

Senate Bill 58

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Kate Brown for Department of Transportation)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Modifies and adds laws related 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 184.612, 184.665, 319.885, 320.400,
3 320.470, 367.095, 803.203 and 818.340 and section 18, chapter 30, Oregon Laws 2010, and sections
4 45 and 71f, chapter 750, Oregon Laws 2017; repealing ORS 824.237 and section 118b, chapter 750,
5 Oregon Laws 2017; and prescribing an effective date.

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

7 **SECTION 1.** Section 45, chapter 750, Oregon Laws 2017, as amended by section 43, chapter 93,
8 Oregon Laws 2018, is amended to read:

9 **Sec. 45.** (1)(a) For calendar years beginning on or after January 1, 2020, the rates determined
10 under ORS 319.020 (1)(b) and 319.530 (1) shall each be increased by two cents only if the Oregon
11 Transportation Commission submits a report in the manner provided by ORS 192.245 on or before
12 December 1, 2019, to the Joint Committee on Transportation established under ORS 171.858 stating
13 that:

14 (A) The commission has identified sufficient shovel-ready highway projects and highway main-
15 tenance or operational uses of the increased fuel tax revenue to justify the increase;

16 (B) The set of uniform standards required under ORS 184.657 (1) has been developed and the
17 standards are being followed;

18 (C) The reports [*required*] **received** from cities and counties under ORS 184.657 (2) have been
19 [*submitted and*] posted by the commission as required under ORS 184.657 (3);

20 (D) The Department of Transportation is implementing the registration fees and title fees de-
21 scribed in ORS 803.091 and 803.422; and

22 (E) The Interstate 205 Active Traffic Management Project and the Interstate 205 Corridor Bot-
23 tleneck Project have been completed.

24 (b) In addition to the facts stated in the report required under paragraph (a) of this subsection,
25 the Oregon Transportation Commission shall also submit with the report:

26 (A) A list of the shovel-ready highway projects the commission expects to undertake with the
27 revenue that will become available as a result of the increase;

28 (B) The amount of bonds the commission considers necessary to be issued to complete shovel-
29 ready highway projects scheduled to be commenced after January 1, 2020;

30 (C) The construction and financial status of uncompleted in-progress projects exceeding \$20

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 million identified in chapter 750, Oregon Laws 2017;

2 (D) The status of the Treasure Valley Intermodal Facility Project and the Value Pricing Set-Up
3 Project;

4 (E) Design, cost analysis and construction option packages for the Interstate 5 Rose Quarter
5 Project for consideration by the Legislative Assembly; and

6 (F) The design, construction, financial status and progress of projects costing more than \$20
7 million that are identified in chapter 750, Oregon Laws 2017, including, but not limited to, the
8 Interstate 205 Abernethy Bridge Project, the Interstate 205 Freeway Widening Project, the State
9 Highway 217 Northbound Project and the State Highway 217 Southbound Project, and any other
10 state transportation projects implemented after October 6, 2017.

11 (2)(a) For calendar years beginning on or after January 1, 2022, the rates determined under ORS
12 319.020 (1)(b) and 319.530 (1) and subsection (1) of this section shall each be increased by two cents
13 only if the Oregon Transportation Commission submits a report in the manner provided by ORS
14 192.245 on or before December 1, 2021, to the Joint Committee on Transportation established under
15 ORS 171.858 stating that:

16 (A) The Continuous Improvement Advisory Committee appointed under ORS 184.665 has re-
17 viewed and reported to the commission on all transportation projects costing \$50 million or more
18 and completed not less than six months prior to the date of the report required under this para-
19 graph;

20 *[(B) The recommendations for improvement reported by the Continuous Improvement Advisory*
21 *Committee to the commission at least six months prior to the date of the report required under this*
22 *paragraph have been implemented;]*

23 **(B) Based on recommendations for improvement reported by the Continuous Improve-**
24 **ment Advisory Committee to the commission at least six months prior to the date of the**
25 **report required under this paragraph, the commission has developed implementation plans**
26 **and has taken actions to implement approved recommendations;**

27 (C) The commission has identified sufficient shovel-ready highway projects and highway main-
28 tenance or operational uses of the increased fuel tax revenue to justify the increase;

