 **of long chain fatty acids derived from [*vegetable oils, animal fats or other***
16 ***nonpetroleum resources, not including palm oil*] **nonpetroleum renewable****
17 **resources, designated as B100 and complying with ASTM D 6751.**

18 **“(3) ‘Certificate of analysis’ means:**

19 **“(a) A document verifying that B100 biodiesel has been analyzed and**
20 **complies with, at a minimum, the following ASTM D 6751 biodiesel fuel test**
21 **methods and specifications:**

22 **“(A) Flash point (ASTM D 93);**

23 **“(B) Acid number (ASTM D 664);**

24 **“(C) Cloud point (ASTM D 2500);**

25 **“(D) Water and sediment (ASTM D 2709);**

26 **“(E) Visual appearance (ASTM D 4176);**

27 **“(F) Free glycerin (ASTM D 6854); and**

28 **“(G) Total glycerin (ASTM D 6854); and**

29 **“(b) Certification of feedstock origination describing the percent of the**
30 **feedstock sourced outside of the states of Oregon, Washington, Idaho and**

1 Montana.

2 “(4) ‘Co-solvent’ means an alcohol other than methanol which is blended
3 with either methanol or ethanol or both to minimize phase separation in
4 gasoline.

5 “(5) ‘Ethanol’ means ethyl alcohol, a flammable liquid having the formula
6 C_2H_5OH used or sold for the purpose of blending or mixing with gasoline for
7 use in motor vehicles.

8 “(6) ‘Gasoline’ means any fuel sold for use in spark ignition engines
9 whether leaded or unleaded.

10 “(7) ‘**Low carbon intensity fuels**’ means **liquid fuels, including**
11 **ethanol, gas-to-liquid fuel, other renewable liquid fuels, biodiesel and**
12 **other renewable diesel, that result on average in lower greenhouse gas**
13 **emissions on a full life cycle basis than gasoline or diesel fuel, re-**
14 **spectively, per unit of fuel energy.**

15 “[7] (8) ‘Methanol’ means methyl alcohol, a flammable liquid having the
16 formula CH_3OH used or sold for the purpose of blending or mixing with
17 gasoline for use in motor vehicles.

18 “[8] (9) ‘Motor vehicles’ means all vehicles, vessels, watercraft, engines,
19 machines or mechanical contrivances that are propelled by internal com-
20 bustion engines or motors.

21 “[9] (10) ‘Nonretail dealer’ means any person who owns, operates, con-
22 trols or supervises an establishment at which motor vehicle fuel is dispensed
23 through a card- or key-activated fuel dispensing device to nonretail custom-
24 ers.

25 “[10] (11) ‘Other renewable diesel’ means a diesel fuel substitute,
26 produced from [*nonfossil renewable resources, that has an established ASTM*
27 *standard*] **nonpetroleum renewable resources, that meets ASTM D 975,**
28 is approved by the United States Environmental Protection Agency, meets
29 specifications of the National Conference on Weights and Measures, [*and*]
30 complies with standards promulgated under ORS 646.957 **and is not**

1 **biodiesel.**

2 “(12) ‘Other renewable liquid fuel’ means a gasoline substitute,
3 produced from nonpetroleum renewable resources, that has an estab-
4 lished ASTM standard, is approved by the United States Environ-
5 mental Protection Agency, meets specifications of the National
6 Conference on Weights and Measures, and complies with standards
7 promulgated under ORS 646.957.

8 “[11] (13) ‘Retail dealer’ means any person who owns, operates, controls
9 or supervises an establishment at which gasoline is sold or offered for sale
10 to the public.

11 “[12] (14) ‘Wholesale dealer’ means any person engaged in the sale of
12 gasoline if the seller knows or has reasonable cause to believe the buyer
13 intends to resell the gasoline in the same or an altered form to another.

14 **“SECTION 41. Section 42 of this 2015 Act is added to and made a
15 part of ORS 646.910 to 646.923.**

16 **“SECTION 42. (1)(a) The State Department of Agriculture shall
17 adopt by rule a low carbon blending program. The goal of the program
18 shall be to reduce, over time and subject to availability, price and
19 feasibility, the carbon intensity of gasoline and diesel fuel sold or of-
20 fered for sale in this state.**

21 **“(b) For purposes of paragraph (a) of this subsection, the depart-
22 ment shall determine the average carbon intensities during the year
23 prior to the effective date of this 2015 Act of gasoline that contains 10
24 percent ethanol by volume, and diesel fuel that contains five percent
25 biodiesel or other renewable diesel by volume, respectively. The
26 amounts determined under this paragraph are the baseline amounts
27 for purposes of determining the low carbon blending benchmarks de-
28 scribed in subsection (2) of this section. Except as necessary to estab-
29 lish the baselines as required by this paragraph, the department may
30 not differentiate between types of crude oil in carrying out the**

1 department's responsibilities under the low carbon blending program.

2 “(2) Subject to subsections (3) and (4) of this section, the low carbon
3 blending benchmark schedule is as follows:

4 “(a) 0.25 percent;

5 “(b) 0.50 percent;

6 “(c) 1.00 percent;

7 “(d) 1.50 percent;

8 “(e) 2.50 percent;

9 “(f) 3.50 percent; and

10 “(g) 5.00 percent.

11 “(3) The carbon intensity of gasoline and diesel fuel sold or offered
12 for sale in this state may not be required to be reduced by more than
13 five percent over the baselines set by the department under subsection
14 (1) of this section.

