House Bill 2138

Introduced and printed pursuant to House Rule 12.00. Presession filed (at the request of Governor Kate Brown for Oregon 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, adds and repeals laws related to transportation.

A BILL FOR AN ACT

Relating to transportation; creating new provisions; and amending ORS 315.591, 319.665, 319.671, 319.890, 319.950, 810.530, 815.045, 815.140, 815.145, 825.490 and 825.496.

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

OReGO

SECTION 1. ORS 319.890 is amended to read:

319.890. (1) A person wishing to pay the per-mile road usage charge imposed under ORS 319.885 must apply to the Department of Transportation on a form prescribed by the department.

(2) The department shall approve a valid and complete application submitted under this section if:

(a) The applicant has applied for registration or is the registered owner or lessee of a motor vehicle;

(b) The motor vehicle is equipped with a method selected pursuant to ORS 319.900 for collecting and reporting the metered use by the motor vehicle of the highways in Oregon;

(c) The motor vehicle is classified as a passenger vehicle by the department; and

(d) The vehicle has a rating of at least 20 miles per gallon, such rating to be established by the department.

(3) An electric vehicle or a vehicle with a rating of 40 miles per gallon or greater for which an application has been submitted or approved under this section is not subject to the additional amount of registration fees imposed under ORS 803.422.

(4) Approval of an application under this section subjects the applicant to the requirements of ORS 319.920 until the person ends the person’s voluntary participation in the road usage charge program in the manner required under subsection (5) of this section.

(5) A person may end the person’s voluntary participation in the road usage charge program at any time by notifying the department, returning any emblem issued under ORS 319.945 to the department and paying any outstanding amount of road usage charge for metered use by the person’s subject vehicle.

(6)(a) This subsection applies to a person whose subject vehicle is described in subsection (3) of this section.

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.

LC 454
[(b)]  (A) [If the person] Who ends [the person’s] voluntary participation in the per-mile road usage charge program with respect to the subject vehicle[,];

(B) Whose application is not approved under this section; or

(C) Whose subject vehicle has been removed from the per-mile road usage charge program.

(b) In addition to any amount due under subsection (5) of this section, the department may collect an additional amount [of] equal to the registration fees that would otherwise have been due with respect to the subject vehicle for the current registration period under ORS 803.422 or a portion of the fees.

(c) The department shall establish by rule the circumstances in which a person described in paragraph (a)(C) of this subsection is required to pay an additional amount under paragraph (b) of this subsection.

(d) The department may deny registration for the subject vehicle until the additional amount of registration fees imposed under paragraph (b) of this subsection has been paid.

(7) The Department of Transportation shall consult with vehicle dealers that sell passenger vehicles to determine the most effective methods, at the point of sale, to encourage participation in the per-mile road usage charge program.

TRACTION TIRE OR CHAIN USE

SECTION 2. ORS 815.140 is amended to read:

815.140. (1) A person commits the offense of failure to use vehicle traction tires or chains if the person drives or moves or owns and causes or knowingly permits to be driven or moved any motor vehicle or trailer on any highway if the highway is posted showing conditions that require vehicle traction tires or chains and the vehicle is not equipped with vehicle traction tires or chains that are required for the posted conditions.

(2) Traction tires or chains that are referred to in this section are those established by rule under the authority granted under ORS 815.045.

(3) This section does not apply to vehicles exempted from this section under ORS 815.145.

(4) This section only applies to sections of highway on which a road authority requires the use of traction tires or chains and on which signs requiring the use of traction tires or chains have been posted as provided in ORS 815.045.

(5) A court [shall] may not find a person to be in violation of the offense described under this section if the court determines that the conditions of the highway at the time the person was cited did not require posting under rules adopted under ORS 815.045. The defense under this subsection may be affirmatively asserted by any person cited for violation of the offense described in this section.

[(6) The offense described in this section, failure to use vehicle traction tires or chains, is a Class C traffic violation.]

(6) The offense described in this section, failure to use vehicle traction tires or chains, is a specific fine traffic violation. The presumptive fine for failure to use vehicle traction tires or chains is $880.

SECTION 3. Section 4 of this 2021 Act is added to and made a part of the Oregon Vehicle Code.

SECTION 4. (1) A person commits the offense of failure to carry vehicle traction tires
or chains if the person drives or moves or owns and causes or knowingly permits to be
driven or moved any motor vehicle or trailer on any highway if the highway is posted
showing conditions that require the person to carry vehicle traction tires or chains within
the vehicle and the vehicle does not contain vehicle traction tires or chains.

