

# DRAFT

## SUMMARY

Modifies, adds and repeals laws relating to transportation.  
Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to transportation; creating new provisions; amending ORS 166.260,  
3 166.262, 166.360, 166.370, 184.642, 184.657, 184.675, 184.751, 184.758, 184.761,  
4 184.766, 293.701, 319.020, 319.330, 320.400, 323.455, 323.457, 541.561, 541.659,  
5 803.102, 803.210, 803.591, 807.072, 810.180, 824.022, 824.026, 824.060, 824.088,  
6 824.990 and 824.992 and section 7, chapter 700, Oregon Laws 2015; repeal-  
7 ing ORS 184.631, 391.800, 391.802, 391.810, 391.815, 391.820, 391.830, 824.068  
8 and 824.104 and sections 6 and 8, chapter 700, Oregon Laws 2015, and  
9 sections 2 and 3, chapter 24, Oregon Laws 2018; prescribing an effective  
10 date; and providing for revenue raising that requires approval by a  
11 three-fifths majority.

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

## IN GENERAL

13  
14  
15  
16 **SECTION 1.** ORS 810.180 is amended to read:

17 810.180. (1) As used in this section:

18 (a) "Designated speed" means the speed that is designated by a road au-  
19 thority as the maximum permissible speed for a highway and that may be  
20 different from the statutory speed for the highway.

21 (b) "Statutory speed" means the speed that is established as a speed limit

1 under ORS 811.111, or is established as the speed the exceeding of which is  
2 prima facie evidence of violation of the basic speed rule under ORS 811.105.

3 (2)(a) A designated speed established under this section is a speed limit  
4 if the highway for which the speed is designated is subject to a statutory  
5 speed limit under ORS 811.111 that is in addition to the speed limit estab-  
6 lished under ORS 811.111 (1)(b).

7 (b) A speed greater than a designated speed established under this section  
8 is prima facie evidence of violation of the basic speed rule if the designated  
9 speed is established for a highway on which there is no speed limit other  
10 than the limit established under ORS 811.111 (1)(b).

11 (3) The Department of Transportation may establish by rule designated  
12 speeds on any specified section of interstate highway if the department de-  
13 termines that speed limits established under ORS 811.111 (1) are greater or  
14 less than is reasonable or safe under the conditions that exist with respect  
15 to that section of the interstate highway. Designated speeds established un-  
16 der this subsection are subject to all of the following:

17 (a) The department may not establish a designated speed under this sub-  
18 section of more than:

19 (A) Sixty-five miles per hour for vehicles described in ORS 811.111 (1)(b);

20 and

21 (B) Seventy miles per hour for all other vehicles.

22 (b) If the department establishes designated speeds under this subsection  
23 that are greater than 65 miles per hour, the designated speed for vehicles  
24 described in ORS 811.111 (1)(b) must be at least five miles per hour lower  
25 than the designated speed for all other vehicles on the specified section of  
26 interstate highway.

27 (c) The department may establish a designated speed under this subsection  
28 only if an engineering and traffic investigation indicates that the statutory  
29 speed for the interstate highway is greater or less than is reasonable or safe  
30 under conditions the department finds to exist.

31 (d) A designated speed established under this subsection is effective when

1 appropriate signs giving notice of the designated speed are posted on the  
2 section of interstate highway where the designated speed is imposed.

3 (4)(a) The department may establish, pursuant to a process established by  
4 rule, a designated speed on a state highway outside of a city. The authority  
5 granted under this subsection includes, but is not limited to, the authority  
6 to establish different designated speeds for different kinds or classes of ve-  
7 hicles as the department determines reasonable and safe. A designated speed  
8 established under this subsection for any kind or class of vehicles may not  
9 exceed the speed limit for the highway for that kind or class of vehicles as  
10 established in ORS 811.111 or, if there is no speed limit for the highway other  
11 than the limit established in ORS 811.111 (1)(b), may not exceed 55 miles per  
12 hour.

13 (b) The department may establish a designated speed under this sub-  
14 section only if an engineering and traffic investigation indicates that the  
15 statutory speed for the highway is greater or less than is reasonable or safe  
16 under conditions the department finds to exist.

17 (c) A designated speed established under this subsection is effective when  
18 appropriate signs giving notice of the designated speed are posted on the  
19 portion of highway where the designated speed is imposed.

20 (5) After a written request is received from a road authority for a high-  
21 way other than a highway described in subsection (3) or (4) of this section,  
22 the department, pursuant to a process established by rule, may establish a  
23 designated speed for the highway. The authority granted under this sub-  
24 section includes, but is not limited to, the authority to establish different  
25 designated speeds for different kinds or classes of vehicles as the department  
26 determines reasonable and safe. The authority granted under this subsection  
27 is subject to all of the following:

28 (a) The written request from the road authority must state a recommended  
29 designated speed.

30 (b) The department may establish a designated speed under this sub-  
31 section only if an engineering and traffic investigation indicates that the

1 statutory speed for the highway is greater or less than is reasonable or safe  
2 under conditions the department finds to exist.

3 (c) The department may not make a final decision to establish a desig-  
4 nated speed under this subsection without providing the affected road au-  
5 thorities with notice and opportunity for a hearing.

6 (d) A road authority may file a written objection to a designated speed  
7 that is proposed by the department under this subsection and that affects the  
8 road authority.

9 (e) A designated speed established under this subsection is effective when  
10 appropriate signs giving notice of the designated speed are posted on the  
11 portion of the highway where the designated speed is imposed. The expense  
12 of erecting any sign under this subsection shall be borne by the road au-  
13 thority having jurisdiction over the portion of the highway where the des-  
14 igned speed is imposed.

15 (f) The department, pursuant to a process established by rule, may dele-  
16 gate its authority under this subsection with respect to highways that are  
17 low volume or unpaved to a [*city or*] county with jurisdiction over the  
18 highway. The department shall delegate authority under this paragraph only  
19 if it determines that the [*city or*] county will exercise the authority according  
20 to criteria adopted by the department.

21 **(g) The department, pursuant to a process established by rule, may**  
22 **delegate its authority under this subsection to a city with jurisdiction**  
23 **over the highway. The department shall delegate authority under this**  
24 **paragraph only if it determines that the city will exercise the author-**  
25 **ity according to criteria adopted by the department.**

26 (6) The department may override the speed limit established for ocean  
27 shores under ORS 811.111 (1)(c) and establish a designated speed of less than  
28 25 miles per hour on any specified section of ocean shore if the department  
29 determines that the speed limit established under ORS 811.111 (1)(c) is  
30 greater than is reasonable or safe under the conditions that exist with re-  
31 spect to that part of the ocean shore. The authority granted under this sub-

1 section is subject to all of the following:

2 (a) The department may make the determination required under this sub-  
3 section only on the basis of an investigation.

4 (b) A designated speed established under this subsection is effective when  
5 posted upon appropriate fixed or variable signs on the portion of ocean shore  
6 where the designated speed is imposed.

7 (7) A road authority may adopt a designated speed to regulate the speed  
8 of vehicles in parks under the jurisdiction of the road authority. A road au-  
9 thority regulating the speed of vehicles under this subsection shall post and  
10 maintain signs at all park entrances to give notice of any designated speed.

11 (8) A road authority may establish by ordinance or order a temporary  
12 designated speed for highways in its jurisdiction that is lower than the  
13 statutory speed. A temporary designated speed may be established under this  
14 subsection if, in the judgment of the road authority, the temporary desig-  
15 nated speed is necessary to protect any portion of the highway from being  
16 unduly damaged, or to protect the safety of the public and workers when  
17 temporary conditions such as construction or maintenance activities consti-  
18 tute a danger. The following apply to the authority granted under this sub-  
19 section:

20 (a) Statutory speeds may be overridden by a temporary designated speed  
21 only:

22 (A) For a specific period of time for all vehicles; or

23 (B) For a specified period of time for a specific kind or class of vehicle  
24 that is causing identified damage to highways.

25 (b) This subsection may not be used to establish a permanent designated  
26 speed.

27 (c) The authority granted by this subsection may be exercised only if the  
28 ordinance or order that imposes the temporary designated speed:

29 (A) Specifies the hazard, damage or other condition requiring the tempo-  
30 rary designated speed; and

31 (B) Is effective only for a specified time that corresponds to the hazard,

1 damage or other condition specified.

2 (d) A temporary designated speed imposed under this subsection must be  
3 imposed by a proper written ordinance or order. A sign giving notice of the  
4 temporary designated speed must be posted at each end of the portion of  
5 highway where the temporary designated speed is imposed and at such other  
6 places on the highway as may be necessary to inform the public. The tem-  
7 porary designated speed shall be effective when signs giving notice of the  
8 temporary designated speed are posted.

9 (9) A road authority may establish an emergency speed on any highway  
10 under the jurisdiction of the road authority that is different from the exist-  
11 ing speed on the highway. The authority granted under this subsection is  
12 subject to all of the following:

13 (a) A speed established under this subsection is effective when appropriate  
14 signs giving notice thereof are posted upon the highway or portion of high-  
15 way where the emergency speed is imposed. All signs posted under this sub-  
16 section must comply with ORS 810.200.

17 (b) The expense of posting any sign under this subsection shall be borne  
18 by the road authority having jurisdiction over the highway or portion of  
19 highway where the emergency speed is imposed.

20 (c) A speed established under this subsection may be effective for not  
21 more than 120 days.

22 (10) A road authority may establish by ordinance a designated speed for  
23 a highway under the jurisdiction of the road authority that is five miles per  
24 hour lower than the statutory speed. The following apply to the authority  
25 granted under this subsection:

26 (a) The highway is located in a residence district.

27 (b) The statutory speed may be overridden by a designated speed only if:

28 (A) The road authority determines that the highway has an average vol-  
29 ume of fewer than 2,000 motor vehicles per day, more than 85 percent of  
30 which are traveling less than 30 miles per hour; and

31 (B) There is a traffic control device on the highway that indicates the

1 presence of pedestrians or bicyclists.

2 (c) The road authority shall post a sign giving notice of the designated  
3 speed at each end of the portion of highway where the designated speed is  
4 imposed and at such other places on the highway as may be necessary to  
5 inform the public. The designated speed shall be effective when signs giving  
6 notice of the designated speed are posted.

7 (11) A city may establish by ordinance a designated speed for a highway  
8 under the jurisdiction of the city that is five miles per hour lower than the  
9 statutory speed. The following apply to the authority granted under this  
10 subsection:

11 (a) The highway is located in a residence district.

12 (b) The highway is not an arterial highway.

13 (c) The city shall post a sign giving notice of the designated speed at each  
14 end of the portion of highway where the designated speed is imposed and at  
15 such other places on the highway as may be necessary to inform the public.  
16 The designated speed shall be effective when signs giving notice of the des-  
17 ignated speed are posted.

18 (12) Notwithstanding ORS 801.430, as used in subsection (11) of this sec-  
19 tion, "residence district" includes territory not comprising a business district  
20 that is contiguous to a highway and has access to dwellings provided by al-  
21 leys.

22 **SECTION 2.** ORS 166.360 is amended to read:

23 166.360. As used in ORS 166.360 to 166.380, unless the context requires  
24 otherwise:

25 (1) "Capitol building" means the Capitol, the State Office Building, the  
26 State Library Building, the Labor and Industries Building, the State Trans-  
27 portation Building, the Agriculture Building or the Public Service Building  
28 and includes any new buildings which may be constructed on the same  
29 grounds as an addition to the group of buildings listed in this subsection.

30 (2) "Court facility" means a courthouse or that portion of any other  
31 building occupied by a circuit court, the Court of Appeals, the Supreme

1 Court or the Oregon Tax Court or occupied by personnel related to the op-  
2 erations of those courts, or in which activities related to the operations of  
3 those courts take place.

4 (3) “Judge” means a judge of a circuit court, the Court of Appeals, the  
5 Supreme Court, the Oregon Tax Court, a municipal court, a probate court  
6 or a juvenile court or a justice of the peace.

7 (4) “Judicial district” means a circuit court district established under  
8 ORS 3.012 or a justice of the peace district established under ORS 51.020.

9 (5) “Juvenile court” has the meaning given that term in ORS 419A.004.

10 (6) “Loaded firearm” means:

11 (a) A breech-loading firearm in which there is an unexpended cartridge  
12 or shell in or attached to the firearm including but not limited to, in a  
13 chamber, magazine or clip which is attached to the firearm.