29 (D) The set of uniform standards required under ORS 184.657 (1) has been developed and are
30 being followed;

31 (E) The reports *[required]* **received** from cities and counties under ORS 184.657 (2) have been
32 *[submitted and]* posted by the commission as required under ORS 184.657 (3);

33 (F) Under ORS 184.657 (4), payments from the State Highway Fund have been withheld from
34 cities and counties that failed to submit reports as required under ORS 184.657 (2);

35 (G)(i) *[To the best knowledge of the commission, all bodies]* **The commission has requested**
36 **confirmation from the Bureau of Labor and Industries that all contracting agencies, as de-**
37 **defined in ORS 279A.010, scheduled to receive fuel tax revenue pursuant to chapter 750, Oregon Laws**
38 **2017, after the operative date of the increase are in compliance with ORS 279C.305** *[or under review*
39 *by the Bureau of Labor and Industries for compliance with ORS 279C.305, or the commission has re-*
40 *quested from the bureau confirmation of such compliance]; and*

41 **(ii) All contracting agencies that, to the best of the bureau's knowledge, are not in**
42 **compliance with ORS 279C.305 are under review by the bureau; and**

43 (H) The Department of Transportation is implementing the registration fees and title fees de-
44 scribed in ORS 803.091 and 803.422.

45 (b) In addition to the facts stated in the report required under paragraph (a) of this subsection,

1 the Oregon Transportation Commission shall also identify in the report:

2 (A) A list of the shovel-ready highway projects the commission expects to undertake with the
3 revenue that will become available as a result of the increase;

4 (B) The amount of bonds the commission considers necessary to be issued to complete shovel-
5 ready highway projects scheduled to be commenced after January 1, 2022;

6 (C) The construction and financial status of uncompleted in-progress projects exceeding \$50
7 million identified in chapter 750, Oregon Laws 2017; and

8 (D) The design, construction, financial status and progress of projects costing more than \$20
9 million that are identified in chapter 750, Oregon Laws 2017, including, but not limited to, the
10 Interstate 5 Rose Quarter Project, the Interstate 205 Abernethy Bridge Project, the Interstate 205
11 Freeway Widening Project, the State Highway 217 Northbound Project, the Newberg-Dundee Bypass
12 Project and the State Highway 217 Southbound Project, and any other state transportation projects
13 implemented after October 6, 2017.

14 (3)(a) For calendar years beginning on or after January 1, 2024, the rates determined under ORS
15 319.020 (1)(b) and 319.530 (1) and subsections (1) and (2) of this section shall each be increased by
16 two cents only if the Oregon Transportation Commission submits a report in the manner provided
17 by ORS 192.245 on or before December 1, 2023, to the Joint Committee on Transportation estab-
18 lished under ORS 171.858 stating that:

19 (A) The Continuous Improvement Advisory Committee appointed under ORS 184.665 has re-
20 viewed and reported to the commission on all transportation projects costing \$50 million or more
21 and completed not less than six months prior to the date of the report required under this para-
22 graph;

23 *[(B) The recommendations for improvement reported by the Continuous Improvement Advisory*
24 *Committee to the commission at least six months prior to the date of the report required under this*
25 *paragraph have been implemented;]*

26 **(B) Based on recommendations for improvement reported by the Continuous Improve-**
27 **ment Advisory Committee to the commission at least six months prior to the date of the**
28 **report required under this paragraph, the commission has developed implementation plans**
29 **and has taken actions to implement approved recommendations;**

30 (C) The commission has identified sufficient shovel-ready highway projects and highway main-
31 tenance or operational uses of the increased fuel tax revenue to justify the increase;

32 (D) The set of uniform standards required under ORS 184.657 (1) has been developed and are
33 being followed;

34 (E) The reports *[required]* **received** from cities and counties under ORS 184.657 (2) have been
35 *[submitted and]* posted by the commission as required under ORS 184.657 (3);

36 (F) Under ORS 184.657 (4), payments from the State Highway Fund have been withheld from
37 cities and counties that failed to submit reports as required under ORS 184.657 (2); and