15 “(4)(a) The department shall annually complete a study on the
16 commercial availability of low carbon intensity fuels in this state.
17 Based on the results of the study, the department shall by rule deter-
18 mine and adopt the low carbon blending benchmarks, pursuant to the
19 schedule set forth in subsection (2) of this section, that will apply for
20 blending low carbon intensity fuels with gasoline and diesel fuel, re-
21 spectively, for the calendar year beginning January 1 following the
22 date of the study. In adopting by rule the low carbon blending
23 benchmarks for each calendar year, the department shall:

24 “(A) No later than February 12 of each year, deliver by electronic
25 mail, to all retail dealers, nonretail dealers and wholesale dealers, no-
26 tice of intended rulemaking in the manner provided for under ORS
27 183.335; and

28 “(B) Adopt by rule the applicable low carbon blending benchmarks
29 for the following calendar year no later than July 1 of each year.

30 “(b) As part of the study required under this subsection, the de-

1 **partment shall determine whether low carbon intensity fuels are**
2 **commercially available in sufficient quantities in this state to require**
3 **retail dealers, nonretail dealers and wholesale dealers to meet the next**
4 **incremental low carbon blending benchmark for gasoline or diesel fuel**
5 **as required under the schedule set forth in subsection (2) of this sec-**
6 **tion.**

7 **“(c) If the department determines that low carbon intensity fuels**
8 **are not commercially available in sufficient quantities, the department**
9 **may not adopt by rule a requirement that the carbon intensity level**
10 **of gasoline or diesel fuel, as applicable, that is sold or offered for sale**
11 **in this state be reduced by the next incremental benchmark under**
12 **subsection (2) of this section. The benchmark requirement shall re-**
13 **main at the level set in the prior year by the department under this**
14 **section until the department determines that low carbon intensity fu-**
15 **els are commercially available in this state in sufficient quantities to**
16 **require carbon intensity reductions in compliance with the next pro-**
17 **gressive incremental benchmark provided for under subsection (2) of**
18 **this section.**

19 **“(d) A low carbon intensity fuel may not be considered commer-**
20 **cially available unless:**

21 **“(A) The low carbon intensity fuel is available in this state at an**
22 **average market retail cost that is equal to or less than the average**
23 **market retail cost of the fuel with which the low carbon intensity fuel**
24 **would be blended; and**

25 **“(B) The low carbon intensity fuel meets all applicable technological**
26 **feasibility standards provided for in ORS 646.913 and 646.922.**

27 **“(e) As part of the study required under this subsection, the de-**
28 **partment shall determine the capability of distribution system**
29 **infrastructure, including retail sites, to handle projected volumes and**
30 **types of low carbon intensity fuels. Any volume of low carbon inten-**

1 **sity fuels that is in excess of distribution system capability may not**
2 **be considered commercially available for purposes of the study.**

3 **“(f) In considering whether low carbon intensity fuels are commer-**
4 **cially available in sufficient quantities in this state, the department**
5 **shall assess the capability of facilities that produce low carbon inten-**
6 **sity fuels to supply the fuels in commercial quantities in this state.**
7 **The assessment under this section shall consider, for each facility:**

8 **“(A) Design capacity in gallons per day;**

9 **“(B) Date of construction and completion;**

10 **“(C) Date that feedstock was first introduced into the production**
11 **process;**

12 **“(D) Date that commercial quantities of on-specification product**
13 **was first produced, not considering planned or advertised dates;**

14 **“(E) Highest utilization demonstrated in a consecutive three-month**
15 **period;**

16 **“(F) Percent of product that was produced on-specification without**
17 **reprocessing or blending during the same period considered under**
18 **subparagraph (E) of this paragraph;**

19 **“(G) Duration, in days, of longest continuous plant operation;**

20 **“(H) Utilization during the last calendar year;**

21 **“(I) Percent of product that was produced on-specification without**
22 **reprocessing or blending during the same period considered under**
23 **subparagraph (H) of this paragraph; and**

24 **“(J) Annual production forecast for the next one to three years,**
25 **based on historical production and any technical issues as of the date**
26 **of the assessment, including variations based on projected feedstock**
27 **availability and changes to feedstocks.**

28 **“(5) The department shall adopt rules necessary to carry out the**
29 **provisions of this section that must include, but need not be limited**
30 **to:**

1 “(a) A requirement that, in addition to the requirements of ORS
2 646.913 and 646.922, a retail dealer, nonretail dealer or wholesale dealer
3 may sell or offer for sale only gasoline or diesel that is blended with
4 low carbon intensity fuels that meet the low carbon blending
5 benchmark adopted by the department under subsection (2) of this
6 section;

7 “(b) Standards for the issuance of deferrals, carryover of deficits,
8 banking of surpluses, and application of surpluses to meeting either
9 the gasoline or diesel fuel benchmark requirements;

10 “(c) Standards, specifications, testing requirements and other
11 measures as needed to ensure the quality of fuels produced in accord-
12 ance with the low carbon blending program, including but not limited
13 to the requirements of ORS 646.910 to 646.923 and rules adopted by the
14 department for motor fuel quality;

15 “(d) Standards for determining the life cycle greenhouse gas emis-
16 sions attributable to low carbon intensity fuels; and

17 “(e) Reporting requirements for retail dealers, nonretail dealers and
18 wholesale dealers subject to the program adopted pursuant to this
19 section.

20 “(6) The provisions of this section do not apply to fuels provided for
21 under ORS 646.913 (7) and 646.922 (5)(b).

22 “SECTION 43. The State Department of Agriculture shall first adopt
23 by rule under section 42 of this 2015 Act the carbon intensity
24 benchmarks for gasoline and diesel fuel that may be sold or offered for
25 sale in this state not later than July 1, 2017.

26 “SECTION 44. The State Department of Agriculture shall, no later
27 than September 1 of each year, submit a report to the appropriate in-
28 terim committees of the Legislative Assembly on implementation of
29 the low carbon blending program adopted under section 42 of this 2015
30 Act during the previous calendar year.