14 (b) A muzzle-loading firearm which is capped or primed and has a powder  
15 charge and ball, shot or projectile in the barrel or cylinder.

16 (7) “Local court facility” means the portion of a building in which a jus-  
17 tice court, a municipal court, a probate court or a juvenile court conducts  
18 business, during the hours in which the court operates.

19 (8) “Probate court” has the meaning given that term in ORS 111.005.

20 (9) “Public building” means:

21 (a) A hospital, a capitol building, a public or private school, as defined  
22 in ORS 339.315, a college or university, a city hall or the residence of any  
23 state official elected by the state at large, and the grounds adjacent to each  
24 such building[.];

25 (b) **The passenger terminal of a commercial service airport that has**  
26 **at least 1 million passenger boardings per year; or**

27 (c) [*The term also includes*] That portion of any other building occupied  
28 by an agency of the state or a municipal corporation, as defined in ORS  
29 297.405, other than a court facility.

30 (10) “Weapon” means:

31 (a) A firearm;



1 (b) Any dirk, dagger, ice pick, slingshot, metal knuckles or any similar  
2 instrument or a knife, other than an ordinary pocketknife with a blade less  
3 than four inches in length, the use of which could inflict injury upon a  
4 person or property;

5 (c) Mace, tear gas, pepper mace or any similar deleterious agent as de-  
6 fined in ORS 163.211;

7 (d) An electrical stun gun or any similar instrument;

8 (e) A tear gas weapon as defined in ORS 163.211;

9 (f) A club, bat, baton, billy club, bludgeon, knobkerrie, nunchaku,  
10 nightstick, truncheon or any similar instrument, the use of which could in-  
11 flict injury upon a person or property; or

12 (g) A dangerous or deadly weapon as those terms are defined in ORS  
13 161.015.

14 **SECTION 3.** ORS 166.370 is amended to read:

15 166.370. (1) Any person who intentionally possesses a loaded or unloaded  
16 firearm or any other instrument used as a dangerous weapon, while in or on  
17 a public building, shall upon conviction be guilty of a Class C felony.

18 (2)(a) Except as otherwise provided in paragraph (b) of this subsection, a  
19 person who intentionally possesses:

20 (A) A firearm in a court facility is guilty, upon conviction, of a Class C  
21 felony. A person who intentionally possesses a firearm in a court facility  
22 shall surrender the firearm to a law enforcement officer.

23 (B) A weapon, other than a firearm, in a court facility may be required  
24 to surrender the weapon to a law enforcement officer or to immediately re-  
25 move it from the court facility. A person who fails to comply with this sub-  
26 paragraph is guilty, upon conviction, of a Class C felony.

27 (C) A firearm in a local court facility is guilty, upon conviction, of a  
28 Class C felony if, prior to the offense, the presiding judge of the local court  
29 facility entered an order prohibiting firearms in the area in which the court  
30 conducts business and during the hours in which the court operates.

31 (b) The presiding judge of a judicial district or a municipal court may

1 enter an order permitting the possession of specified weapons in a court fa-  
2 cility.

3 (c) Within a shared court facility, the presiding judge of a municipal  
4 court or justice of the peace district may not enter an order concerning the  
5 possession of weapons in the court facility that is in conflict with an order  
6 entered by the presiding judge of the circuit court.

7 (3) Subsection (1) of this section does not apply to:

8 (a) A police officer or reserve officer, as those terms are defined in ORS  
9 181A.355.

10 (b) A parole and probation officer, as defined in ORS 181A.355, while the  
11 parole and probation officer is acting within the scope of employment.

12 (c) A federal officer, as defined in ORS 133.005, or a certified reserve of-  
13 ficer or corrections officer, as those terms are defined in ORS 181A.355, while  
14 the federal officer, certified reserve officer or corrections officer is acting  
15 within the scope of employment.

16 (d) A person summoned by an officer described in paragraph (a), (b) or (c)  
17 of this subsection to assist in making an arrest or preserving the peace,  
18 while the summoned person is engaged in assisting the officer.

19 (e) An honorably retired law enforcement officer.

20 (f) An active or reserve member of the military forces of this state or the  
21 United States, when engaged in the performance of duty.

22 (g) A person who is licensed under ORS 166.291 and 166.292 to carry a  
23 concealed handgun.

24 (h) A person who is authorized by the officer or agency that controls the  
25 public building to possess a firearm or dangerous weapon in that public  
26 building.

27 (i) An employee of the United States Department of Agriculture, acting  
28 within the scope of employment, who possesses a firearm in the course of the  
29 lawful taking of wildlife.

30 (j) Possession of a firearm on school property if the firearm:

31 (A) Is possessed by a person who is not otherwise prohibited from pos-

1    sessing the firearm; and

2       (B) Is unloaded and locked in a motor vehicle.

3       **(k) A person who possesses a firearm in the passenger terminal of**  
4 **a commercial service airport that has at least 1 million passenger**  
5 **boardings per year, if the firearm is unloaded and in a locked hard-**  
6 **sided container for the purposes of transporting the firearm as**  
7 **checked baggage in accordance with federal law.**

8       (4)(a) The exceptions listed in subsection (3)(d) to [(j)] **(k)** of this section  
9 constitute affirmative defenses to a charge of violating subsection (1) of this  
10 section.

11       (b) A person may not use the affirmative defense described in subsection  
12 (3)(e) of this section if the person has been convicted of an offense that  
13 would make the person ineligible to obtain a concealed handgun license un-  
14 der ORS 166.291 and 166.292.

15       **(c) Notwithstanding paragraph (a) of this subsection, the exception**  
16 **listed in subsection (3)(a) of this section applies to the possession of a**  
17 **firearm within the passenger terminal of a commercial service airport**  
18 **that has at least 1 million passenger boardings per year only if:**

19       **(A) The person is performing official duties; or**

20       **(B) The firearm is completely concealed from view.**

21       **(d) Notwithstanding paragraph (a) of this subsection, the exceptions**  
22 **listed in subsection (3)(b) to (e) and (g) to (j) of this section apply to**  
23 **the possession of a firearm within the passenger terminal of a com-**  
24 **mercial service airport that has at least 1 million passenger boardings**  
25 **per year only if:**

26       **(A) The firearm is completely concealed from view; and**

27       **(B) The concealed possession is lawful under ORS 166.250 and**  
28 **166.260.**

29       (5)(a) Any person who knowingly, or with reckless disregard for the safety  
30 of another, discharges or attempts to discharge a firearm at a place that the  
31 person knows is a school shall upon conviction be guilty of a Class C felony.

1 (b) Paragraph (a) of this subsection does not apply to the discharge of a  
2 firearm:

3 (A) As part of a program approved by a school in the school by an indi-  
4 vidual who is participating in the program;

5 (B) By a law enforcement officer acting in the officer's official capacity;  
6 or

7 (C) By an employee of the United States Department of Agriculture, act-  
8 ing within the scope of employment, in the course of the lawful taking of  
9 wildlife.

10 (6) Any weapon carried in violation of this section is subject to the  
11 forfeiture provisions of ORS 166.279.

12 (7) Notwithstanding the fact that a person's conduct in a single criminal  
13 episode constitutes a violation of both subsections (1) and (5) of this section,  
14 the district attorney may charge the person with only one of the offenses.

15 (8) As used in this section, "dangerous weapon" means a dangerous  
16 weapon as that term is defined in ORS 161.015.

17 **SECTION 4.** ORS 166.260 is amended to read:

18 166.260. (1) ORS 166.250 does not apply to or affect:

19 (a) A parole and probation officer, police officer or reserve officer, as  
20 those terms are defined in ORS 181A.355.

21 (b) A federal officer, as defined in ORS 133.005, or a certified reserve of-  
22 ficer or corrections officer, as those terms are defined in ORS 181A.355, while  
23 the federal officer, certified reserve officer or corrections officer is acting  
24 within the scope of employment.

25 (c) An honorably retired law enforcement officer, unless the person who  
26 is a retired law enforcement officer has been convicted of an offense that  
27 would make the person ineligible to obtain a concealed handgun license un-  
28 der ORS 166.291 and 166.292.

29 (d) Any person summoned by an officer described in paragraph (a) or (b)  
30 of this subsection to assist in making arrests or preserving the peace, while  
31 the summoned person is engaged in assisting the officer.

1 (e) The possession or transportation by any merchant of unloaded  
2 firearms as merchandise.

3 (f) Active or reserve members of:

4 (A) The Army, Navy, Air Force, Coast Guard or Marine Corps of the  
5 United States, or of the National Guard, when on duty;

6 (B) The commissioned corps of the National Oceanic and Atmospheric  
7 Administration; or

8 (C) The Public Health Service of the United States Department of Health  
9 and Human Services, when detailed by proper authority for duty with the  
10 Army or Navy of the United States.

11 (g) Organizations which are by law authorized to purchase or receive  
12 weapons described in ORS 166.250 from the United States, or from this state.

13 (h) Duly authorized military or civil organizations while parading, or the  
14 members thereof when going to and from the places of meeting of their or-  
15 ganization.

16 (i) A person who is licensed under ORS 166.291 and 166.292 to carry a  
17 concealed handgun.

18 (2) It is an affirmative defense to a charge of violating ORS 166.250  
19 (1)(c)(C) that the person has been granted relief from the disability under  
20 ORS 166.274.

21 (3) Except for persons who are otherwise prohibited from possessing a  
22 firearm under ORS 166.250 (1)(c) or 166.270, ORS 166.250 does not apply to  
23 or affect:

24 (a) Members of any club or organization, for the purpose of practicing  
25 shooting at targets upon the established target ranges, whether public or  
26 private, while such members are using any of the firearms referred to in ORS  
27 166.250 upon such target ranges, or while going to and from such ranges.

28 (b) Licensed hunters or fishermen while engaged in hunting or fishing,  
29 or while going to or returning from a hunting or fishing expedition.

30 **(c) A person who possesses a firearm in the passenger terminal of**  
31 **a commercial service airport that has at least 1 million passenger**

1 **boardings per year, if the firearm is unloaded and in a locked hard-**  
2 **sided container for the purposes of transporting the firearm as**  
3 **checked baggage in accordance with federal law.**

4 (4) The exceptions listed in subsection (1)(d) to (i) of this section consti-  
5 tute affirmative defenses to a charge of violating ORS 166.250.

6 **SECTION 5.** ORS 166.262 is amended to read:

7 **166.262. (1) Except as provided in subsection (2) of this section,** a  
8 peace officer may not arrest or charge a person for violating ORS 166.250  
9 (1)(a) or (b) or 166.370 (1) if the person has in the person's immediate pos-  
10 session:

11 [(1)] **(a)** A valid license to carry a firearm as provided in ORS 166.291 and  
12 166.292;

13 [(2)] **(b)** Proof that the person is a law enforcement officer; or

14 [(3)] **(c)** Proof that the person is an honorably retired law enforcement  
15 officer, unless the person has been convicted of an offense that would make  
16 the person ineligible to obtain a concealed handgun license under ORS  
17 166.291 and 166.292.

18 **(2) This section does not apply if the peace officer is arresting or**  
19 **charging a person for violating ORS 166.370 (1) by unlawfully possess-**  
20 **ing a firearm in the passenger terminal of a commercial service air-**  
21 **port that has at least 1 million passenger boardings per year.**

22 **SECTION 6.** Section 7 of this 2020 Act is added to and made a part  
23 of ORS chapter 757.