38 (G)(i) *[To the best knowledge of the commission, all bodies]* **The commission has requested**
39 **confirmation from the Bureau of Labor and Industries that all contracting agencies, as de-**
40 **defined in ORS 279A.010, scheduled to receive fuel tax revenue pursuant to chapter 750, Oregon Laws**
41 **2017, after the operative date of the increase are in compliance with ORS 279C.305** *[or under review*
42 *by the Bureau of Labor and Industries for compliance with ORS 279C.305, or the commission has re-*
43 *quested from the bureau confirmation of such compliance]; and*

44 **(ii) All contracting agencies that, to the best of the bureau's knowledge, are not in**
45 **compliance with ORS 279C.305 are under review by the bureau; and**

1 (b) In addition to the facts stated in the report required under paragraph (a) of this subsection,
2 the Oregon Transportation Commission shall also submit with the report:

3 (A) A list of the shovel-ready highway projects the commission expects to undertake with the
4 revenue that will become available as a result of the increase;

5 (B) The amount of bonds the commission considers necessary to be issued to complete shovel-
6 ready highway projects scheduled to be commenced after January 1, 2024; and

7 (C) The design, construction, financial status and progress of projects costing more than \$20
8 million that are identified in chapter 750, Oregon Laws 2017, including, but not limited to, the
9 Interstate 5 Rose Quarter Project, the Interstate 205 Abernethy Bridge Project, the Interstate 205
10 Freeway Widening Project, the State Highway 217 Northbound Project, the Newberg-Dundee Bypass
11 Project and the State Highway 217 Southbound Project, and any other state transportation projects
12 implemented after October 6, 2017.

13 **SECTION 2.** ORS 184.612 is amended to read:

14 184.612. (1) There is established the Oregon Transportation Commission consisting of five mem-
15 bers appointed by the Governor, subject to confirmation by the Senate pursuant to section 4, Article
16 III, Oregon Constitution. A member serves at the pleasure of the Governor.

17 (2) The Governor shall appoint members of the commission in compliance with all of the fol-
18 lowing:

19 (a) Members shall be appointed with consideration of the different geographic regions of the
20 state with one member being a resident of the area east of the Cascade Range.

21 (b) Not more than three members who belong to one political party. Party affiliation shall be
22 determined by the appropriate entry on official election registration cards.

23 *[(3) At the time of appointment, a member may not have any direct or indirect financial or fiduciary*
24 *interest related to the commission's duties. If a conflict arises after a member's appointment, the mem-*
25 *ber shall declare the conflict and abstain from deliberations and voting on the matter under consid-*
26 *eration by the commission.]*

27 **(3) At the time of appointment, a member or a relative of a member, as defined in ORS**
28 **244.020, may not have an actual conflict of interest, as defined in ORS 244.020.**

29 **(4) Notwithstanding ORS 244.120 (2), when met with a potential or actual conflict of in-**
30 **terest, as those terms are defined in ORS 244.020, a member shall announce publicly the**
31 **nature of the potential or actual conflict and:**

32 **(a) Except as provided in paragraph (b) of this subsection, refrain from participating as**
33 **a public official in any discussion or debate on the issue out of which the potential or actual**
34 **conflict arises or from voting on the issue.**

35 **(b) If the member's vote is necessary to meet a requirement of a minimum number of**
36 **votes to take official action, be eligible to vote, but not to participate as a public official in**
37 **any discussion or debate on the issue out of which the potential or actual conflict arises.**

38 *[(4)]* (5) The term of office of each member is four years. Before the expiration of the term of
39 a member, the Governor shall appoint a successor whose term begins on July 1 next following. A
40 member is eligible for reappointment. In case of a vacancy for any cause, the Governor shall appoint
41 a person to fill the office for the unexpired term.

42 *[(5)]* (6) The Governor shall appoint one of the members as chairperson. The chairperson shall
43 appoint one of the other members as vice chairperson. The chairperson and vice chairperson shall
44 have such terms, duties and powers as the Oregon Transportation Commission determines are nec-
45 essary for the performance of such offices.

1 [(6)] (7) A majority of the members of the commission constitutes a quorum. If a quorum is
2 present at a meeting, the commission may take action by an affirmative vote by a majority of the
3 members who are present. An individual member may not exercise individually any administrative
4 authority with respect to the Department of Transportation.

5 [(7)] (8) The commission shall meet at least quarterly, at a time and place determined by the
6 commission. The commission shall also meet at such other times and places as are specified by the
7 call of the chairperson or of a majority of the commission.