1 **“SECTION 45.** ORS 646.913 is amended to read:

2 “646.913. (1) Except as provided in subsection [(5)] **(7)** of this section, a
3 retail dealer, nonretail dealer or wholesale dealer may not sell or offer for
4 sale gasoline unless the gasoline contains **at least** 10 percent ethanol by
5 volume.

6 “(2) Gasoline containing ethanol that is sold or offered for sale meets the
7 requirements of this section if the gasoline, exclusive of denaturants and
8 permitted contaminants, contains not less than 9.2 percent by volume of ag-
9 riculturally derived, denatured ethanol that complies with the **technological**
10 **feasibility** standards for ethanol adopted by the State Department of Agri-
11 culture **under this section.**

12 “(3) The department shall adopt **technological feasibility** standards for
13 ethanol **and other renewable liquid fuel** blended with gasoline sold in this
14 state.

15 “(4) The standards adopted **under this section** shall require that [*the*]
16 gasoline blended with ethanol:

17 “(a) Contains ethanol that is derived from agricultural or woody waste
18 or residue;

19 “(b) Contains ethanol denatured as specified in 27 C.F.R. parts 20 and
20 21;

21 “(c) Complies with the volatility requirements specified in 40 C.F.R. part
22 80;

23 “(d) Complies with or is produced from a gasoline base stock that com-
24 plies with ASTM International specification D 4814;

25 “(e) Is not blended with casinghead gasoline, absorption gasoline, drip
26 gasoline or natural gasoline after the gasoline has been sold, transferred or
27 otherwise removed from a refinery or terminal; [*and*]

28 “(f) Contains ethanol that complies with ASTM International specifica-
29 tion D 4806[.]; **and**

30 **“(g) Complies with any additional requirements necessary to ensure**

1 **that gasoline that contains more than 10 percent ethanol by volume**
2 **is sold or offered for sale in this state for use in motor vehicles in**
3 **accordance with engine manufacturer warranties and fuel use recom-**
4 **mendations, and in a manner that will not cause engine damage.**

5 **“(5) The department shall adopt technological feasibility standards**
6 **for other renewable liquid fuel sold in this state. The department shall**
7 **consult the specifications established for other renewable liquid fuel**
8 **by ASTM International in forming the department’s standards.**

9 **“[(4)] (6) The department may review specifications adopted by ASTM**
10 **International, or equivalent organizations, and federal regulations and revise**
11 **the standards adopted pursuant to this section as necessary.**

12 **“[(5)] (7) A retail dealer, nonretail dealer or wholesale dealer may sell**
13 **or offer for sale gasoline that is not blended with ethanol if the gasoline has**
14 **an octane rating, as defined in ORS 646.945, of 91 or above or if the gasoline**
15 **is for use in:**

16 **“(a) An aircraft:**

17 **“(A) With a supplemental type certificate approved by the Federal Avi-**
18 **ation Administration that allows the aircraft to use gasoline that is intended**
19 **for use in motor vehicles; or**

20 **“(B) Issued a type certificate by an aircraft engine manufacturer that al-**
21 **lows the aircraft to use gasoline that is intended for use in motor vehicles;**

22 **“(b) An aircraft that has been issued an experimental certificate, de-**
23 **scribed in 14 C.F.R. 21.191, by the Federal Aviation Administration and that**
24 **is required by the manufacturer’s specifications to use gasoline that is in-**
25 **tended for use in motor vehicles;**

26 **“(c) A light-sport aircraft, as defined in 14 C.F.R. 1.1, that is required by**
27 **the manufacturer’s specifications to use gasoline that is intended for use in**
28 **motor vehicles;**

29 **“(d) A vintage aircraft, as defined by the Oregon Department of Aviation**
30 **by rule, that is required by the manufacturer’s specifications to use gasoline**

1 that is intended for use in motor vehicles;
2 “(e) An antique vehicle, as defined in ORS 801.125;
3 “(f) A Class I all-terrain vehicle, as defined in ORS 801.190;
4 “(g) A Class III all-terrain vehicle, as defined in ORS 801.194;
5 “(h) A Class IV all-terrain vehicle, as defined in ORS 801.194 (2);
6 “(i) A racing activity vehicle, as defined in ORS 801.404;
7 “(j) A snowmobile, as defined in ORS 801.490;
8 “(k) Tools, including but not limited to lawn mowers, leaf blowers and
9 chain saws; or
10 “(L) A watercraft.

11 **“SECTION 46.** ORS 646.922 is amended to read:

12 “646.922. [(1) A retail dealer, nonretail dealer or wholesale dealer may not
13 sell or offer for sale diesel fuel unless the diesel fuel contains at least two
14 percent biodiesel by volume or other renewable diesel with at least two percent
15 renewable component by volume.]

16 “[2)] (1) [Two months after the date of the notice given under ORS 646.921
17 (2),] A retail dealer, nonretail dealer or wholesale dealer may not sell or of-
18 fer for sale diesel fuel unless the diesel fuel contains at least five percent
19 biodiesel by volume or other renewable diesel with at least five percent
20 renewable component by volume.

21 “(2) Diesel fuel that contains more than five percent biodiesel by volume
22 or other renewable diesel with more than five percent renewable component
23 by volume must be labeled as **required by the Federal Trade Commission**
24 **and the Environmental Protection Agency and as provided for by the**
25 State Department of Agriculture [*provides*] by rule.