24 **SECTION 7.** (1) As used in this section:

25 **(a) "Electric company" has the meaning given that term in ORS**  
26 **757.600.**

27 **(b) "Natural gas utility" means a natural gas utility regulated by**  
28 **the Public Utility Commission under ORS chapter 757.**

29 **(2) The commission may allow an electric company or natural gas**  
30 **utility to recover costs from all customers for prudent investments or**  
31 **expenses in infrastructure measures that support the adoption of al-**

1 **ternative forms of transportation vehicles if the investments are con-**  
2 **sistent with and meet the requirements of subsection (3) of this**  
3 **section. An investment by an electric company may include**  
4 **infrastructure behind the customer meter.**

5 **(3) An investment in infrastructure measures that support the**  
6 **adoption of alternative forms of transportation vehicles is a utility**  
7 **service and a benefit to utility ratepayers if:**

8 **(a) The infrastructure measures will support the adoption of alter-**  
9 **native vehicles that are powered by electricity or compressed natural**  
10 **gas; and**

11 **(b) The investment can be reasonably anticipated to:**

12 **(A) Cost-effectively reduce transportation sector greenhouse gas**  
13 **emissions over time; and**

14 **(B) Benefit the electric or natural gas utility system. Benefits may**  
15 **include, but need not be limited to:**

16 **(i) Distribution or transmission management benefits;**

17 **(ii) System efficiencies or other economic values inuring to the**  
18 **benefit of ratepayers over the long term;**

19 **(iii) Revenues to utilities from electric vehicle charging to offset**  
20 **utilities' fixed costs that may otherwise be charged to customers; or**

21 **(iv) Increased ratepayer access to long term utility service.**

22 **SECTION 8. ORS 184.657 is amended to read:**

23 184.657. (1) The Oregon Transportation Commission shall develop a set  
24 of uniform standards, in coordination with counties and cities, for the con-  
25 sistent description and reporting of the condition of the transportation  
26 infrastructure owned by the state, counties and cities. The infrastructure  
27 described must include pavement and bridges.

28 (2) By February 1 of each odd-numbered year, every city and county shall  
29 submit a report covering the condition of its transportation infrastructure.

30 (3) The commission shall periodically review the condition of the trans-  
31 portation infrastructure owned by the state and the reports submitted under

1 this section. The commission shall post the reports and the commission's  
2 review of the reports on the website described in ORS 184.661.

3 (4) Notwithstanding ORS 366.762 to 366.768 or 366.785 to 366.820, any city  
4 or county failing to file a report under this section may not receive any  
5 payments from the State Highway Fund until the report is filed.

6 (5) Not later than [*April*] **June** 1 of each odd-numbered year, the com-  
7 mission shall submit a report about the state of the transportation  
8 infrastructure of Oregon, including the transportation infrastructure of cities  
9 and counties, to:

10 (a) The Legislative Assembly in the manner provided by ORS 192.245; and

11 (b) The Joint Committee on Transportation established under ORS  
12 171.858.

13 **SECTION 9.** ORS 824.022 is amended to read:

14 824.022. (1) ORS 824.020 to 824.042, 824.050 to 824.110 and 824.200 to  
15 824.256 apply to:

16 (a) The transportation of passengers and property.

17 (b) The receiving, delivering, switching, storing, elevation and transfer in  
18 transit, ventilation, refrigeration [*or icing,*] and handling of such property,  
19 and all charges connected therewith.

20 (c) All railroad, terminal, car, tank line, freight and freight line compa-  
21 nies.

22 (d) All associations of persons, whether incorporated or otherwise, that  
23 do business as common or for hire carriers upon or over any line of railroad  
24 within this state.

25 (e) Any common or for hire carrier engaged in the transportation of pas-  
26 sengers or property wholly by rail or partly by rail and partly by water.

27 (2) ORS 824.020 to 824.042 do not apply to logging or other private rail-  
28 roads not doing business as common carriers.

29 (3) ORS 824.020 to 824.042 and 824.050 to 824.110 do not apply to corpo-  
30 rations, companies, individuals, associations of individuals and their lessees,  
31 trustees or receivers that:



1 (a) Are primarily involved in a business enterprise other than rail trans-  
2 portation;

3 (b) Conduct rail operations 50 percent or more of which are for the pur-  
4 pose of providing transportation to the primary business enterprise;

5 (c) Operate on less than 10 miles of track; and

6 (d) Provide for hire rail transportation service to no more than five per-  
7 sons.

8 **SECTION 10.** ORS 824.026 is amended to read:

9 824.026. (1) The Department of Transportation shall employ at least three  
10 full-time railroad inspectors to assist the department as the department may  
11 prescribe in:

12 (a) Inquiring into any neglect or violation of and enforcing any law of  
13 this state or any law or ordinance of any municipality thereof relating to  
14 railroad safety;

15 (b) Inquiring into any neglect or violation of and enforcing any rule,  
16 regulation, requirement, order, term or condition issued by the department  
17 relating to railroad safety; and

18 (c) Conducting any investigative, surveillance and enforcement activities  
19 that the department is authorized to conduct under federal law in connection  
20 with any federal law, rule, regulation, order or standard relating to railroad  
21 safety.

22 (2) A railroad inspector may [*stop and detain*] **inspect** any train and the  
23 contents thereof that the railroad inspector reasonably believes is being op-  
24 erated in violation of any law, ordinance, rule, regulation, requirement, or-  
25 der, standard, term or condition referred to in subsection (1) of this section.

26 **SECTION 11.** ORS 824.060 is amended to read:

27 824.060. (1) Every locomotive [*and caboose*] of every railroad operating in  
28 this state shall be equipped with a first aid kit.

29 **(2) All locomotives shall be equipped with fire extinguishers meet-**  
30 **ing the following requirements:**

31 **(a) Each locomotive shall have at least one portable fire extin-**

1 **guisher.**

2 **(b) Fire extinguishers may be of a foam, dry chemical or carbon**  
3 **dioxide type.**

4 **(c) The fire extinguishers in each locomotive shall provide a mini-**  
5 **imum capacity of one and one-quarter gallons or five pounds. More**  
6 **than one fire extinguisher may be used to comply with the minimum**  
7 **capacity requirement under this paragraph.**

8 **(d) Fire extinguishers shall be placed in readily accessible locations.**

9 **(e) Fire extinguishers shall be maintained in working order.**

10 **(3) A railroad may apply for a temporary exemption from the pro-**  
11 **visions of subsection (2) of this section. The Department of Transpor-**  
12 **tation will consider the application of the railroad for a temporary**  
13 **exemption when accompanied by a full statement of the conditions**  
14 **existing and the reasons for the exemption. Any exemption so granted**  
15 **will be limited to a stated period of time.**

16 **SECTION 12.** ORS 824.088 is amended to read:

17 824.088. (1) Each railroad that gives notice to the United States Depart-  
18 ment of Transportation of an incident that occurs during the course of  
19 transporting hazardous materials as defined by federal regulations shall also  
20 give notice of the incident to the Director of the Office of Emergency Man-  
21 agement.

22 (2) As soon as reasonably practicable, each railroad shall notify the di-  
23 rector by telephone or similar means of communication of any derailment  
24 or fire involving or affecting hazardous material.

25 (3) To facilitate expedited and accurate notice to the director under this  
26 section, each train transporting hazardous materials in this state shall be  
27 equipped with at least two radio transmitter-receivers in good working order.  
28 In addition, *[18 months after October 4, 1977,]* trains over 2,000 feet in length  
29 that are transporting hazardous materials shall be equipped with a radio  
30 handset in good working order capable of communicating with the radio  
31 transmitter-receivers. If the equipment required under this section does not

1 function while the train is en route, the train may proceed to the next point  
2 of crew change where the equipment shall be replaced or repaired.

3 **SECTION 13.** ORS 824.992 is amended to read:

4 824.992. (1) Violation of ORS 824.062 is a Class D violation.

5 (2) Violation of ORS 824.064 is a Class A misdemeanor.

6 (3) Violation of ORS 824.082 (1), 824.084 or 824.088 by a railroad is a Class  
7 A violation.

8 (4) Violation of ORS 824.082 (2) is a Class A violation.

9 (5) As used in subsection (3) of this section, “railroad” means a railroad  
10 as defined by ORS 824.020 and 824.022.

11 (6) Subject to ORS 153.022, violation of [*ORS 824.104 (1)*] **ORS 824.060**  
12 **(2)**, 824.106 or 824.108 or any rule promulgated pursuant thereto is a Class  
13 A violation.

14 (7) A person is subject to the penalties under subsection (8) of this section  
15 if the person knowingly:

16 (a) Transports by railroad any hazardous waste listed under ORS 466.005  
17 or rules adopted thereunder to a facility that does not have appropriate au-  
18 thority to receive the waste under ORS 466.005 to 466.385 and 466.992.

19 (b) Disposes of any hazardous waste listed under ORS 466.005 or rules  
20 adopted thereunder without appropriate authority under ORS 466.005 to  
21 466.385 and 466.992.

22 (c) Materially violates any terms of permit or authority issued to the  
23 person under ORS 466.005 to 466.385 and 466.992 in the transporting or dis-  
24 posing of hazardous waste.

25 (d) Makes any false material statement or representation in any applica-  
26 tion, label, manifest, record, report, permit or other document filed, main-  
27 tained or used for purposes of compliance with requirements under ORS  
28 824.050 to 824.110 for the safe transportation of hazardous wastes.

29 (e) Violates any rules adopted by the Department of Transportation con-  
30 cerning the transportation of hazardous wastes.

31 (8) Subject to ORS 153.022, violation of subsection (7) of this section is

1 a Class B misdemeanor. Each day's violation is a separate offense.

2 (9) Violation of ORS 824.300 or 824.302 is a Class D violation.

3 (10) Violation of ORS 824.304 is a Class A violation.

4 (11) Violation of ORS 824.306 by any railroad company or officer or agent  
5 thereof, or any other person is a Class D violation. Each day's violation is  
6 a separate offense.

7 **SECTION 14.** ORS 803.102 is amended to read:

8 803.102. (1) As used in this section:

9 (a) "Transferee" means any person to whom ownership of a motor vehicle  
10 is transferred by purchase, gift or any other means other than by creation  
11 of a security interest and any person who, as an agent, signs an odometer  
12 disclosure statement for the transferee.

13 (b) "Transferor" means any person who transfers ownership of a motor  
14 vehicle by sale, gift or any means other than by creation of a security in-  
15 terest and any person who, as an agent, signs an odometer disclosure state-  
16 ment for the transferor.

17 (2) Except as otherwise provided in this section, upon transfer of any in-  
18 terest in a motor vehicle, an odometer disclosure statement shall be made  
19 by the transferor to the transferee. The disclosure shall be in a form that  
20 complies with the provisions of ORS 803.120 and shall contain the informa-  
21 tion required under ORS 803.122.

22 (3) If a transfer requiring a disclosure statement involves a leased vehicle,  
23 the lessor shall notify the lessee that the lessee is required to provide  
24 odometer disclosure. The lessee shall furnish the lessor with a form that  
25 complies with the requirements of ORS 803.120 and shall provide the infor-  
26 mation required by ORS 803.122 except that for purposes of the required in-  
27 formation, the lessee shall be considered the transferor, the lessor shall be  
28 considered the transferee and the date shall be the date of the disclosure  
29 statement.

30 (4) Where an interest in a vehicle is transferred by operation of law, the  
31 Department of Transportation shall determine by rule whether an odometer

1 disclosure statement is required and if so, who is required to provide it.

2 (5) The odometer disclosure requirements of this section do not apply  
3 upon transfer of an interest where the transfer is due solely to the creation,  
4 release or assignment of a security interest, or upon transfer of an interest  
5 in any of the following:

6 (a) A vehicle with a gross vehicle weight rating of more than 16,000  
7 pounds.

8 (b) A vehicle that is not self-propelled.

9 (c) A vehicle that is at least [10] **20** years old.

10 (d) A vehicle that is sold directly by the manufacturer to any agency of  
11 the United States in conformity with contractual specifications.

12 (e) A vehicle that is exempted from the requirement by rules of the de-  
13 partment.

14 (6) A person may provide an odometer reading to the department, in the  
15 manner prescribed by the department by rule, for a vehicle that is [10] **20**  
16 years old or older.

17 **SECTION 15.** ORS 803.591 is amended to read:

18 803.591. (1) As used in this section and ORS 803.593:

19 (a) “Diesel engine” has the meaning given that term in ORS 468A.795.

20 (b) “Heavy-duty truck” has the meaning given that term in ORS 468A.795.

21 (c) “Medium-duty truck” has the meaning given that term in ORS  
22 468A.795.

23 (d) “Public body” has the meaning given that term in ORS 174.109.

24 (2) On and after January 1, 2025, the Department of Transportation may  
25 not issue a certificate of title for the following motor vehicles if the **regis-**  
26 **tered** address [*of the owner*] of the motor vehicle is located within  
27 Multnomah, Clackamas or Washington County:

28 (a) A medium-duty truck powered by a model year 2009 or older diesel  
29 engine.

30 (b) A heavy-duty truck powered by a model year 2006 or older diesel en-  
31 gine.