8 [(8)] (9) A vacancy does not impair the right of the remaining members to exercise all the
9 powers of the commission, except that three members of the commission must agree in the selection,
10 vacation or abandonment of state highways, and in case the members are unable to agree the Gov-
11 ernor shall have the right to vote as a member of the commission.

12 [(9)] (10) The commission shall keep complete and accurate records of all the meetings, trans-
13 actions and business of the commission at the office of the department.

14 [(10)] (11) The commission may provide an official seal.

15 [(11)] (12) The commission may hire staff the commission deems necessary to assist the com-
16 mission in carrying out its duties. The staff shall be considered employees of the department for
17 purposes of the State Personnel Relations Law under ORS chapter 240.

18 [(12)] (13) A member of the commission is entitled to compensation and expenses as provided
19 by ORS 292.495.

20 **SECTION 3.** ORS 184.665 is amended to read:

21 184.665. (1) The Oregon Transportation Commission shall appoint a Continuous Improvement
22 Advisory Committee composed of members of the commission, employees of the Department of
23 Transportation and transportation stakeholders. The committee shall be of such size and represen-
24 tation as the commission determines appropriate.

25 (2) The committee shall:

26 (a) Advise the commission on ways to maximize the efficiency of the department to allow in-
27 creased investment in the transportation system over the short, medium and long term.

28 (b) Develop key performance measures, based on desired outcomes, for each division of the de-
29 partment. The committee shall submit key performance measures to the commission for its approval.
30 The committee shall report to the commission at least once per year on the status of key perform-
31 ance measures and what steps are being taken by the department to achieve the goals of the key
32 performance measures.

33 (3) The committee shall periodically report to the commission. The reports must include recom-
34 mendations on ways the commission and the department may execute their duties more efficiently.

35 (4) Each odd-numbered year, the commission shall submit a report, in the manner provided by
36 ORS 192.245, to the Joint Committee on Transportation established under ORS 171.858. The report
37 must include information on the activities and recommendations of the committee and information
38 on any actions taken by the commission or the department to implement recommendations of the
39 committee.

40 (5) The committee shall meet regularly, at times and places fixed by the chairperson of the
41 committee or a majority of members of the committee. The department shall provide office space and
42 personnel to assist the committee as requested by the chairperson, within the limits of available
43 funds.

44 **(6) Members of the committee are entitled to compensation and expenses as provided**
45 **under ORS 292.495.**

SECTION 4. Section 71f, chapter 750, Oregon Laws 2017, is amended to read:

Sec. 71f. (1) Notwithstanding ORS 367.080 to [367.086] **367.089** and subject to subsection (3) of this section and the availability of funds, the Department of Transportation shall first distribute the moneys in the Connect Oregon Fund, other than moneys dedicated for purposes described in Article XV, section 4a, of the Oregon Constitution, for the projects listed in subsection (2) of this section.

(2) The department shall distribute the following amounts for the projects listed below:

-
- (a) Mid-Willamette Valley
Intermodal Facility..... \$ 25 million
 - (b) Treasure Valley
Intermodal Facility..... \$ 26 million
 - (c) Rail expansion in
East Beach Industrial
Park at the
Port of Morrow..... \$ 6.55 million
 - (d) Extend [Brooks] **North
Willamette Valley** rail
siding \$ 2.6 million
-

(3) No later than January 1, 2020, to receive a distribution under this section, a potential recipient of moneys shall prepare and submit a plan to the Oregon Transportation Commission. At a minimum, the plan submitted must certify when and how the potential recipient plans to spend the moneys for the project with no more than five percent of the allocated funds to be available to recipients for development of the plan. The commission shall promptly review any submitted plans and if the commission approves the plan, the Department of Transportation shall distribute the moneys after adopting an agreement with the recipient. The agreement shall follow rules adopted by the commission for projects that receive grants from the Connect Oregon Fund.

(4) After the distributions, if any, are made under this section, the remainder of the moneys in the Connect Oregon Fund shall be distributed as described in ORS 367.080 to [367.086] **367.089**.