26 “(3) A retail dealer, nonretail dealer or wholesale dealer [*may sell or offer*
27 *for sale diesel fuel that*] **does not violate the requirements of subsection**
28 **(1) or (2) of this section or rules the department has adopted under**
29 **ORS 646.957 if the dealer sells or offers for sale diesel fuel to which**
30 **substances have been added to prevent biodiesel or other renewable**

1 **diesel in the diesel fuel from gelling or congealing if the diesel fuel**
2 otherwise meets the requirements of subsections (1) and (2) of this section
3 and rules **the department has** adopted [*pursuant to*] **under** ORS 646.957
4 [*but to which there have been added substances to prevent congealing or*
5 *gelling of diesel fuel containing biodiesel or other renewable diesel, without*
6 *violating the requirements of subsections (1) and (2) of this section and rules*
7 *adopted pursuant to ORS 646.957*]. This subsection applies only to diesel fuel
8 sold or offered for sale during the period from October 1 of any year to
9 February 28 of the following year.

10 “(4) The department shall adopt **technological feasibility standards and**
11 **labeling standards** for biodiesel or other renewable diesel sold in this state.
12 **Labeling standards must comply with labeling standards required by**
13 **the Federal Trade Commission and the Environmental Protection**
14 **Agency.** The department shall consult the specifications established for
15 biodiesel or other renewable diesel by ASTM International in forming the
16 department’s standards. The department may review specifications adopted
17 by ASTM International, or equivalent organizations, and revise the stan-
18 dards adopted pursuant to this subsection as necessary. **Standards adopted**
19 **pursuant to this subsection shall ensure that diesel fuel that contains**
20 **more than five percent biodiesel or other renewable diesel by volume**
21 **is sold or offered for sale in this state for use in motor vehicles in**
22 **accordance with engine manufacturer warranties and fuel use recom-**
23 **mendations, and in a manner that will not cause engine damage.**

24 “(5) The minimum biodiesel fuel content and renewable component in
25 other renewable diesel requirements under subsections (1) and (2) of this
26 section do not apply to diesel fuel sold or offered:

27 “(a) For sale **in any county east of the summit of the Cascade**
28 **Mountains during the period from November 1 of any year to February**
29 **28 of the following year.**

30 “(b) For use by:

1 “(A) Railroad locomotives[,];

2 “(B) Marine engines;

3 “(C) **Motor vehicles that are not designed primarily to transport**
4 **persons or property, that are operated on highways only incidentally**
5 **and that are used primarily for construction work; or**

6 “(D) Home heating or to facilities that store more than 50 gallons of
7 diesel fuel for use in emergency power generation.

8 “**SECTION 47.** ORS 646.957 is amended to read:

9 “646.957. (1) In accordance with any applicable provision of ORS chapter
10 183, the Director of Agriculture, not later than December 1, 1997, shall adopt
11 rules to carry out the provisions of ORS 646.947 to 646.963. Such rules may
12 include, but are not limited to, motor vehicle fuel grade advertising, pump
13 grade labeling, testing procedures, quality standards and identification re-
14 quirements for motor vehicle fuels and ethanol, **other renewable liquid**
15 **fuel**, biodiesel and other renewable diesel, as those terms are defined in ORS
16 646.905. Rules adopted by the director under this section shall be consistent,
17 to the extent the director considers appropriate, with the most recent stan-
18 dards adopted by ASTM International. As standards of ASTM International
19 are revised, the director shall revise the rules in a manner consistent with
20 the revisions unless the director determines that those revised rules will
21 significantly interfere with the director’s ability to carry out the provisions
22 of ORS 646.947 to 646.963. Rules adopted pursuant to this section must ade-
23 quately protect confidential business information and trade secrets that the
24 director or the director’s authorized agent may discover when inspecting
25 books, papers and records pursuant to ORS 646.955.

26 “(2) Testing requirements, specifications and frequency of testing for each
27 production lot of biodiesel, biodiesel blend or other renewable diesel
28 produced in or brought into this state shall be defined by the director by
29 rule.

30

1 **“ELECTRIC VEHICLE AND NATURAL GAS**
2 **VEHICLE MARKET TRANSFORMATION PROGRAM**

3
4 **“SECTION 48.** ORS 757.612 is amended to read:

5 “757.612. (1) There is established an annual public purpose expenditure
6 standard for electric companies and Oregon Community Power to fund new
7 cost-effective local energy conservation, new market transformation efforts,
8 the above-market costs of new renewable energy resources, [*and*] new low-
9 income weatherization, **and market incentives for the purchase and in-**
10 **stallation of electric vehicle charging infrastructure.** The public purpose
11 expenditure standard shall be funded by the public purpose charge described
12 in subsection (2) of this section.

13 “(2)(a) Beginning on the date an electric company or Oregon Community
14 Power offers direct access to its retail electricity consumers, except resi-
15 dential electricity consumers, the electric company or Oregon Community
16 Power shall collect a public purpose charge from all of the retail electricity
17 consumers located within its service area until January 1, 2026. Except as
18 provided in paragraph (b) of this subsection, the public purpose charge shall
19 be equal to three percent of the total revenues collected by the electric
20 company, Oregon Community Power or the electricity service supplier from
21 its retail electricity consumers for electricity services, distribution, ancillary
22 services, metering and billing, transition charges and other types of costs
23 included in electric rates on July 23, 1999.

24 “(b) For an aluminum plant that averages more than 100 average mega-
25 watts of electricity use per year, beginning on March 1, 2002, the electric
26 company or Oregon Community Power whose territory abuts the greatest
27 percentage of the site of the aluminum plant shall collect from the aluminum
28 company a public purpose charge equal to one percent of the total revenue
29 from the sale of electricity services to the aluminum plant from any source.

30 “(3)(a) The Public Utility Commission shall establish rules implementing

1 the provisions of this section relating to electric companies and Oregon
2 Community Power.