1 (3) The department may not issue registration or renewal of registration  
2 on and after the following dates for the following motor vehicles if the  
3 **registered** address [*of the owner*] of the motor vehicle is located within  
4 Multnomah, Clackamas or Washington County:

5 (a) January 1, 2023, for a medium-duty truck or a heavy-duty truck if the  
6 motor vehicle is powered by a model year 1996 or older diesel engine.

7 (b) January 1, 2029, for:

8 (A) A medium-duty truck powered by a model year 2009 or older diesel  
9 engine.

10 (B) A heavy-duty truck powered by a model year 2009 or older diesel en-  
11 gine owned by a public body.

12 (C) A heavy-duty truck powered by a model year 2006 or older diesel en-  
13 gine owned by a person other than a public body.

14 (4) Notwithstanding subsections (2) and (3) of this section, the department  
15 may issue a certificate of title, issue registration or issue renewal of regis-  
16 tration for a motor vehicle described in subsection (2) or (3) of this section  
17 after a date described in subsection (2) or (3) of this section if:

18 (a) The diesel engine that powers the motor vehicle has been retrofitted  
19 with approved retrofit technology pursuant to rules adopted by the Envi-  
20 ronmental Quality Commission under ORS 468A.810; and

21 (b) Proof of certification of the retrofit has been issued under ORS  
22 468A.810.

23 (5) The following motor vehicles are exempt from the requirements of this  
24 section:

25 (a) Motor vehicles registered as farm vehicles under the provisions of  
26 ORS 805.300.

27 (b) Farm tractors.

28 (c) Implements of husbandry.

29 (d) Motor vehicles used exclusively as training vehicles.

30 (e) Publicly and privately owned emergency vehicles.

31 (f) Ambulances.

1 (g) Campers.

2 (h) Motor homes.

3 (i) Recreational vehicles.

4 (j) Heavy-duty trucks operated for 5,000 miles or fewer on highways of  
5 this state during one calendar year.

6 (k) Carriers with a fleet size of five or fewer heavy-duty trucks.

7 (L) Antique vehicles.

8 (m) Motor trucks, as defined in ORS 801.355, used primarily to transport  
9 logs.

10 (6)(a) In order for registration to continue to be valid for a motor vehicle  
11 that is owned by a public body and subject to subsection (3) of this section,  
12 the public body shall, in a manner determined by the department by rule,  
13 submit proof to the department that the motor vehicle complies with sub-  
14 section (3) of this section. Proof of compliance must be on a form supplied  
15 by the department and must include such information as the department may  
16 require. Proof of compliance for a motor vehicle owned by a public body is  
17 valid until the ownership of the vehicle changes.

18 (b) The department shall provide notice to a public body of the require-  
19 ment under this subsection to submit proof of compliance with subsection (3)  
20 of this section. The notice shall be issued to the public body no later than  
21 one year prior to the date that the proof of compliance must be submitted  
22 to the department.

23 (7) The department may adopt rules as necessary to administer this sec-  
24 tion.

25 **SECTION 16.** ORS 803.210 is amended to read:

26 803.210. (1) The Department of Transportation shall not issue title for a  
27 vehicle described in subsection (2) of this section unless:

28 (a) An inspection of the vehicle identification number or numbers of the  
29 vehicle is performed in accordance with ORS 803.212; and

30 (b) The fee established under ORS 803.215 is paid to the department for  
31 the inspection.

1 (2) Except as provided in subsection (3) of this section, the requirements  
2 of this section apply to all of the following:

3 (a) A vehicle from another jurisdiction.

4 (b) Any assembled or reconstructed vehicle.

5 (c) Any vehicle if the certificate of title has been or is required to be  
6 submitted to the department, or a person is required to report to the de-  
7 partment, under ORS 819.010, 819.012, 819.014 or 819.030.

8 (d) Any vehicle if the department has received notice that the vehicle has  
9 been or will be wrecked, dismantled, disassembled or substantially altered  
10 under ORS 819.010 or 822.135.

11 (e) Replicas.

12 (f) Other than a racing activity vehicle as defined in ORS 801.404, any  
13 vehicle the department has reason to believe was not certified by the original  
14 manufacturer as conforming to federal vehicle standards.

15 (3) The requirements of this section do not apply to the following vehicles  
16 if the person shown as the owner on an out-of-state title for the vehicle ap-  
17 plies for an Oregon title in that person's name:

18 (a) A rental truck, rental truck tractor or rental trailer that is registered  
19 in Oregon under an interstate agreement that provides that a portion of the  
20 owner's fleet is to be registered in each state in which the fleet operates.

21 (b) A trailer or semitrailer that has permanent registration.

22 **(4) The requirement to submit a vehicle inspection number or**  
23 **numbers of the vehicle under subsection (1) of this section does not**  
24 **apply to park model recreational vehicles, as defined in ORS 803.036.**

25 **SECTION 17.** ORS 807.072 is amended to read:

26 807.072. (1) The Department of Transportation, by rule, may waive any  
27 examination, test or demonstration required under ORS 807.065 (1)(b) or  
28 807.070 (2) or (3) if the department receives satisfactory proof that the person  
29 required to take the examination, test or demonstration has passed an ex-  
30 amination, test or demonstration approved by the department that:

31 (a) Is given in conjunction with a traffic safety education course certified



1 by the department under ORS 336.802;

2 (b) Is given in conjunction with a motorcycle rider education course es-  
3 tablished under ORS 802.320;

4 (c) Is given in conjunction with a course conducted by a commercial  
5 driver training school certified by the department under ORS 822.515; or

6 (d) Is given in conjunction with an application for a special limited vision  
7 condition learner's permit under ORS 807.359.

8 (2) The department, by rule, may waive the actual demonstration required  
9 under ORS 807.070 (3) for a person who is applying for a commercial driver  
10 license or a Class C license if the person holds a valid out-of-state license  
11 or applies for an Oregon license within one year of the expiration of a valid  
12 out-of-state license. A demonstration may be waived under this subsection  
13 only if the person has applied for the same driving privileges as those  
14 granted under the person's out-of-state license or for privileges granted by  
15 a lower class of license.

16 (3) The department may waive the actual demonstration required under  
17 ORS 807.070 for a person who is applying for a commercial driver license,  
18 an endorsement related to a commercial driver license or the removal of a  
19 restriction from a commercial driver license:

20 (a) If the person has been certified, as defined by rule, under ORS 807.080  
21 or a similar statute of another jurisdiction as competent to safely exercise  
22 the driving privileges granted by a Class A commercial driver license, a  
23 Class B commercial driver license or a Class C commercial driver license;  
24 or

25 (b) Under circumstances, established by the department by rule, that es-  
26 tablish the person's ability to drive without an actual demonstration.

27 (4) The department may issue a Class A farm endorsement without re-  
28 quiring additional tests to a person who has a Class C driver license if a  
29 farm employer or a self-employed farmer certifies to the department that the  
30 person is experienced in driving a vehicle that may be driven only by persons  
31 who have a Class A commercial driver license and the person's two-part

1 driving record does not show either a traffic accident within two years of  
2 the date of application for the endorsement or a conviction for one of the  
3 following traffic crimes within five years of the date of application for the  
4 endorsement:

5 (a) Reckless driving, as defined in ORS 811.140.

6 (b) Driving while under the influence of intoxicants, as defined in ORS  
7 813.010.

8 (c) Failure to perform the duties of a driver involved in a collision, as  
9 described in ORS 811.700 or 811.705.

10 (d) Criminal driving while suspended or revoked, as defined in ORS  
11 811.182.

12 (e) Fleeing or attempting to elude a police officer, as defined in ORS  
13 811.540.

14 (5) The department may issue a Class B farm endorsement without re-  
15 quiring additional tests to a person who has a Class C driver license if a  
16 farm employer or a self-employed farmer certifies to the department that the  
17 person is experienced in driving a vehicle that may be driven only by persons  
18 who have a Class B commercial driver license and the person's two-part  
19 driving record does not show either a conviction for a traffic crime specified  
20 in subsection (4) of this section within five years of the date of application  
21 for the endorsement or a traffic accident within two years of the date of  
22 application for the endorsement.

23 (6) The department by rule may establish other circumstances under  
24 which a farm endorsement may be issued without an actual demonstration.  
25 The authority granted by this subsection includes, but is not limited to, au-  
26 thority to adopt rules specifying circumstances under which the endorsement  
27 may be granted to a person despite the appearance of traffic accidents on the  
28 person's record.

29 (7) The department by rule may waive the test required under ORS 807.070  
30 (2) for a person who applies for a motorcycle endorsement if the person:

31 (a) Holds a valid out-of-state driver license that authorizes the person to

1 operate a motorcycle; or

2 (b) Applies for a motorcycle endorsement within one year after the expi-  
3 ration date of a valid out-of-state driver license that authorizes the person  
4 to operate a motorcycle.

5 (8) The department by rule may waive the actual demonstration required  
6 under ORS 807.070 (3) for a person who is applying for a restricted motor-  
7 cycle endorsement that only authorizes the person to operate a motorcycle  
8 with more than two wheels.

9 **(9) The department by rule may waive the test or demonstration**  
10 **required under ORS 807.070 for a person who applies for a Class C**  
11 **driver license if the person holds a valid out-of-state driver license**  
12 **that authorizes the person to operate a motor vehicle.**

13 **SECTION 18.** ORS 320.400 is amended to read:

14 320.400. As used in ORS 320.400 to 320.490 and 803.203:

15 (1)(a) “Bicycle” means:

16 (A) A vehicle that is designed to be operated on the ground on wheels **for**  
17 **the transportation of humans** and is propelled exclusively by human  
18 power; or

19 (B) An electric assisted bicycle as defined in ORS 801.258.

20 (b) “Bicycle” does not include:

21 (A) Carts;

22 (B) Durable medical equipment;

23 (C) In-line skates;

24 (D) Roller skates;

25 (E) Skateboards;

26 (F) Stand-up scooters;

27 (G) Strollers designed for the transportation of children;

28 (H) Trailer cycles or other bicycle attachments; or

29 (I) Wagons.

30 (2)(a) “Retail sales price” means the total price paid at retail for a taxable  
31 vehicle, exclusive of the amount of any excise, privilege or use tax, to a

1 seller by a purchaser of the taxable vehicle.

2 (b) "Retail sales price" does not include the retail value of:

3 (A) Modifications to a taxable vehicle that are necessary for a person  
4 with a disability to enter or drive or to otherwise operate or use the vehicle.

5 (B) Customized industrial modifications to the chassis of a truck that has  
6 a gross vehicle weight rating of at least 10,000 pounds and not more than  
7 26,000 pounds.

8 (3) "Seller" means:

9 (a) With respect to the privilege tax imposed under ORS 320.405 and the  
10 use tax imposed under ORS 320.410, a vehicle dealer.

11 (b) With respect to the excise tax imposed under ORS 320.415, a person  
12 engaged in whole or in part in the business of selling bicycles.

13 (4) "Taxable bicycle" means a new bicycle that has a retail sales price  
14 of \$200 or more.

15 (5) "Taxable motor vehicle" means a vehicle that:

16 (a) Has a gross vehicle weight rating of 26,000 pounds or less;

17 (b)(A) If equipped with an odometer, has 7,500 miles or less on the  
18 odometer; or

19 (B) If not equipped with an odometer, has a manufacturer's certificate of  
20 origin or a manufacturer's statement of origin; and

21 (c) Is:

22 (A) A vehicle as defined in ORS 744.850, other than an all-terrain vehicle  
23 or a trailer;

24 (B) A camper as defined in ORS 801.180;

25 (C) A commercial bus as defined in ORS 801.200;

26 (D) A commercial motor vehicle as defined in ORS 801.208;

27 (E) A commercial vehicle as defined in ORS 801.210;

28 (F) A fixed load vehicle as defined in ORS 801.285;

29 (G) A moped as defined in ORS 801.345;

30 (H) A motor home as defined in ORS 801.350;

31 (I) A motor truck as defined in ORS 801.355;

1 (J) A tank vehicle as defined in ORS 801.522;

2 (K) A trailer as defined in ORS 801.560 that is required to be registered  
3 in this state;

4 (L) A truck tractor as defined in ORS 801.575; or

5 (M) A worker transport bus as defined in ORS 801.610.

6 (6) "Taxable vehicle" means a taxable bicycle or a taxable motor vehicle.