SECTION 5. Section 18, chapter 30, Oregon Laws 2010, as amended by section 71L, chapter 750, Oregon Laws 2017, and section 32, chapter 93, Oregon Laws 2018, is amended to read:

Sec. 18. (1) The Department of Transportation shall report semiannually to the legislative committees on revenue if the Legislative Assembly is in session or, if the Legislative Assembly is not in session, to the Legislative Revenue Officer. The department’s report shall include an estimate of the amounts received in the previous two quarters from the increased taxes and fees established in chapter 865, Oregon Laws 2009, and an estimate of the projected revenue in the current quarter from the increased taxes and fees established in chapter 865, Oregon Laws 2009.

(2) In addition to the report described in subsection (1) of this section, the Department of Transportation shall report semiannually to the legislative committees on revenue if the Legislative Assembly is in session or, if the Legislative Assembly is not in session, to the Legislative Revenue Officer. The department’s report shall include:

(a) An estimate of the amounts received in the previous two quarters from the increased taxes and fees established in ORS 803.091 and 803.422 and section 45, chapter 750, Oregon Laws 2017, and

1 the amendments to ORS 319.020, 319.530, 803.420, 803.645, 818.225, 818.270, 825.450, 825.476, 825.480
 2 and 826.023 by sections 34, 35, 40 to 43, 48, 49, 51, 52, 54, 57, 63, 64, 66, 67 and 70, chapter 750,
 3 Oregon Laws 2017, and an estimate of the projected revenue in the current quarter and the next
 4 quarter from the increased taxes and fees established in ORS 803.091 and 803.422 and section 45,
 5 chapter 750, Oregon Laws 2017, and the amendments to ORS 319.020, 319.530, 803.420, 803.645,
 6 818.225, 818.270, 825.450, 825.476, 825.480 and 826.023 by sections 34, 35, 40 to 43, 48, 49, 51, 52, 54,
 7 57, 63, 64, 66, 67 and 70, chapter 750, Oregon Laws 2017.

8 (b) An estimate of the amounts received in the previous biennium to date from the increased
 9 taxes and fees established in ORS 803.091 and 803.422 and section 45, chapter 750, Oregon Laws
 10 2017, and the amendments to ORS 319.020, 319.530, 803.420, 803.645, 818.225, 818.270, 825.450, 825.476,
 11 825.480 and 826.023 by sections 34, 35, 40 to 43, 48, 49, 51, 52, 54, 57, 63, 64, 66, 67 and 70, chapter
 12 750, Oregon Laws 2017, and an estimate of the projected revenue in the remaining current biennium
 13 from the increased taxes and fees established in ORS 803.091 and 803.422 and section 45, chapter
 14 750, Oregon Laws 2017, and the amendments to ORS 319.020, 319.530, 803.420, 803.645, 818.225,
 15 818.270, 825.450, 825.476, 825.480 and 826.023 by sections 34, 35, 40 to 43, 48, 49, 51, 52, 54, 57, 63,
 16 64, 66, 67 and 70, chapter 750, Oregon Laws 2017.

17 (c) Information about the expenditures and distributions made under ORS 367.095, including but
 18 not limited to:

19 (A) Information about the department's total funds as well as the funds raised separately by the
 20 increased taxes and fees established in ORS 803.091 and 803.422 and section 45, chapter 750, Oregon
 21 Laws 2017, and the amendments to ORS 319.020, 319.530, 803.420, 803.645, 818.225, 818.270, 825.450,
 22 825.476, 825.480 and 826.023 by sections 34, 35, 40 to 43, 48, 49, 51, 52, 54, 57, 63, 64, 66, 67 and 70,
 23 chapter 750, Oregon Laws 2017, and expended as described in ORS 367.095 (3)[(c)].

24 (B) Semiannual amounts that include all the actual and forecasted expenditures and distributions
 25 made under ORS 367.095 for each quarter of the current biennium and the forecasted expenditures
 26 and distributions for the following biennium.

27 **SECTION 6.** ORS 367.095, as amended by section 30c, chapter 93, Oregon Laws 2018, is
 28 amended to read:

29 367.095. (1) The following amounts shall be distributed in the manner prescribed in this section:

30 (a) The amount attributable to the increase in tax rates by section 45, chapter 750, Oregon Laws
 31 2017, and the amendments to ORS 319.020 and 319.530 by sections 40 to 43, chapter 750, Oregon
 32 Laws 2017.