3 “(b) [*Subject to paragraph (e) of this subsection,*] Funds collected by an
4 electric company or Oregon Community Power through public purpose
5 charges shall be allocated as follows:

6 “(A) [*Sixty-three*] **56.7** percent for new cost-effective conservation, new
7 market transformation.

8 “(B) [*Nineteen*] **10.1** percent for the above-market costs of constructing
9 and operating new renewable energy resources with a nominal electric gen-
10 erating capacity, as defined in ORS 469.300, of 20 megawatts or less.

11 “(C) [*Thirteen*] **11.7** percent for new low-income weatherization.

12 “(D) **17.00 percent for market incentives for the purchase and in-**
13 **stallation of electric vehicle charging infrastructure.**

14 “[*(D)*] (E) [*Five*] **4.5** percent shall be transferred to the Housing and
15 Community Services Department Electricity Public Purpose Charge Fund
16 established by ORS 456.587 (1) and used for the purpose of providing grants
17 as described in ORS 458.625 (2).

18 “(c) The costs of administering subsections (1) to (6) of this section for
19 an electric company or Oregon Community Power shall be paid out of the
20 funds collected through public purpose charges. The commission may require
21 that an electric company or Oregon Community Power direct funds collected
22 through public purpose charges to the state agencies responsible for imple-
23 menting subsections (1) to (6) of this section in order to pay the costs of
24 administering such responsibilities.

25 “(d) The commission shall direct the manner in which public purpose
26 charges are collected and spent by an electric company or Oregon Commu-
27 nity Power and may require an electric company or Oregon Community
28 Power to expend funds through competitive bids or other means designed to
29 encourage competition, except that funds dedicated for low-income
30 weatherization shall be directed to the Housing and Community Services

1 Department as provided in subsection (7) of this section. The commission
2 may also direct that funds collected by an electric company or Oregon
3 Community Power through public purpose charges be paid to a nongovern-
4 mental entity for investment in public purposes described in subsection (1)
5 of this section. **All of the funds allocated for new cost-effective conser-
6 vation and market incentives for the purchase and installation of
7 electric vehicle charging infrastructure shall be spent within the ser-
8 vice area of the electric company that collected the funds or, if Oregon
9 Community Power collected the funds, within the service area of
10 Oregon Community Power.** *[Notwithstanding any other provision of this
11 subsection:]*

12 *“(A) At least 80 percent of the funds allocated for conservation shall be
13 spent within the service area of the electric company that collected the funds;
14 or]*

15 *“(B) If Oregon Community Power collected the funds, at least 80 percent
16 of the funds allocated for conservation shall be spent within the service area
17 of Oregon Community Power.]*

18 *“(e)(A) The first 10 percent of the funds collected annually by an electric
19 company or Oregon Community Power under subsection (2) of this section shall
20 be distributed to school districts that are located in the service territory of the
21 electric company or Oregon Community Power. The funds shall be distributed
22 to individual school districts according to the weighted average daily mem-
23 bership (ADMw) of each school district for the prior fiscal year as calculated
24 under ORS 327.013. The commission shall establish by rule a methodology for
25 distributing a proportionate share of funds under this paragraph to school
26 districts that are only partially located in the service territory of the electric
27 company or Oregon Community Power.]*

28 *“(B) A school district that receives funds under this paragraph shall use
29 the funds first to pay for energy audits for schools located within the school
30 district. A school district may not expend additional funds received under this*

1 paragraph on a school facility until an energy audit has been completed for
2 that school facility. To the extent practicable, a school district shall coordinate
3 with the State Department of Energy and incorporate federal funding in com-
4 plying with this paragraph. Following completion of an energy audit for an
5 individual school, the school district may expend funds received under this
6 paragraph to implement the energy audit. Once an energy audit has been con-
7 ducted and completely implemented for each school within the school district,
8 the school district may expend funds received under this paragraph for any
9 of the following purposes:]

10 “[i] Conducting energy audits. A school district shall conduct an energy
11 audit prior to expending funds on any other purpose authorized under this
12 paragraph unless the school district has performed an energy audit within the
13 three years immediately prior to receiving the funds.]

14 “[ii] Weatherization and upgrading the energy efficiency of school district
15 facilities.]

16 “[iii] Energy conservation education programs.]

17 “[iv] Purchasing electricity from environmentally focused sources and in-
18 vesting in renewable energy resources.]

19 “[f] (e) The commission may not establish a different public purpose
20 charge than the public purpose charge described in subsection (2) of this
21 section.

22 “[g] (f) If the commission directs funds collected through public purpose
23 charges to a nongovernmental entity, the entity shall:

24 “(A) Include on the entity’s board of directors an ex officio member des-
25 ignated by the commission, who shall also serve on the entity’s nominating
26 committee for filling board vacancies.

27 “(B) Require the entity’s officers and directors to provide an annual dis-
28 closure of economic interest to be filed with the commission on or prior to
29 April 15 of each calendar year for public review in a form similar to the
30 statement of economic interest required for public officials under ORS

1 244.060.

2 “(C) Require the entity’s officers and directors to declare actual and po-
3 tential conflicts of interest at regular meetings of the entity’s governing body
4 when such conflicts arise, and require an officer or director to abstain from
5 participating in any discussion or vote on any item where that officer or
6 director has an actual conflict of interest. For the purposes of this subpara-
7 graph, ‘actual conflict of interest’ and ‘potential conflict of interest’ have the
8 meanings given those terms in ORS 244.020.

9 “(D) Arrange for an independent auditor to audit the entity’s financial
10 statements annually, and direct the auditor to file an audit opinion with the
11 commission for public review.