7 (7) "Transportation project taxes" means the privilege tax imposed under  
8 ORS 320.405, the use tax imposed under ORS 320.410 and the excise tax im-  
9 posed under ORS 320.415.

10 (8)(a) "Vehicle dealer" means:

11 (A) A person engaged in business in this state that is required to obtain  
12 a vehicle dealer certificate under ORS 822.005; and

13 (B) A person engaged in business in another state that would be subject  
14 to ORS 822.005 if the person engaged in business in this state.

15 (b) Notwithstanding paragraph (a) of this subsection, a person is not a  
16 vehicle dealer for purposes of ORS 320.400 to 320.490 and 803.203 to the ex-  
17 tent the person:

18 (A) Conducts an event that lasts less than seven consecutive days, for  
19 which the public is charged admission and at which otherwise taxable motor  
20 vehicles are sold at auction; or

21 (B) Sells an otherwise taxable motor vehicle at auction at an event de-  
22 scribed in this paragraph.

23 **SECTION 19. The amendments to ORS 320.400 by section 18 of this**  
24 **2020 Act apply to taxable bicycles sold before, on or after the effective**  
25 **date of this 2020 Act.**

26 **SECTION 20.** ORS 319.020, as amended by section 4, chapter 700, Oregon  
27 Laws 2015, and section 41, chapter 750, Oregon Laws 2017, is amended to  
28 read:

29 319.020. (1) Subject to subsections (2) to (4) of this section, in addition to  
30 the taxes otherwise provided for by law, every dealer engaging in the dealer's  
31 own name, or in the name of others, in the first sale, use or distribution of

1 motor vehicle fuel or aircraft fuel or withdrawal of motor vehicle fuel or  
2 aircraft fuel for sale, use or distribution within areas in this state within  
3 which the state lacks the power to tax the sale, use or distribution of motor  
4 vehicle fuel or aircraft fuel, shall:

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

13 (b) Except as provided in ORS 319.270, pay a license tax computed on the  
14 basis of 34 cents per gallon on the first sale, use or distribution of such  
15 motor vehicle fuel or aircraft fuel so sold, used, distributed or withdrawn as  
16 shown by such statement in the manner and within the time provided in ORS  
17 319.010 to 319.430.

18 (2) When aircraft fuel is sold, used or distributed by a dealer, the license  
19 tax shall be computed on the basis of [*nine*] **13** cents per gallon of fuel so  
20 sold, used or distributed, except that when aircraft fuel usable in aircraft  
21 operated by turbine engines (turbo-prop or jet) is sold, used or distributed,  
22 the tax rate shall be [*one cent*] **five cents** per gallon.

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

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

1        **SECTION 21.** ORS 319.330, as amended by section 5, chapter 700, Oregon  
 2 Laws 2015, is amended to read:

3        319.330. (1) Whenever any statement and invoices are presented to the  
 4 Department of Transportation showing that motor vehicle fuel or aircraft  
 5 fuel has been purchased and used in operating aircraft engines and upon  
 6 which the full tax for motor vehicle fuel has been paid, the department shall  
 7 refund the tax paid, but only after deducting from the tax paid [*nine*] **13** cents  
 8 for each gallon of such fuel so purchased and used, except that when such  
 9 fuel is used in operating aircraft turbine engines (turbo-prop or jet) the de-  
 10 duction shall be [*one cent*] **five cents** for each gallon. No deduction provided  
 11 under this subsection shall be made on claims presented by the United States  
 12 or on claims presented where a satisfactory showing has been made to the  
 13 department that such aircraft fuel has been used solely in aircraft operations  
 14 from a point within the State of Oregon directly to a point not within any  
 15 state of the United States. The amount so deducted shall be paid on warrant  
 16 of the Oregon Department of Administrative Services to the State Treasurer,  
 17 who shall credit the amount to the State Aviation Account for the purpose  
 18 of carrying out the provisions of the state aviation law. Moneys credited to  
 19 the account under this section are continuously appropriated to the Oregon  
 20 Department of Aviation.

21        (2) If satisfactory evidence is presented to the Department of Transporta-  
 22 tion showing that aircraft fuel upon which the tax has been paid has been  
 23 purchased and used solely in aircraft operations from a point within the  
 24 State of Oregon directly to a point not within any state of the United States,  
 25 the department shall refund the tax paid.

26        **SECTION 22.** (1) **The amendments to ORS 319.020 by section 20 of**  
 27 **this 2020 Act apply to aircraft fuel sold, used or distributed on or after**  
 28 **January 1, 2022.**

29        (2) **The amendments to ORS 319.330 by section 21 of this 2020 Act**  
 30 **apply to fuel purchased and used in operating aircraft engines on or**  
 31 **after January 1, 2022.**

1        **SECTION 23.** Section 7, chapter 700, Oregon Laws 2015, as amended by  
2 section 80a, chapter 750, Oregon Laws 2017, section 1, chapter 485, Oregon  
3 Laws 2019, and section 26, chapter 491, Oregon Laws 2019, is amended to  
4 read:

5        **Sec. 7.** (1) The following amounts shall be distributed in the manner  
6 prescribed in this section:

7        (a) Any amount of tax on aircraft fuel usable in aircraft operated by  
8 turbine engines that is computed on a basis in excess of one cent per gallon  
9 and any amount of tax on all other aircraft fuel that is computed on a basis  
10 in excess of nine cents per gallon, under ORS 319.020 (2); and

11        (b) Any amount of tax on aircraft fuel usable in aircraft operated by  
12 turbine engines in excess of one cent per gallon and any amount of tax on  
13 all other aircraft fuel in excess of nine cents per gallon, that is deducted  
14 before the refunding of tax under ORS 319.330 (1).

15        (2)(a) Applications for distributions under [*subsections (5) and (6)*] **sub-**  
16 **section (5)** of this section may not be approved unless the applicant dem-  
17 onstrates a commitment to contribute at least five percent of the costs of the  
18 project to which the application relates. The Oregon Department of Aviation  
19 shall adopt rules for purposes of this paragraph.

20        (b) The department may adopt rules that:

21        (A) Set higher minimum contribution commitment requirements; or

22        (B) Establish maximum grant amounts.

23        (3)(a) The State Aviation Board shall establish a review committee com-  
24 posed of one member from each of the area commissions on transportation  
25 chartered by the Oregon Transportation Commission.

26        (b) The review committee shall meet as necessary to review applications  
27 for distributions of amounts pursuant to this section. In reviewing applica-  
28 tions, the review committee shall consider:

29        (A) Whether a proposed project:

30        (i) Reduces transportation costs for Oregon businesses or improves access  
31 to jobs and sources of labor in this state;



- 1 (ii) Results in an economic benefit to this state;
- 2 (iii) Connects elements of Oregon's aviation system in a way that will
- 3 measurably improve utilization and efficiency of the system;
- 4 (iv) Is ready for construction or implementation; and
- 5 (v) Has a useful life expectancy that offers maximum benefit to this state;
- 6 and

7 (B) How much of the cost of the proposed project can be borne by the  
8 applicant from sources other than Oregon Department of Aviation funds or  
9 the Connect Oregon Fund.

10 (c) The review committee shall recommend applications to the State Avi-  
11 ation Board for approval.

12 (4)(a) Five percent of the amounts described in subsection (1) of this sec-  
13 tion are appropriated to the Oregon Department of Aviation for the costs of  
14 the department and the State Aviation Board in administering this section.

15 (b) The remaining 95 percent of the amounts described in subsection (1)  
16 of this section shall be distributed pursuant to subsections (5) [*to (7)*] **and**  
17 **(6)** of this section.

18 (5) [*Fifty*] **Seventy-five** percent of the amounts described in subsection  
19 (4)(b) of this section shall be prioritized in the following order and distrib-  
20 uted for the following purposes:

21 (a) First, to assist airports in Oregon with match requirements for Fed-  
22 eral Aviation Administration Airport Improvement Program grants.

23 (b) Second, to make grants for emergency preparedness and infrastructure  
24 projects, in accordance with the Oregon Resilience Plan or the Oregon Avi-  
25 ation Plan.

26 (c) Third, to make grants for:

27 (A) Services critical or essential to aviation, including, but not limited  
28 to, fuel, sewer, water and weather equipment;

29 (B) Aviation-related business development, including, but not limited to,  
30 hangars, parking for business aircraft and related facilities; [*or*] **and**

31 (C) Airport development for local economic benefit, including, but not

1 limited to, signs and marketing.

2 **(d)(A) Fourth, to assist commercial air service to rural Oregon.**

3 **(B) The Oregon Department of Aviation may adopt a definition of**  
4 **“rural Oregon” for purposes of this paragraph.**

5 *[(6) Twenty-five percent of the amounts described in subsection (4)(b) of this*  
6 *section shall be distributed for the purpose of assisting commercial air service*  
7 *to rural Oregon.]*

8 *[(7)]* **(6)** Twenty-five percent of the amounts described in subsection (4)(b)  
9 of this section shall be distributed to state-owned airports for the purposes  
10 of:

11 (a) Safety improvements recommended by the State Aviation Board and  
12 local community airports.

13 (b) Infrastructure projects at public use airports.

14 *[(8)(a)]* **(7)(a) Not later than September 15 of each year, the State**  
15 **Aviation Board shall submit the reports described in paragraph (b) of**  
16 **this subsection, in the manner provided in ORS 192.245, to the interim**  
17 **committees, as applicable, of the Legislative Assembly related to air**  
18 **transportation.**

19 **(b)** *[The State Aviation Board shall submit reports, in the manner provided*  
20 *in ORS 192.245 and paragraph (b) of this subsection, that]* **The reports re-**  
21 **quired under this subsection shall** describe in detail the projects for which  
22 applications have been submitted and approved, the airports affected, the  
23 names of the applicants and the persons who will perform the work proposed  
24 in the applications, the progress of projects for which applications have been  
25 approved and any other information the board considers necessary for a  
26 comprehensive analysis of the implementation of this section.

27 *[(b) The reports described in paragraph (a) of this subsection shall be*  
28 *submitted:]*

29 *[(A) Not later than February 10 of each year to the committees of the Leg-*  
30 *islative Assembly related to air transportation; and]*

31 *[(B) Not later than September 30 of each year to the interim committees of*

1 *the Legislative Assembly related to air transportation.]*

2 **SECTION 24. The amendments to section 7, chapter 700, Oregon**  
3 **Laws 2015, by section 23 of this 2020 Act apply to applications for dis-**  
4 **tributions submitted on or after the effective date of this 2020 Act.**

5 **SECTION 24a. Sections 6 and 8, chapter 700, Oregon Laws 2015, are**  
6 **repealed.**

7

8

## CONFORMING AMENDMENTS

9

10 **SECTION 25.** ORS 824.990 is amended to read:

11 824.990. (1) In addition to all other penalties provided by law:

12 (a) Every person who violates or who procures, aids or abets in the vio-  
13 lation of ORS 824.060 (1), 824.084, 824.088, 824.304 (1) or 824.306 (1) or any  
14 order, rule or decision of the Department of Transportation shall incur a  
15 civil penalty of not more than \$1,000 for every such violation.

16 (b) Every person who violates or who procures, aids or abets in the vio-  
17 lation of any order, rule or decision of the department promulgated pursuant  
18 to ORS 824.052 (1), 824.056 (1), [824.068,] 824.082 (1) or 824.208 shall incur a  
19 civil penalty of not more than \$1,000 for every such violation.

20 (2) Each such violation shall be a separate offense and in case of a con-  
21 tinuing violation every day's continuance is a separate violation. Every act  
22 of commission or omission that procures, aids or abets in the violation is a  
23 violation under subsection (1) of this section and subject to the penalty  
24 provided in subsection (1) of this section.

25 (3) Civil penalties imposed under subsection (1) of this section shall be  
26 imposed in the manner provided in ORS 183.745.

27 (4) The department may reduce any penalty provided for in subsection (1)  
28 of this section on such terms as the department considers proper if:

29 (a) The defendant admits the violations alleged in the notice and makes  
30 timely request for reduction of the penalty; or

31 (b) The defendant submits to the department a written request for re-

1 duction of the penalty within 15 days from the date the penalty order is  
2 served.