33 (b) The amount attributable to the vehicle registration and title fees imposed under ORS 803.091
 34 and 803.422.

35 (c) The amount attributable to the increase in taxes and fees by the amendments to ORS 803.420,
 36 803.645, 818.225, 818.270, 825.450, 825.476, 825.480 and 826.023 by sections 34, 35, 48, 49, 51, 52, 54,
 37 57, 63, 64, 66, 67 and 70, chapter 750, Oregon Laws 2017.

38 (2) The amounts described in subsection (1) of this section shall be distributed in the following
 39 order and for the following purposes:

40 (a) For calendar years beginning on or after January 1, 2022, \$30 million **per year** shall be used
 41 for the Interstate 5 Rose Quarter Project. This amount shall be used **to pay** for the Interstate 5 Rose
 42 Quarter Project, **including paying for debt service on bonds issued to finance the project**, only
 43 until the later of the date on which the project is completed or on which all bonds issued to fund
 44 the project have been repaid. **Any remaining moneys shall be distributed as described in sub-**
 45 **section (3) of this section.**

1 (b) \$10 million per year shall be deposited into the Safe Routes to Schools Fund for the purpose
 2 of providing Safe Routes to Schools matching grants under ORS 184.742. The remainder of the
 3 moneys shall be distributed as described in subsection (3) of this section.

4 (3) The moneys described in subsection (1) of this section that remain after the allocation of
 5 moneys described in subsection (2) of this section shall be allocated as follows:

6 (a) 50 percent to the Department of Transportation.

7 (b) 30 percent to counties for distribution as provided in ORS 366.762.

8 (c) 20 percent to cities for distribution as provided in ORS 366.800.

9 (4) The moneys described in subsection (3)(a) of this section or equivalent amounts that become
 10 available to the Department of Transportation shall be allocated as follows:

11 (a) \$10 million for safety.

12 (b) Of the remaining balance:

13 (A) Forty percent for bridges.

14 (B) Thirty percent for seismic improvements related to highways and bridges.

15 (C) Twenty-four percent for state highway pavement preservation and culverts.

16 (D) Six percent for state highway maintenance and safety improvements.

17 **SECTION 7.** ORS 367.095, as amended by section 71b, chapter 750, Oregon Laws 2017, and
 18 section 30d, chapter 93, Oregon Laws 2018, is amended to read:

19 367.095. (1) The following amounts shall be distributed in the manner prescribed in this section:

20 (a) The amount attributable to the increase in tax rates by section 45, chapter 750, Oregon Laws
 21 2017, and the amendments to ORS 319.020 and 319.530 by sections 40 to 43, chapter 750, Oregon
 22 Laws 2017.

23 (b) The amount attributable to the vehicle registration and title fees imposed under ORS 803.091
 24 and 803.422.

25 (c) The amount attributable to the increase in taxes and fees by the amendments to ORS 803.420,
 26 803.645, 818.225, 825.476, 825.480 and 826.023 by sections 34, 35, 48, 49, 51, 52, 63, 64, 66, 67 and 70,
 27 chapter 750, Oregon Laws 2017.

28 (2) The amounts described in subsection (1) of this section shall be distributed in the following
 29 order and for the following purposes:

30 (a) \$30 million **per year** shall be used for the Interstate 5 Rose Quarter Project. This amount
 31 shall be used **to pay** for the Interstate 5 Rose Quarter Project, **including paying for debt service**
 32 **on bonds issued to finance the project**, only until the later of the date on which the project is
 33 completed or on which all bonds issued to fund the project have been repaid. **Any remaining**
 34 **moneys shall be distributed as described in subsection (3) of this section.**

35 (b) \$15 million per year shall be deposited into the Safe Routes to Schools Fund for the purpose
 36 of providing Safe Routes to Schools matching grants under ORS 184.742. The remainder of the
 37 moneys shall be distributed as described in subsection (3) of this section.

38 (3) The moneys described in subsection (1) of this section that remain after the allocation of
 39 moneys described in subsection (2) of this section shall be allocated as follows:

40 (a) 50 percent to the Department of Transportation.

41 (b) 30 percent to counties for distribution as provided in ORS 366.762.

42 (c) 20 percent to cities for distribution as provided in ORS 366.800.