12 “(E) File with the commission annually the entity’s budget, action plan
13 and quarterly and annual reports for public review.

14 “(F) At least once every five years, contract for an independent manage-
15 ment evaluation to review the entity’s operations, efficiency and effective-
16 ness, and direct the independent reviewer to file a report with the
17 commission for public review.

18 “[*h*] (g) The commission may remove from the board of directors of a
19 nongovernmental entity an officer or director who fails to provide an annual
20 disclosure of economic interest or declare actual or potential conflict of in-
21 terest, as described in paragraph [*g*](B)] (f)(B) and (C) of this subsection,
22 in connection with the allocation or expenditure of funds collected through
23 public purpose charges and directed to the entity.

24 “(4)(a) An electric company that satisfies its obligations under this sec-
25 tion shall have no further obligation to invest in conservation, new market
26 transformation or new low-income weatherization or to provide a commercial
27 energy conservation services program and is not subject to ORS 469.631 to
28 469.645 and 469.860 to 469.900.

29 “(b) Oregon Community Power, for any period during which Oregon
30 Community Power collects a public purpose charge under subsection (2) of

1 this section:

2 “(A) Shall have no other obligation to invest in conservation, new market
3 transformation or new low-income weatherization or to provide a commercial
4 energy conservation services program; and

5 “(B) Is not subject to ORS 469.631 to 469.645 and 469.860 to 469.900.

6 “(5)(a) A retail electricity consumer that uses more than one average
7 megawatt of electricity at any site in the prior year shall receive a credit
8 against public purpose charges billed by an electric company or Oregon
9 Community Power for that site. The amount of the credit shall be equal to
10 the total amount of qualifying expenditures for new energy conservation[,
11 *not to exceed 68 percent of the annual public purpose charges, and*] the
12 above-market costs of purchases of new renewable energy resources incurred
13 by the retail electricity consumer[, *not to exceed 19 percent of the annual*
14 *public purpose charges,*] **and qualifying expenditures for electric vehicle**
15 **charging infrastructure**, less administration costs incurred under this
16 subsection. The credit may not exceed, on an annual basis, the lesser of:

17 “(A) The amount of the retail electricity consumer’s qualifying expendi-
18 tures; or

19 “(B) The portion of the public purpose charge billed to the retail elec-
20 tricity consumer that is dedicated to new energy conservation, new market
21 transformation, [*or*] the above-market costs of new renewable energy re-
22 sources **or electric vehicle charging infrastructure**.

23 “(b) To obtain a credit under this subsection, a retail electricity consumer
24 shall file with the State Department of Energy a description of the proposed
25 conservation project, [*or*] new renewable energy resource, **or new electric**
26 **vehicle charging infrastructure** and a declaration that the retail electric-
27 ity consumer plans to incur the qualifying expenditure. The State Depart-
28 ment of Energy shall issue a notice of precertification within 30 days of
29 receipt of the filing, if such filing is consistent with this subsection. The
30 credit may be taken after a retail electricity consumer provides a letter from

1 a certified public accountant to the State Department of Energy verifying
2 that the precertified qualifying expenditure has been made.

3 “(c) Credits earned by a retail electricity consumer as a result of quali-
4 fying expenditures that are not used in one year may be carried forward for
5 use in subsequent years.

6 “(d)(A) A retail electricity consumer that uses more than one average
7 megawatt of electricity at any site in the prior year may request that the
8 State Department of Energy hire an independent auditor to assess the po-
9 tential for conservation investments at the site. If the independent auditor
10 determines there is no available conservation measure at the site that would
11 have a simple payback of one to 10 years, the retail electricity consumer
12 shall be relieved of 54 percent of its payment obligation for public purpose
13 charges related to the site. If the independent auditor determines that there
14 are potential conservation measures available at the site, the retail elec-
15 tricity consumer shall be entitled to a credit against public purpose charges
16 related to the site equal to 54 percent of the public purpose charges less the
17 estimated cost of available conservation measures.

18 “(B) A retail electricity consumer shall be entitled each year to the credit
19 described in this subsection unless a subsequent independent audit deter-
20 mines that new conservation investment opportunities are available. The
21 State Department of Energy may require that a new independent audit be
22 performed on the site to determine whether new conservation measures are
23 available, provided that the independent audits shall occur no more than
24 once every two years.

25 “(C) The retail electricity consumer shall pay the cost of the independent
26 audits described in this subsection.

27 “(6) Electric utilities and retail electricity consumers shall receive a fair
28 and reasonable credit for the public purpose expenditures of their energy
29 suppliers. The State Department of Energy shall adopt rules to determine
30 eligible expenditures and the methodology by which such credits are ac-

1 counted for and used. The rules also shall adopt methods to account for el-
2 igible public purpose expenditures made through consortia or collaborative
3 projects.

4 “(7)(a) In addition to the public purpose charge provided under subsection
5 (2) of this section, an electric company or Oregon Community Power shall
6 collect funds for low-income electric bill payment assistance in an amount
7 determined under paragraph (b) of this subsection.

8 “(b) The commission shall establish the amount to be collected by each
9 electric company in calendar year 2008 from retail electricity consumers
10 served by the company, and the rates to be charged to retail electricity
11 consumers served by the company, so that the total anticipated collection for
12 low-income electric bill payment assistance by all electric companies in cal-
13 endar year 2008 is \$15 million. In calendar year 2009 and subsequent calendar
14 years, the commission may not change the rates established for retail elec-
15 tricity consumers, but the total amount collected in a calendar year for
16 low-income electric bill payment assistance may vary based on electricity
17 usage by retail electricity consumers and changes in the number of retail
18 electricity consumers in this state. In no event shall a retail electricity
19 consumer be required to pay more than \$500 per month per site for low-
20 income electric bill payment assistance.