3

4

**REPEALS GENERALLY**

5

6 **SECTION 26. ORS 184.631, 824.068 and 824.104 and sections 2 and 3,**  
7 **chapter 24, Oregon Laws 2018, are repealed.**

8

9

10 **REPEAL OF ELDERLY AND DISABLED TRANSPORTATION FUND**

11

12 **SECTION 27. ORS 391.800, 391.802, 391.810, 391.815, 391.820 and 391.830**  
13 **are repealed.**

14

15 **SECTION 28. No later than July 1, 2021, the Department of Trans-**  
16 **portation shall transfer from the Elderly and Disabled Special Trans-**  
17 **portation Fund established under ORS 391.800 to the Statewide**  
18 **Transportation Improvement Fund established under ORS 184.751 any**  
19 **amounts remaining in the Elderly and Disabled Special Transportation**  
20 **Fund.**

21

**PUBLIC TRANSPORTATION SERVICE PROVIDERS**

22

23 **SECTION 29. ORS 184.751 is amended to read:**

24 184.751. (1) The Statewide Transportation Improvement Fund is estab-  
25 lished in the State Treasury, separate and distinct from the General Fund.  
26 Interest earned by the Statewide Transportation Improvement Fund shall be  
27 credited to the fund. Moneys in the fund are continuously appropriated to  
28 the Department of Transportation to finance investments and improvements  
29 [in] **or to maintain existing** public transportation services, except that the  
30 moneys may not be used for light rail capital expenses but may be used for  
31 light rail operation expenses.

1 (2) The Statewide Transportation Improvement Fund consists of:

2 (a) All moneys received from the tax imposed under ORS 320.550;

3 (b) Moneys appropriated or otherwise transferred to the fund by the  
4 Legislative Assembly; *[and]*

5 **(c) Moneys transferred to the fund under ORS 184.642, 323.455 or**  
6 **323.457 (1)(d) and (2)(b);**

7 **(d) Distribution repayments, if any; and**

8 *[(c)]* (e) Other moneys deposited in the fund from any source.

9 **(3) Unless approved by the department, the moneys in the Statewide**  
10 **Transportation Improvement Fund may not be used to supplant local**  
11 **and regional agency moneys currently directed to public transporta-**  
12 **tion service providers.**

13 **SECTION 30.** ORS 184.758 is amended to read:

14 184.758. (1) The Oregon Transportation Commission shall distribute the  
15 moneys in the Statewide Transportation Improvement Fund established under  
16 ORS 184.751 *[as follows:]* **to the Department of Transportation to pay for:**

17 **(a) Program administration; and**

18 **(b) Projects of statewide significance that support the transit net-**  
19 **work and manage the operation of public transportation services.**

20 **(2) The moneys described in subsection (1) of this section that re-**  
21 **main after the allocation of moneys described in subsection (1) of this**  
22 **section shall be allocated as follows:**

23 (a) Conditioned upon the commission's approval of a public transportation  
24 improvement plan, 90 percent to qualified entities;

25 (b) Five percent to public transportation service providers based on a  
26 competitive grant program adopted by the commission by rule;

27 (c) Four percent to public transportation service providers to provide  
28 funding assistance to cover the costs of improving public transportation  
29 services between two or more communities; and

30 (d) One percent to the Department of Transportation *[to pay the*  
31 *department's administrative costs and expenses associated with carrying out*

1 *the provisions of ORS 184.752 to 184.766 and]* to establish a statewide public  
2 transportation technical resource center, the purpose of which is to assist  
3 public transportation service providers in rural areas with technical assist-  
4 ance, training, transportation planning and information technology.

5 **(3) A portion of the percentage distributions under subsection (2)(a)**  
6 **of this section shall be dedicated to transit services for older adults**  
7 **and individuals with disabilities. Each biennium the commission shall**  
8 **first distribute the moneys transferred to the fund under ORS 184.751**  
9 **as needed to maintain funding that benefits older adults and individ-**  
10 **uals with disabilities in the amount distributed during the 2019-2021**  
11 **biennium. However, this amount shall be adjusted upwards or down-**  
12 **wards by the commission biennially based on the rate of growth or**  
13 **decline of the Statewide Transportation Improvement Fund. The per-**  
14 **centage distributions under subsection (2)(a) of this section shall be**  
15 **distributed as follows:**

16 **(a) Each transportation district and mass transit district shall re-**  
17 **ceive that share of the moneys as the population of the counties in**  
18 **which the district is situated, determined under ORS 190.510 to 190.610**  
19 **last preceding apportionment of the moneys, bears to the total popu-**  
20 **lation of this state. However, if two or more districts are situated in**  
21 **a single county, distribution of moneys under this subsection shall be**  
22 **determined as though only the mass transit district is located in that**  
23 **county or, if there are two or more transportation districts in the**  
24 **county, as though only the transportation district with the highest**  
25 **population is located in that county.**

26 **(b) Each county in which no part of a mass transit district or**  
27 **transportation district is located shall receive that share of the mon-**  
28 **eys as its population, determined under ORS 190.510 to 190.610 last**  
29 **preceding apportionment of the moneys, bears to the total population**  
30 **of this state.**

31 **(c) Each federally recognized Indian tribe shall receive that share**

1 of the moneys as the population of the tribe residing in Oregon, de-  
2 termined by the commission by rule, bears to the total population of  
3 this state.

4 (4) Each qualified entity under subsection (3) of this section shall  
5 receive an annual amount of no less than \$67,700. However, this  
6 amount shall be adjusted upwards or downwards by the commission  
7 biennially based on the rate of growth or decline of the Statewide  
8 Transportation Improvement Fund.

9 [(2)] (5) For purposes of the percentage distributions under subsection  
10 [(1)(a)] (2)(a) of this section:

11 (a) Each distribution must be in such shares that the amount of tax paid,  
12 as required under ORS 320.550, in the area of each qualified entity bears to  
13 the total amount of the tax paid statewide, provided that each qualified en-  
14 tity receives an annual amount of [*at least \$100,000*] **no less than \$100,000.**  
15 **However, this amount shall be adjusted upwards or downwards by the**  
16 **commission biennially based on the rate of growth or decline of the**  
17 **Statewide Transportation Improvement Fund.**

18 (b) If more than one mass transit district or transportation district is lo-  
19 cated within a single county, the commission shall distribute the moneys to  
20 the larger district.

21 [(3)] (6) The commission shall adopt by rule:

22 (a) A competitive grant program, by which a public transportation service  
23 provider may apply for a percentage distribution under subsection [(1)(b)]  
24 (2)(b) of this section, and the terms and conditions of grants.

25 (b) A competitive grant program, by which a public transportation service  
26 provider may apply for a percentage distribution under subsection [(1)(c)]  
27 (2)(c) of this section, and the terms and conditions of grants.

28 (c) A process to review and approve a public transportation improvement  
29 plan submitted under subsection [(4)] (7) of this section.

30 (d) Procedures for appealing a rejection of a public transportation im-  
31 provement plan submitted under subsection [(4)] (7) of this section.

1 (e) Any other provisions or procedures that are necessary for the com-  
2 mission to carry out the provisions of ORS 184.758 to 184.766.

3 [(4)] (7) To be eligible to receive a percentage distribution under sub-  
4 section [(1)(a)] (2)(a) of this section, a qualified entity shall prepare and  
5 submit a public transportation improvement plan to the commission. The  
6 commission must approve the plan submitted by the qualified entity before  
7 the commission may make a percentage distribution to the qualified entity.

8 [(5)] (8) At a minimum, a public transportation improvement plan sub-  
9 mitted under this section must include:

10 (a) For each proposed project, the amount of moneys from the percentage  
11 distribution that would be allocated to the project to fund the following:

12 (A) Increased frequency of bus service schedules in communities with a  
13 high percentage of low-income households;

14 (B) Procurement of buses that are powered by natural gas or electricity  
15 for use in areas with a population of 200,000 or more;

16 (C) Implementation of programs to reduce fares for public transportation  
17 in communities with a high percentage of low-income households;

18 (D) Expansion of bus routes and bus services to reach communities with  
19 a high percentage of low-income households;

20 (E) Improvement in the frequency and reliability of service connections  
21 between communities inside and outside of the qualified entity's service area;

22 (F) Coordination between public transportation service providers to re-  
23 duce fragmentation in the provision of transportation services; [and]

24 (G) Implementation of programs to provide student transit services for  
25 students in grades 9 through 12; **and**

26 **(H) Services for older adults and people with disabilities;**

27 (b) For the current fiscal year, a summary of any plans and project pro-  
28 posals approved by an advisory committee under ORS 184.761; and

29 (c) If a qualified entity was a recipient of a percentage distribution in the  
30 preceding fiscal year, the amount of moneys received from the distribution  
31 that were allocated to a project for the purposes described under paragraph



1 (a) of this subsection.

2 [(6)] (9) If practicable, as determined by the commission by rule each  
3 qualified entity shall spend at least one percent of the amount received each  
4 year under subsection [(1)(a)] (2)(a) of this section to implement programs  
5 to provide student transit services for students in grades 9 through 12.

6 [(7)] (10) After the commission makes a distribution under subsection  
7 [(1)] (2) of this section, qualified entities may enter into intergovernmental  
8 agreements under ORS chapter 190 to combine the moneys received for public  
9 transportation improvements.

10 [(8)] (11) If the commission rejects a public transportation improvement  
11 plan or a grant application submitted under this section, the commission  
12 shall notify the entity or provider in writing and state the reasons for the  
13 rejection.

14 [(9)] (12) The Department of Transportation shall make all grant appli-  
15 cations submitted under this section available to the public.

16 **SECTION 31.** ORS 184.761 is amended to read:

17 184.761. (1) The governing body of each qualified entity shall appoint an  
18 advisory committee to advise and assist the governing body in prioritizing  
19 plans or projects to be funded from the moneys received from a percentage  
20 distribution under ORS 184.758 to public transportation service providers  
21 that provide services within the jurisdiction of the qualified entity.

22 (2) Before receiving funding for a project under ORS 184.758 (2)(a), a  
23 public transportation service provider that provides services [*within the ju-*  
24 *risdiction of a qualified entity*] shall submit a plan or project proposal to the  
25 governing body of the qualified entity and receive the advisory committee's  
26 approval of the plan or project proposal. The plans or project proposals  
27 submitted under this subsection must describe how the funds would be used.  
28 **Client-only projects, as defined by the Oregon Transportation Com-**  
29 **mission by rule, may be eligible for consideration if the project is part**  
30 **of a planned and coordinated community transportation program.**

31 (3) An advisory committee appointed under this section shall review every

1 plan or project proposal required under subsection (2) of this section and  
2 may propose any changes to the policies or practices of the governing body  
3 **relating to the distribution of funding under ORS 184.758 (2)(a) and** that  
4 the advisory committee considers necessary to ensure that:

5 (a) A public transportation service provider that has received funding  
6 under ORS 184.758 (2)(a) has applied the moneys received in accordance with  
7 and for the purposes described in the provider's plan or project proposal; and

8 (b) A plan or project proposal submitted by a public transportation ser-  
9 vice provider does not fragment the provision of public transportation ser-  
10 vices.

11 (4) The Oregon Transportation Commission shall adopt by rule:

12 (a) Requirements for the composition of an advisory committee appointed  
13 under this section;

14 (b) Criteria that must be included in a plan or project proposal required  
15 under subsection (2) of this section; and

16 (c) A process by which an advisory committee shall review and approve  
17 a plan or project proposal.

18 (5) Notwithstanding subsection (1) of this section, the governing bodies  
19 of two or more qualified entities may appoint advisory committee members  
20 to a joint advisory committee under conditions determined by the commission  
21 by rule.