43 (4) The moneys described in subsection (3)(a) of this section or equivalent amounts that become
 44 available to the Department of Transportation shall be allocated as follows:

45 (a) \$10 million for safety.

1 (b) Of the remaining balance:

2 (A) Forty percent for bridges.

3 (B) Thirty percent for seismic improvements related to highways and bridges.

4 (C) Twenty-four percent for state highway pavement preservation and culverts.

5 (D) Six percent for state highway maintenance and safety improvements.

6 **SECTION 8.** ORS 803.203 is amended to read:

7 803.203. (1) **Except as provided in subsection (2) of this section**, a person that purchases a
8 taxable motor vehicle from a seller that is not subject to the privilege tax imposed under ORS
9 320.405 may not register or title the taxable motor vehicle in Oregon unless the person provides
10 proof that the person:

11 (a) Paid the use tax imposed under ORS 320.410; or

12 (b) Is not required to pay the use tax for the reasons provided in ORS 320.410 (4).

13 (2) The person shall provide the proof described in subsection (1) of this section to the Depart-
14 ment of Transportation in the manner established by the department by rule. **The rules may in-
15 clude different requirements for providing the proof described in subsection (1) of this
16 section for high-volume purchasers. The department shall define “high-volume purchasers”
17 by rule.**

18 **SECTION 9.** ORS 818.340 is amended to read:

19 818.340. (1) A person commits the offense of operating in violation of a variance permit if the
20 person has been issued a variance permit under ORS 818.200 that authorized the movement of any-
21 thing and the person does any of the following:

22 (a) Drives, moves or operates anything in violation of the terms of the permit.

23 (b) Owns anything and causes or permits it to be driven, moved or operated in violation of the
24 permit. Operation in violation of this section is prima facie evidence that the owner caused or per-
25 mitted the operation and the owner shall be liable for any penalties imposed under subsection (5)
26 of this section as a result of the operation.

27 (2) A person is in violation of the terms of a permit for purposes of this section if the person
28 misrepresents any size or weight required to be specified when applying for the permit.

29 (3) It shall be a defense to any charge of violation of this section if the person so charged
30 produces a variance permit issued under ORS 818.200 that authorized the operation and that was
31 issued prior to and valid at the time of operation.

32 (4) A person does not commit the offense described in this section if the person is driving,
33 moving or operating anything under a variance permit issued under ORS 818.200 and:

34 (a) The permit authorizes the person to exceed the maximum weight limitations;

35 (b) The person is operating a vehicle with a fully functional idle reduction system designed to
36 reduce fuel use and emissions from engine idling; and

37 (c) The total weight of the vehicle is not more than [400] **550** pounds greater than the weight
38 authorized by the variance permit.

39 (5) Violation of the offense described in this section is subject to civil liability under ORS
40 818.410.

41 (6) The offense described in this section, operating in violation of a variance permit, is
42 punishable according to the following:

43 (a) Violation of any provision of the permit, other than the violations described in paragraph (b),
44 (c) or (d) of this subsection, is a Class D violation.

45 (b) Violation of any weight provision by a vehicle that is authorized by permit to exceed axle

1 or tandem axle weights specified in ORS 818.010 (1) or (2) is subject to penalty under Schedule II
2 of the penalties in ORS 818.430.

3 (c) Violation of any weight provision by a vehicle listed in ORS 818.210 is subject to penalty
4 under Schedule I of the penalties in ORS 818.430.

5 (d) Violation related to the required number of pilot vehicles or routing in accordance with the
6 terms, limits or conditions established on a permit under ORS 818.220 (1)(c) is a Class A traffic vi-
7 olation.

8 **SECTION 10.** ORS 320.400, as amended by section 10, chapter 93, Oregon Laws 2018, is
9 amended to read:

10 320.400. As used in ORS 320.400 to 320.490 and 803.203:

11 (1)(a) "Bicycle" means:

12 (A) A vehicle that is designed to be operated on the ground on wheels and is propelled exclu-
13 sively by human power[.]; **or**

14 [(b)] (B) [*"Bicycle" includes*] An electric assisted bicycle as defined in ORS 801.258.

15 [(c)] (b) "Bicycle" does not include durable medical equipment.

16 (2)(a) "Retail sales price" means the total price paid at retail for a taxable vehicle, exclusive
17 of the amount of any excise, privilege or use tax, to a seller by a purchaser of the taxable vehicle.