21 “(c) Funds collected by the low-income electric bill payment assistance
22 charge shall be paid into the Housing and Community Services Department
23 Low-Income Electric Bill Payment Assistance Fund established by ORS
24 456.587 (2). Moneys deposited in the fund under this paragraph shall be used
25 by the Housing and Community Services Department for the purpose of
26 funding low-income electric bill payment assistance. The department’s cost
27 of administering this subsection shall be paid out of funds collected by the
28 low-income electric bill payment assistance charge. Moneys deposited in the
29 fund under this paragraph shall be expended solely for low-income electric
30 bill payment assistance. Funds collected from an electric company or Oregon

1 Community Power shall be expended in the service area of the electric
2 company or Oregon Community Power from which the funds are collected.

3 “(d)(A) The Housing and Community Services Department, in consultation
4 with the advisory committee on energy established by ORS 458.515, shall
5 determine the manner in which funds collected under this subsection will be
6 allocated by the department to energy assistance program providers for the
7 purpose of providing low-income bill payment and crisis assistance.

8 “(B) The department shall investigate and may implement alternative de-
9 livery models specified by the advisory committee on energy, in consultation
10 with electric companies, to effectively reduce service disconnections and re-
11 lated costs to retail electricity consumers and electric utilities.

12 “(C) Priority assistance shall be directed to low-income electricity con-
13 sumers who are in danger of having their electricity service disconnected.

14 “(D) The department shall maintain records and provide those records
15 upon request to an electric company, Oregon Community Power and the
16 Citizens’ Utility Board established under ORS chapter 774 on a quarterly
17 basis. Records maintained must include the numbers of low-income electricity
18 consumers served, the average amounts paid and the type of assistance pro-
19 vided. Electric companies and Oregon Community Power shall, if requested,
20 provide the department with aggregate data relating to consumers served on
21 a quarterly basis to support program development.

22 “(e) Interest on moneys deposited in the Housing and Community Services
23 Department Low-Income Electric Bill Payment Assistance Fund established
24 by ORS 456.587 (2) may be used to provide bill payment and crisis assistance
25 to electricity consumers whose primary source of heat is not electricity.

26 “(f) Notwithstanding ORS 757.310, the commission may allow an electric
27 company or Oregon Community Power to provide reduced rates or other
28 payment or crisis assistance or low-income program assistance to a low-
29 income household eligible for assistance under the federal Low Income Home
30 Energy Assistance Act of 1981, as amended and in effect on July 23, 1999.

1 “(8) For purposes of this section, ‘retail electricity consumers’ includes
2 any direct service industrial consumer that purchases electricity without
3 purchasing distribution services from the electric utility.

4 “(9) For purposes of this section, amounts collected by Oregon Community
5 Power through public purpose charges are not considered moneys received
6 from electric utility operations.

7 **“SECTION 49.** ORS 456.587 is amended to read:

8 “456.587. (1) The Housing and Community Services Department Electricity
9 Public Purpose Charge Fund is established in the State Treasury, separate
10 and distinct from the General Fund. Interest earned by the Housing and
11 Community Services Department Electricity Public Purpose Charge Fund
12 shall be credited to the fund. Moneys in the fund are continuously appro-
13 priated to the Housing and Community Services Department to be used for
14 purposes specified in ORS 757.612 [(3)(b)(D)] **(3)(b)(E)**.

15 “(2) The Housing and Community Services Department Low-Income Elec-
16 tric Bill Payment Assistance Fund is established in the State Treasury, sep-
17 arate and distinct from the General Fund. Interest earned by the Housing
18 and Community Services Department Low-Income Electric Bill Payment As-
19 sistance Fund shall be credited to the fund. Moneys in the fund are contin-
20 uously appropriated to the Housing and Community Services Department for
21 purposes described in ORS 757.612 (7).

22 **“SECTION 50.** ORS 757.613 is amended to read:

23 “757.613. (1) If an electric company or Oregon Community Power invests
24 moneys collected as a public purpose charge under ORS 757.612 on new
25 cost-effective local energy conservation, or if the nongovernmental entity
26 described in ORS 757.612 [(3)(g)] **(3)(f)** invests moneys paid to the nongov-
27 ernmental entity under ORS 757.612 (3)(d) on new cost-effective local energy
28 conservation, and if the investment involves updating the energy efficiency
29 of a residential or nonresidential building, the electric company, Oregon
30 Community Power or the nongovernmental entity may make those invest-

1 ments by conducting a whole building assessment of the energy efficiency
2 of the building and, in consideration of the whole building assessment, by
3 maximizing the overall energy efficiency of the building. For purposes of this
4 subsection, a ‘whole building assessment’ means a single assessment of
5 savings opportunities, as identified by the Public Utility Commission by rule
6 or order.

7 “(2) An investment described in subsection (1) of this section must be
8 limited to an investment in a single project, as authorized by the commission
9 by rule or order.

10 **“SECTION 51.** ORS 470.815 is amended to read:

11 “470.815. (1) School districts that participate in the clean energy deploy-
12 ment program established in ORS 470.810 may finance projects to:

13 “(a) Weatherize, upgrade and retrofit kindergarten through grade 12 pub-
14 lic schools;

15 “(b) Retrofit school bus fleets to operate on compressed natural gas or
16 other alternative fuels such as propane or to operate with high-efficiency
17 types of engines such as hybrid electric engines; or

18 “(c) Replace school bus fleets with school buses that operate on com-
19 pressed natural gas or other alternative fuels such as propane or that operate
20 with high-efficiency types of engines such as hybrid electric engines.

