

Department of Transportation

Director's Office 355 Capitol St. NE, MS 11 Salem, OR 97301

DATE: March 29, 2017

TO: House Committee on Transportation Policy

FROM: Amy Joyce, Legislative Liaison

SUBJECT: HB 2596, Truck Tractor Towing Travel Trailer

CORRECTED

INTRODUCTION

HB 2596 would create a reduced fee for registration of heavy trucks that are used exclusively for towing a travel trailer for personal use.

DISCUSSION

The bill allows that the registration fee for a truck tractor is a reduced flat fee of \$55 if the owner certifies – at initial issuance – that it will be used only to transport a travel trailer for personal use. "Truck tractor" is defined in statute to mean a vehicle designed to tow another vehicle, and not to carry a load other than one being towed. For example, this does not include a pick-up because the bed is designed to haul items.

To implement the bill DMV would create a certification form so that applicants could certify to the criteria required in the bill. DMV would also make computer programming changes to allow a flat fee for a vehicle that otherwise would require a weight to be entered for calculation of the fee. DMV would issue a Truck Plate (or "T" plate), as is done for any truck tractor of this size.

DMV must always concern itself with potential fraud. The new fee proposed in the bill is based on self-certification at the initial registration. There is no provision for continued certification at time of renewal. How the requirement would be enforced is unclear, as the plate will be the same whether the truck paid the standard fee or the reduced fee for personal use. The reduction in fees may be tempting for the unscrupulous.

Also, registration fees in Oregon are based on the fact that heavier vehicles to relatively more damage to the highways than do light vehicles. This explains why the current registration fee for these heavy vehicles is significantly higher than for a passenger vehicle. Regardless of the use – commercial or personal – the weight of the vehicle is the same.

SUMMARY

HB 2596 would allow an exception to the usual fee structure charging higher fees to heavier vehicles, and establishes a flat fee for a truck tractor of any weight towing a travel trailer for personal use. DMV would make systems changes to allow for that new fee. Fraud is a concern.