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

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

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

23 (3) "Seller" means:

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

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

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

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

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

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

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

34 (c) Is:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4 (7) "Transportation project taxes" means the privilege tax imposed under ORS 320.405, the use
5 tax imposed under ORS 320.410 and the excise tax imposed under ORS 320.415.

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

7 (A) A person engaged in business in this state that is required to obtain a vehicle dealer cer-
8 tificate under ORS 822.005; and

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

11 (b) Notwithstanding paragraph (a) of this subsection, a person is not a vehicle dealer for pur-
12 poses of ORS 320.400 to 320.490 and 803.203 to the extent the person:

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

15 (B) Sells an otherwise taxable motor vehicle at auction at an event described in this paragraph.

16 **SECTION 11.** ORS 320.470 is amended to read:

17 320.470. (1) Notwithstanding the confidentiality provisions of ORS 320.475, the Department of
18 Revenue may disclose information received under ORS 320.400 to 320.490 and 803.203 to the De-
19 partment of Transportation for the purposes of carrying out the provisions of ORS 320.410 and
20 803.203.

21 (2) The Department of Transportation may disclose information obtained under ORS 320.410 and
22 803.203 to the Department of Revenue for the purposes of carrying out the provisions of ORS 320.400
23 to 320.490 and 803.203.

24 **(3) ORS 314.840 (3)(a) does not apply to disclosures made pursuant to this section.**

25 [(3)] (4) Except as otherwise provided in ORS 320.400 to 320.490 and 803.203, a person aggrieved
26 by an act or determination of the Department of Revenue or its authorized agent under ORS 320.400
27 to 320.490 and 803.203 may appeal, within 90 days after the act or determination, to the Oregon Tax
28 Court in the manner provided in ORS 305.404 to 305.560. These appeal rights are the exclusive
29 remedy available to determine the person's liability for the transportation project taxes.

30 **SECTION 12.** ORS 319.885 is amended to read:

31 319.885. (1)(a) Except as provided in paragraph (b) of this subsection, the registered owner of a
32 subject vehicle shall pay a per-mile road usage charge for metered use by the subject vehicle of the
33 highways in Oregon.

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

36 (2) The **rate of the** per-mile road usage charge is[:]
37 **five percent of the rate of the per-gallon license tax provided in ORS 319.020 (1)(b) in effect at the time the charge becomes due.**

38 [(a) For the calendar year beginning on January 1, 2018, 1.7 cents per mile.]

39 [(b) For the calendar year beginning on January 1, 2020, 1.8 cents per mile.]

40 [(c) For the calendar year beginning on January 1, 2022, 1.9 cents per mile.]

41 **SECTION 13.** ORS 319.885, as amended by section 118a, chapter 750, Oregon Laws 2017, is
42 amended to read:

43 319.885. (1)(a) Except as provided in paragraph (b) of this subsection, the registered owner of a
44 subject vehicle shall pay a per-mile road usage charge for metered use by the subject vehicle of the
45 highways in Oregon.

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

3 (2) The **rate of the** per-mile road usage charge is [2.1 cents per mile] **five percent of the rate**
4 **of the per-gallon license tax provided in ORS 319.020 (1)(b) in effect at the time the charge**
5 **becomes due.**

6 **SECTION 14. The amendments to ORS 184.612 by section 2 of this 2019 Act apply to**
7 **members appointed to the Oregon Transportation Commission on or after the effective date**
8 **of this 2019 Act.**

9 **SECTION 15. The amendments to ORS 320.470 by section 11 of this 2019 Act apply to**
10 **disclosures made before, on or after the effective date of this 2019 Act.**

11 **SECTION 16. The amendments to ORS 319.885 by sections 12 and 13 of this 2019 Act apply**
12 **to metered use by subject vehicles of the highways in Oregon on or after the effective date**
13 **of this 2019 Act.**

14 **SECTION 17. ORS 824.237 is repealed.**

15 **SECTION 18. Section 118b, chapter 750, Oregon Laws 2017, is repealed.**

16 **SECTION 19. This 2019 Act takes effect on the 91st day after the date on which the 2019**
17 **regular session of the Eightieth Legislative Assembly adjourns sine die.**

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