22 **SECTION 32.** ORS 184.766 is amended to read:

23 184.766. (1) Every qualified entity that receives a percentage distribution  
24 under ORS 184.758 shall submit the following to the Department of Trans-  
25 portation:

26 [(1)] (a) No later than 60 days after the end of the fiscal year, a report  
27 on any actions taken by a public transportation service provider located  
28 within the area of a qualified entity to mitigate the impact of the tax im-  
29 posed under ORS 320.550 on passengers who reside in low-income communi-  
30 ties;

31 [(2)] (b) No later than 30 days after adoption, the annual budget for the

1 upcoming fiscal year; and

2 [(3)] (c) No later than 30 days after receipt of the final results of any  
3 audits of the qualified entity or of a public transportation service provider  
4 located within the area of the qualified entity as required by a local, state  
5 or federal oversight agency for purposes of statewide reporting, the final re-  
6 sults including, but not limited to:

7 [(a)] (A) The state financial report required under ORS 291.040;

8 [(b)] (B) The results of any comprehensive review completed by the Fed-  
9 eral Transit Administration or the department; *[and]*

10 [(c)] (C) Any information submitted by the qualified entity as a part of  
11 the requirements of a statewide audit in accordance with the federal Single  
12 Audit Act of 1984 (31 U.S.C. 7501 to 7507), as amended by the Single Audit  
13 Act Amendments of 1996 (P.L. 104-156)[.]; **and**

14 **(D) Any quarterly reports that detail project progress, outcomes**  
15 **achieved and the expenditure of funds described under ORS 184.758**  
16 **(2)(a).**

17 **(2) The Oregon Transportation Commission shall establish rules**  
18 **concerning the making of agreements for the distributions made to**  
19 **qualified entities under ORS 184.758. Each agreement must include a**  
20 **condition that requires a qualified entity to repay, in full, distributions**  
21 **paid to the qualified entity, if the commission determines that the**  
22 **recipient has failed meet to any terms or conditions of the agreement.**

23 **SECTION 33. The amendments to ORS 184.766 by section 32 of this**  
24 **2020 Act apply to distributions made on or after the effective date of**  
25 **this 2020 Act.**

26

27 **CONFORMING AMENDMENTS FOR PUBLIC TRANSPORTATION**  
28 **SERVICE PROVIDERS**

29

30 **SECTION 34. ORS 184.642 is amended to read:**

31 184.642. (1) The Department of Transportation Operating Fund is estab-

1 lished in the State Treasury separate and distinct from the General Fund and  
2 separate and distinct from the State Highway Fund. Except as otherwise  
3 provided in subsection (3)(e) of this section, moneys in the Department of  
4 Transportation Operating Fund are continuously appropriated to the De-  
5 partment of Transportation to pay expenses of the department that are in-  
6 curred in the performance of functions the department is statutorily required  
7 or authorized to perform and that may not constitutionally be paid from  
8 revenues described in section 3a, Article IX of the Oregon Constitution.

9 (2) The operating fund shall consist of the following:

10 (a) Taxes paid on motor vehicle fuels or on the use of fuel in a motor  
11 vehicle for which a person is entitled to a refund under a provision described  
12 in this paragraph but for which no refund is claimed, in amounts determined  
13 under ORS 184.643. This paragraph applies to refund entitlements described  
14 in ORS 319.280 (1)(a) and (e), 319.320 (1)(a) and 319.831 (1)(b).

15 (b) Fees collected under ORS 822.700 for issuance or renewal of:

16 (A) Dismantler certificates;

17 (B) Vehicle dealer certificates;

18 (C) Show licenses;

19 (D) Vehicle transporter certificates;

20 (E) Driver training instructor certificates;

21 (F) Commercial driver training school certificates; and

22 (G) Vehicle appraiser certificates.

23 (c) Late fees collected under ORS 822.700.

24 (d) Fees collected under ORS 822.705.

25 (e) Moneys from civil penalties imposed under ORS 822.009.

26 (f) Fees collected under ORS 807.410 for identification cards.

27 (g) Fees collected by the department for issuance of permits to engage in  
28 activities described in ORS 374.302 to 374.334 that are not directly connected  
29 to the construction, reconstruction, improvement, repair, maintenance, oper-  
30 ation and use of a public highway, road, street or roadside rest area.

31 (h) Fees collected under ORS 835.017 for services provided to the Oregon

1 Department of Aviation.

2 (i) Interest and other earnings on moneys in the operating fund.

3 (3) Moneys in the Department of Transportation Operating Fund estab-  
4 lished by subsections (1) and (2) of this section may be spent only as follows:

5 (a) Taxes described in subsection (2)(a) of this section may be used only  
6 for payment of expenses of the Department of Transportation that:

7 (A) May not constitutionally be paid from revenues described in section  
8 3a, Article IX of the Oregon Constitution;

9 (B) Are incurred in the performance of functions the department is  
10 statutorily required or authorized to perform; and

11 (C) Are not payable from moneys described in paragraphs (b) to (e) of this  
12 subsection.

13 (b) Fees collected under subsection (2)(b) of this section may be used only  
14 to carry out the regulatory functions of the department relating to the  
15 businesses that generate the fees.

16 (c) Fees collected under ORS 822.705 may be used only for the purposes  
17 described in ORS 822.705.

18 (d) Moneys collected from civil penalties imposed under ORS 822.009 may  
19 be used only for regulation of vehicle dealers.

20 (e) Moneys collected under ORS 807.410 from fees for identification cards  
21 shall be used first to pay the expenses of the department for performing the  
22 functions of the department relating to identification cards. After paying the  
23 expenses related to identification cards, the department shall transfer the  
24 remaining moneys collected under ORS 807.410 to the [*Elderly and Disabled*  
25 *Special Transportation Fund established in ORS 391.800*] **Statewide Trans-**  
26 **portation Improvement Fund established in ORS 184.751.**

27 (f) Moneys from the permits described in subsection (2)(g) of this section  
28 may be used for costs of issuing the permits and monitoring the activities  
29 that generate the fees.

30 (g) Moneys from interest and other earnings on moneys in the operating  
31 fund may be used for any purpose for which other moneys in the fund may

1 be used.

2 **SECTION 35.** ORS 323.455 is amended to read:

3 323.455. (1) All moneys received by the Department of Revenue from the  
4 tax imposed by ORS 323.030 (1) shall be paid over to the State Treasurer to  
5 be held in a suspense account established under ORS 293.445. The department  
6 may pay expenses for administration and enforcement of ORS 323.005 to  
7 323.482 out of moneys received from the tax imposed under ORS 323.030 (1).  
8 Amounts necessary to pay administrative and enforcement expenses are  
9 continuously appropriated to the department from the suspense account. Af-  
10 ter the payment of administrative and enforcement expenses and refunds,  
11 89.65 percent shall be credited to the General Fund, 3.45 percent is appro-  
12 priated to the cities of this state, 3.45 percent is appropriated to the counties  
13 of this state and 3.45 percent is continuously appropriated to the Department  
14 of Transportation for the purpose of financing and improving transportation  
15 services for [*elderly individuals*] **older adults** and individuals with disabili-  
16 ties [*as provided in ORS 391.800 to 391.830*].

17 (2) The moneys appropriated to cities and counties under subsection (1)  
18 of this section shall be paid on a monthly basis within 35 days after the end  
19 of the month for which a distribution is made. Each city shall receive such  
20 share of the money appropriated to all cities as its population, as determined  
21 under ORS 190.510 to 190.590 last preceding such apportionment, bears to the  
22 total population of the cities of the state, and each county shall receive such  
23 share of the money as its population, determined under ORS 190.510 to  
24 190.590 last preceding such apportionment, bears to the total population of  
25 the state.

26 (3) The moneys appropriated to the Department of Transportation under  
27 subsection (1) of this section shall be distributed and transferred to the [*El-*  
28 *derly and Disabled Special Transportation Fund established by ORS 391.800*]  
29 **Statewide Transportation Improvement Fund established in ORS**  
30 **184.751** at the same time as the cigarette tax moneys are distributed to cities  
31 and counties under this section.

1 (4) Of the moneys credited to the General Fund under subsection (1) of  
2 this section, 51.92 percent shall be dedicated to funding the maintenance and  
3 expansion of the number of persons eligible for the medical assistance pro-  
4 gram under ORS chapter 414, or to funding the maintenance of the benefits  
5 available under the program, or both, and 5.77 percent shall be credited to  
6 the Tobacco Use Reduction Account established under ORS 431A.153.

7 (5) All moneys received by the Department of Revenue from the tax im-  
8 posed by ORS 323.030 (4) shall be paid over to the State Treasurer to be held  
9 in a suspense account established under ORS 293.445. After the payment of  
10 refunds, the balance shall be credited to the Oregon Health Authority Fund  
11 established by ORS 413.101 and shall be used to provide the services de-  
12 scribed in ORS 430.630.

13 **SECTION 36.** If chapter 525, Oregon Laws 2019 (IRR 402), is approved  
14 by the voters at the general election held throughout this state on November  
15 3, 2020, ORS 323.455, as amended by section 4, chapter 525, Oregon Laws  
16 2019, is amended to read:

17 323.455. (1) All moneys received by the Department of Revenue from the  
18 tax imposed by ORS 323.030 (1) shall be paid over to the State Treasurer to  
19 be held in a suspense account established under ORS 293.445. The department  
20 may pay expenses for administration and enforcement of ORS 323.005 to  
21 323.482 out of moneys received from the tax imposed under ORS 323.030 (1),  
22 after all amounts available under section 3, chapter 525, Oregon Laws 2019,  
23 for expenses for administration and enforcement of ORS 323.005 to 323.482  
24 have been used. Amounts necessary to pay administrative and enforcement  
25 expenses are continuously appropriated to the department from the suspense  
26 account. After the payment of administrative and enforcement expenses and  
27 refunds, 89.65 percent shall be credited to the General Fund, 3.45 percent is  
28 appropriated to the cities of this state, 3.45 percent is appropriated to the  
29 counties of this state and 3.45 percent is continuously appropriated to the  
30 Department of Transportation for the purpose of financing and improving  
31 transportation services for [*elderly individuals*] **older adults** and individuals

1 with disabilities [*as provided in ORS 391.800 to 391.830*].

2 (2) The moneys appropriated to cities and counties under subsection (1)  
3 of this section shall be paid on a monthly basis within 35 days after the end  
4 of the month for which a distribution is made. Each city shall receive such  
5 share of the money appropriated to all cities as its population, as determined  
6 under ORS 190.510 to 190.590 last preceding such apportionment, bears to the  
7 total population of the cities of the state, and each county shall receive such  
8 share of the money as its population, determined under ORS 190.510 to  
9 190.590 last preceding such apportionment, bears to the total population of  
10 the state.

11 (3) The moneys appropriated to the Department of Transportation under  
12 subsection (1) of this section shall be distributed and transferred to the [*El-*  
13 *derly and Disabled Special Transportation Fund established by ORS 391.800*]  
14 **Statewide Transportation Improvement Fund established in ORS**  
15 **184.751** at the same time as the cigarette tax moneys are distributed to cities  
16 and counties under this section.

17 (4) Of the moneys credited to the General Fund under subsection (1) of  
18 this section, 51.92 percent shall be dedicated to funding the maintenance and  
19 expansion of the number of persons eligible for the medical assistance pro-  
20 gram under ORS chapter 414, or to funding the maintenance of the benefits  
21 available under the program, or both, and 5.77 percent shall be credited to  
22 the Tobacco Use Reduction Account established under ORS 431A.153.

23 (5) All moneys received by the Department of Revenue from the tax im-  
24 posed by ORS 323.030 (4) shall be paid over to the State Treasurer to be held  
25 in a suspense account established under ORS 293.445. After the payment of  
26 refunds, the balance shall be credited to the Oregon Health Authority Fund  
27 established by ORS 413.101 and shall be used to provide the services de-  
28 scribed in ORS 430.630.

29 **SECTION 37.** ORS 323.457 is amended to read:

30 323.457. (1) Moneys received under ORS 323.031 shall be paid over to the  
31 State Treasurer to be held in a suspense account established under ORS



1 293.445. After the payment of refunds:

2 (a) 29.37/30 of the moneys shall be credited to the Oregon Health Plan  
3 Fund established under ORS 414.109;

4 (b) 0.14/30 of the moneys are continuously appropriated to the Oregon  
5 Department of Administrative Services for distribution to the cities of this  
6 state;

7 (c) 0.14/30 of the moneys are continuously appropriated to the Oregon  
8 Department of Administrative Services for distribution to the counties of this  
9 state;

10 (d) 0.14/30 of the moneys are continuously appropriated to the Department  
11 of Transportation to be distributed and transferred to the [*Elderly and Dis-*  
12 *abled Special Transportation Fund established under ORS 391.800*] **Statewide**  
13 **Transportation Improvement Fund established in ORS 184.751**; and

14 (e) 0.21/30 of the moneys shall be credited to the Tobacco Use Reduction  
15 Account established under ORS 431A.153.

16 (2)(a) Moneys distributed to cities and counties under this section shall  
17 be distributed to each city or county using the proportions used for distrib-  
18 utions made under ORS 323.455.