21 “(2) The projects described in subsection (1) of this section shall be de-
22 signed to improve energy efficiency, decrease fuel costs, increase use of al-
23 ternative fuels and decrease emissions of air contaminants.

24 “(3) School districts may finance the projects described in subsection (1)
25 of this section by:

26 “(a) Paying directly for the projects;

27 “(b) Receiving lower interest loans from the Clean Energy Deployment
28 Fund or the Small Scale Local Energy Project Loan Fund, supported by:

29 “(A) Grant moneys from the Jobs, Energy and Schools Fund;

30 “[B) *Public purpose charges directed to a school district in areas served*

1 *by investor-owned utilities under ORS 757.612;*

2 “[*(C)*] **(B)** Qualified Energy Conservation Bonds issued under the Energy
3 Improvement and Extension Act of 2008 or other federal loan programs; or

4 “[*(D)*] **(C)** Revenues generated by the savings in energy costs resulting
5 from the energy efficiency improvements;

6 “(c) Issuing general obligation bonds, subject to the bond election re-
7 quirements under ORS 328.210; or

8 “(d) Using any other source of moneys.

9 **“SECTION 52. (1) As used in this section, ‘investor-owned utility’**
10 **means an electric or gas utility regulated by the Public Utility Com-**
11 **mission as a public utility under ORS chapter 757 and subject to an**
12 **annual public purpose charge expenditure standard under ORS 757.612**
13 **or rules adopted by the commission related to the imposition of a**
14 **public purpose charge on natural gas public utilities.**

15 **“(2) The commission, in consultation with the State Department of**
16 **Energy, shall work with investor-owned utilities and the propane in-**
17 **dustry to develop an electric vehicle, compressed natural gas vehicle,**
18 **and propane vehicle market transformation framework for use by**
19 **investor-owned utilities, the propane industry, the Citizens’ Utility**
20 **Board and a nongovernmental entity, if any, receiving moneys under**
21 **ORS 757.612 (3)(d) and rules adopted by the commission related to the**
22 **imposition of a public purpose charge on natural gas public utilities**
23 **in providing market incentives for:**

24 **“(a) The installation of electric vehicle infrastructure; and**

25 **“(b) The purchase of compressed natural gas or propane fueled ve-**
26 **hicles and school buses, and the installation of private sector-owned**
27 **compressed natural gas and propane vehicle fueling infrastructure**
28 **that is readily available for local school district fueling.**

29 **“(3) As part of developing the framework required by this section,**
30 **the commission and the State Department of Energy shall work with**

1 the Department of Transportation to determine the initial allocation
2 of market incentives necessary to increase the adoption of electric,
3 compressed natural gas and propane fueled vehicles in this state and
4 to maximize the volume of electric, natural gas and propane vehicle
5 miles traveled.

6 “(4) The commission shall appoint an advisory committee for the
7 purpose of assisting the department in carrying out the requirements
8 of this section. The committee must include members representing:

9 “(a) Investor-owned utilities;

10 “(b) The propane industry;

11 “(c) The Citizens’ Utility Board created under ORS 774.030;

12 “(d) A nongovernmental entity based in Oregon with a mission to
13 promote, support and grow the electric vehicle industry in Oregon;

14 “(e) A nongovernmental entity that has entered into a contract
15 with the Public Utility Commission to administer the public purpose
16 charges collected under ORS 757.612;

17 “(f) The State Department of Energy;

18 “(g) The Oregon Transportation Commission; and

19 “(h) The Public Utility Commission.

20 “(5) If the commission has authorized a nongovernmental entity to
21 administer the public purpose charges collected under ORS 757.612
22 (3)(b)(D) or rules of the commission related to the imposition of a
23 public purpose charge on natural gas public utilities, the commission
24 shall include the applicable provisions of the framework in the grant
25 agreement with that entity or in the performance measures adopted
26 in accordance with the grant agreement.

27 “SECTION 53. Section 52 of this 2015 Act is repealed on January 1,
28 2018.

29 “SECTION 54. Section 55 of this 2015 Act is added to and made a
30 part of ORS chapter 757.

1 **“SECTION 55. (1) The Public Utility Commission may authorize a**
2 **public utility, upon application of the public utility, to include in the**
3 **public utility’s rates the costs of installing electric vehicle**
4 **infrastructure, and the costs of installing compressed natural gas ve-**
5 **hicle infrastructure if:**

6 **“(a) The infrastructure is installed or made available on or after**
7 **July 1, 2015; and**

8 **“(b) The infrastructure is reasonably expected, at the time the**
9 **infrastructure is placed in service, to result in benefits to consumers**
10 **by being installed and located in a place where use of the**
11 **infrastructure is likely to occur.**

12 **“(2) Rates allowed by this section may allow a return of investment**
13 **for the depreciable life of the infrastructure, as defined in depreciation**
14 **schedules approved by the commission. When the public utility’s cap-**
15 **ital investment is fully depreciated, the public utility may gift the**
16 **infrastructure to the owner of the property on which the**
17 **infrastructure is located.**

18 **“(3) For purposes of ORS 757.355, electric vehicle infrastructure and**
19 **compressed natural gas vehicle infrastructure provide utility service**
20 **to customers.**

21

22

“CAPTIONS

23

24 **“SECTION 56. The unit captions used in this 2015 Act are provided**
25 **only for the convenience of the reader and do not become part of the**
26 **statutory law of this state or express any legislative intent in the**
27 **enactment of this 2015 Act.**

28

29

“EFFECTIVE DATE

30

1 **“SECTION 57. This 2015 Act takes effect on the 91st day after the**
2 **date on which the 2015 regular session of the Seventy-eighth Legisla-**
3 **tive Assembly adjourns sine die.”.**

4