19 (b) Moneys shall be distributed to cities, counties and the [*Elderly and*  
20 *Disabled Special Transportation Fund*] **Statewide Transportation Im-**  
21 **provement Fund** at the same time moneys are distributed to cities, counties  
22 and the [*Elderly and Disabled Special Transportation Fund*] **Statewide**  
23 **Transportation Improvement Fund** under ORS 323.455.

24 **SECTION 38.** If chapter 525, Oregon Laws 2019 (IRR 402), is approved  
25 by the voters at the general election held throughout this state on November  
26 3, 2020, ORS 323.457, as amended by section 5, chapter 525, Oregon Laws  
27 2019, is amended to read:

28 323.457. (1) Moneys received under ORS 323.031 (1) shall be paid over to  
29 the State Treasurer to be held in a suspense account established under ORS  
30 293.445. After the payment of refunds:

31 (a) 29.37/30 of the moneys shall be credited to the Oregon Health Au-

1 thority Fund established under ORS 413.101;

2 (b) 0.14/30 of the moneys are continuously appropriated to the Oregon  
3 Department of Administrative Services for distribution to the cities of this  
4 state;

5 (c) 0.14/30 of the moneys are continuously appropriated to the Oregon  
6 Department of Administrative Services for distribution to the counties of this  
7 state;

8 (d) 0.14/30 of the moneys are continuously appropriated to the Department  
9 of Transportation to be distributed and transferred to the [*Elderly and Dis-*  
10 *abled Special Transportation Fund established under ORS 391.800*] **Statewide**  
11 **Transportation Improvement Fund established in ORS 184.751**; and

12 (e) 0.21/30 of the moneys shall be credited to the Tobacco Use Reduction  
13 Account established under ORS 431A.153.

14 (2)(a) Moneys distributed to cities and counties under this section shall  
15 be distributed to each city or county using the proportions used for distrib-  
16 utions made under ORS 323.455.

17 (b) Moneys shall be distributed to cities, counties and the [*Elderly and*  
18 *Disabled Special Transportation Fund*] **Statewide Transportation Im-**  
19 **provement Fund** at the same time moneys are distributed to cities, counties  
20 and the [*Elderly and Disabled Special Transportation Fund*] **Statewide**  
21 **Transportation Improvement Fund** under ORS 323.455.

22 **SECTION 39.** ORS 184.675 is amended to read:

23 184.675. As used in ORS 184.670 to 184.733, unless the context requires  
24 otherwise:

25 (1) "Director" means Director of Transportation.

26 (2) "Department" means the Department of Transportation.

27 (3) **"Indian tribe" means a federally recognized Indian tribe in**  
28 **Oregon that has members residing on a reservation or tribal trust**  
29 **lands in Oregon.**

30 [(3)] (4) "Operating agreement" means an agreement for the operation or  
31 maintenance on behalf of the Department of Transportation of all or part

1 of a public transportation system, but does not include agreements by which  
2 the department provides only financial or technical assistance or transpor-  
3 tation facilities or equipment and which do not control routes, rates or levels  
4 of service, or agreements under which such control is exercised by the fed-  
5 eral government through the department.

6 [(4)] (5) “Public transportation system” means any form of passenger  
7 transportation system, whether or not for hire, including but not limited to  
8 air, rail, other fixed guideway, bus, jitney, taxi and dial-a-ride passenger  
9 transportation systems within, between and outside of urban and urbanized  
10 areas, and including related passenger terminal facilities and motor vehicle  
11 parking facilities.

12 [(5)] (6) “Person” means the United States or any state or any department  
13 or agency of any of the above, or any nonprofit corporation or entity or any  
14 other individual, corporation or entity, either public or private.

15 [(6) “Bus” means a motor vehicle designed for carrying 15 or more passen-  
16 gers, exclusive of the driver, and used for the transportation of persons.]

17 (7) “Public transportation entity” includes a city, county, transportation  
18 district, mass transit district, metropolitan service district, Indian tribe [*as*  
19 *defined in ORS 391.802*] or private nonprofit corporation operating a public  
20 transportation system.

21 **SECTION 40.** ORS 293.701 is amended to read:

22 293.701. As used in ORS 293.701 to 293.857, unless the context requires  
23 otherwise:

24 (1) “Council” means the Oregon Investment Council.

25 (2) “Investment funds” means:

26 (a) Public Employees Retirement Fund referred to in ORS 238.660;

27 (b) Industrial Accident Fund referred to in ORS 656.632;

28 (c) Consumer and Business Services Fund referred to in ORS 705.145;

29 (d) Employment Department Special Administrative Fund referred to in  
30 ORS 657.822;

31 (e) Insurance Fund referred to in ORS 278.425;

- 1 (f) Funds under the control and administration of the Department of State  
2 Lands;
- 3 (g) Oregon Student Assistance Fund referred to in ORS 348.570;
- 4 (h) Moneys made available to the Commission for the Blind under ORS  
5 346.270 and 346.569 or rules adopted thereunder;
- 6 (i) Forest Development Revenue Bond Fund referred to in ORS 530.147  
7 and State Forestry General Obligation Bond Fund referred to in ORS 530.280;
- 8 (j) Oregon War Veterans' Fund referred to in ORS 407.495;
- 9 (k) Oregon War Veterans' Bond Sinking Account referred to in ORS  
10 407.515;
- 11 (L) World War II Veterans' Compensation Fund;
- 12 (m) World War II Veterans' Bond Sinking Fund;
- 13 (n) Funds in the hands of the State Treasurer that are not required to  
14 meet current demands and that are invested in the Oregon Short Term Fund  
15 established under ORS 293.728 or in another commingled investment vehicle;
- 16 (o) State funds that are not subject to the control and administration of  
17 officers or bodies specifically designated by law;
- 18 (p) Funds derived from the sale of state bonds;
- 19 (q) Social Security Revolving Account referred to in ORS 237.490;
- 20 (r) Public University Fund established by ORS 352.450;
- 21 (s) Local Government Employer Benefit Trust Fund referred to in ORS  
22 657.513;
- 23 [(t) *Elderly and Disabled Special Transportation Fund established by ORS*  
24 *391.800;*]
- 25 [(u)] (t) Education Stability Fund established by ORS 348.696;
- 26 [(v)] (u) Deferred Compensation Fund established under ORS 243.411;
- 27 [(w)] (v) Trust for Cultural Development Account established under ORS  
28 359.405; and
- 29 [(x)] (w) The State Library Donation Fund and the Talking Book and  
30 Braille Library Endowment Fund subaccount established under ORS 357.195.
- 31 (3) "Investment officer" means the State Treasurer in the capacity as in-

1 vestment officer for the council.

2 **SECTION 41.** ORS 293.701, as amended by section 64, chapter 678, Oregon  
3 Laws 2019, is amended to read:

4 293.701. As used in ORS 293.701 to 293.857, unless the context requires  
5 otherwise:

- 6 (1) "Council" means the Oregon Investment Council.
- 7 (2) "Investment funds" means:
  - 8 (a) Public Employees Retirement Fund referred to in ORS 238.660;
  - 9 (b) Industrial Accident Fund referred to in ORS 656.632;
  - 10 (c) Consumer and Business Services Fund referred to in ORS 705.145;
  - 11 (d) Employment Department Special Administrative Fund referred to in  
12 ORS 657.822;
  - 13 (e) Insurance Fund referred to in ORS 278.425;
  - 14 (f) Funds under the control and administration of the Department of State  
15 Lands;
  - 16 (g) Oregon Student Assistance Fund referred to in ORS 348.570;
  - 17 (h) Moneys made available to the Commission for the Blind under ORS  
18 346.270 and 346.569 or rules adopted thereunder;
  - 19 (i) Forest Development Revenue Bond Fund referred to in ORS 530.147  
20 and State Forestry General Obligation Bond Fund referred to in ORS 530.280;
  - 21 (j) Oregon War Veterans' Fund referred to in ORS 407.495;
  - 22 (k) Oregon War Veterans' Bond Sinking Account referred to in ORS  
23 407.515;
  - 24 (L) World War II Veterans' Compensation Fund;
  - 25 (m) World War II Veterans' Bond Sinking Fund;
  - 26 (n) Funds in the hands of the State Treasurer that are not required to  
27 meet current demands and that are invested in the Oregon Short Term Fund  
28 established under ORS 293.728 or in another commingled investment vehicle;
  - 29 (o) State funds that are not subject to the control and administration of  
30 officers or bodies specifically designated by law;
  - 31 (p) Funds derived from the sale of state bonds;

- 1 (q) Social Security Revolving Account referred to in ORS 237.490;  
2 (r) Public University Fund established by ORS 352.450;  
3 (s) Local Government Employer Benefit Trust Fund referred to in ORS  
4 657.513;  
5 [(t) *Elderly and Disabled Special Transportation Fund established by ORS*  
6 *391.800;*]  
7 [(u)] (t) Education Stability Fund established by ORS 348.696;  
8 [(v)] (u) Deferred Compensation Fund established under ORS 243.411;  
9 [(w)] (v) Trust for Cultural Development Account established under ORS  
10 359.405;  
11 [(x)] (w) The State Library Donation Fund and the Talking Book and  
12 Braille Library Endowment Fund subaccount established under ORS 357.195;  
13 [(y)] (x) Funds in the Unclaimed Property Revolving Fund created in ORS  
14 98.388; and  
15 [(z)] (y) Funds in the Common School Fund that are available for in-  
16 vestment.  
17 (3) “Investment officer” means the State Treasurer in the capacity as in-  
18 vestment officer for the council.

19 **SECTION 42.** ORS 541.561 is amended to read:

20 541.561. (1) The Water Resources Department shall establish a grant pro-  
21 gram to pay the qualifying costs of planning studies performed to evaluate  
22 the feasibility of developing a water conservation, reuse or storage project,  
23 as described in ORS 541.566. A grant under this section may be made to a  
24 local government as defined in ORS 174.116, [*to an Indian tribe as defined*  
25 *in ORS 391.802*] **a federally recognized Indian tribe in Oregon that has**  
26 **members residing on a reservation or tribal trust lands in Oregon** or  
27 to a person.

28 (2) In lieu of grants, the department may pay the cost of providing direct  
29 services, including but not limited to technical planning services, for a  
30 planning study that is eligible for a grant under this section.

31 (3) A grant or the cost of direct services provided under this section may

1 not exceed \$500,000 per project. A grant or payment for direct services may  
2 be provided only if the amount of the grant or the cost of the direct services  
3 is matched by funding from another source that is not less than a dollar-  
4 for-dollar match of the amount or cost.

5 (4) Grants and the cost of direct services provided under this section must  
6 be paid for from moneys available in the Water Conservation, Reuse and  
7 Storage Investment Fund.

8 (5)(a) In evaluating above ground storage projects for awards of grants  
9 or payments for direct services under this section, the department shall give  
10 priority to projects that include provisions for using stored water to augment  
11 in-stream flows to conserve, maintain and enhance aquatic life, fish life or  
12 other ecological values.

13 (b) In evaluating all other eligible projects, the department shall give  
14 priority to projects identified by the department in a statewide water as-  
15 sessment and inventory for the award of grants or provision of payment for  
16 direct services under this section.

17 **SECTION 43.** ORS 541.659 is amended to read:

18 541.659. Loans and grants may be made from the Water Supply Develop-  
19 ment Account to persons as defined in ORS 536.007, [*Indian tribes as defined*  
20 *in ORS 391.802*] **a federally recognized Indian tribe in Oregon that has**  
21 **members residing on a reservation or tribal trust lands in Oregon** and  
22 nonprofit organizations. If an applicant is required to have a water man-  
23 agement and conservation plan, the plan must be submitted to the Water  
24 Resources Department and receive approval prior to department acceptance  
25 of an application for a loan or grant from the account.

26

27

## CAPTIONS

28

29 **SECTION 44.** **The unit captions used in this 2020 Act are provided**  
30 **only for the convenience of the reader and do not become part of the**  
31 **statutory law of this state or express any legislative intent in the**

1 **enactment of this 2020 Act.**

2

3

**EFFECTIVE DATE**

4

5 **SECTION 45. This 2020 Act takes effect on the 91st day after the**  
6 **date on which the 2020 regular session of the Eightieth Legislative**  
7 **Assembly adjourns sine die.**

8

\_\_\_\_\_