(2) Traction tires or chains that are referred to in this section are those established by
rule under the authority granted under ORS 815.045.

(3) This section does not apply to vehicles exempted from this section under ORS 815.145.

(4) This section only applies to sections of highway on which a road authority requires
a person to carry traction tires or chains within the vehicle and on which signs requiring the
carrying of traction tires or chains have been posted as provided in ORS 815.045.

(5) A court may not find a person to be in violation of the offense described under this
section if the court determines that the conditions of the highway at the time the person
was cited did not require posting under rules adopted under ORS 815.045. The defense under
this subsection may be affirmatively asserted by any person cited for violation of the offense
described in this section.

(6) The offense described in this section, failure to carry vehicle traction tires or chains,
is a Class C traffic violation.

SECTION 5, ORS 810.530 is amended to read:
810.530. (1) A weighmaster or motor carrier enforcement officer in whose presence an offense
described in this subsection is committed may arrest or issue a citation for the offense in the same
manner as under ORS 810.410 as if the weighmaster or motor carrier enforcement officer were a
police officer. This subsection applies to the following offenses:
(a) Violation of maximum weight limits under ORS 818.020.
(b) Violation of posted weight limits under ORS 818.040.
(c) Violation of administratively imposed weight or size limits under ORS 818.060.
(d) Violation of maximum size limits under ORS 818.090.
(e) Exceeding maximum number of vehicles in combination under ORS 818.110.
(f) Violation of posted limits on use of road under ORS 818.130.
(g) Violation of towing safety requirements under ORS 818.160.
(h) Operating with sifting or leaking load under ORS 818.300.
(i) Dragging objects on highway under ORS 818.320.
(j) Unlawful use of devices without wheels under ORS 815.155.
(k) Unlawful use of metal objects on tires under ORS 815.160.
(L) Operation without pneumatic tires under ORS 815.170.
(m) Operation in violation of vehicle variance permit under ORS 818.340.
(n) Failure to carry and display permit under ORS 818.350.
(o) Failure to comply with commercial vehicle enforcement requirements under ORS 818.400.
(p) Violation of any provision of ORS chapter 825.
(q) Operation without proper fenders or mudguards under ORS 815.185.
r) Operating a vehicle without driving privileges in violation of ORS 807.010 if the person is
operating a commercial motor vehicle and the person does not have commercial driving privileges.
(s) Violation driving while suspended or revoked in violation of ORS 811.175 if the person is
operating a commercial motor vehicle while the person's commercial driving privileges are sus-
pended or revoked.
(t) Failure to use vehicle traction tires or chains in violation of ORS 815.140 if the person is
operating a motor vehicle subject to ORS chapter 825 or 826.

(u) Failure to carry vehicle traction tires or chains in violation of section 4 of this 2021
Act if the person is operating a motor vehicle subject to ORS chapter 825 or 826.

[(u)] (v) Illegally altering or displaying registration plate in violation of ORS 803.550.

(2) A weighmaster or motor carrier enforcement officer in whose presence an offense described
in this subsection is committed by a person operating a commercial motor vehicle may issue a ci-
tation for the offense. A weighmaster or motor carrier enforcement officer who finds evidence that
an offense described in this subsection has been committed by a person operating a commercial
motor vehicle or by a motor carrier for which the person is acting as an agent may issue a citation
for the offense. A weighmaster or motor carrier enforcement officer issuing a citation under this
subsection has the authority granted a police officer issuing a citation under ORS 810.410. A citation
issued under this subsection to the operator of a commercial motor vehicle shall be considered to
have been issued to the motor carrier that owns the commercial motor vehicle if the operator is not
the owner. This subsection applies to the following offenses, all of which are Class A traffic vio-
lations under ORS 825.990 (1):

(a) Repeatedly violating or avoiding any order or rule of the Department of Transportation.
(b) Repeatedly refusing or repeatedly failing, after being requested to do so, to furnish service
authorized by certificate.
(c) Refusing or failing to file the annual report as required by ORS 825.320.
(d) Refusing or failing to maintain records required by the department or to produce such re-
cords for examination as required by the department.
(e) Failing to appear for a hearing after notice that the carrier's certificate or permit is under
investigation.
(f) Filing with the department an application that is false with regard to the ownership, pos-
session or control of the equipment being used or the operation being conducted.
(g) Delinquency in reporting or paying any fee, tax or penalty due to the department under ORS
chapter 825 or 826.
(h) Refusing or failing to file a deposit or bond as required under ORS 825.506.
(i) Failing to comply with the applicable requirements for attendance at a motor carrier educa-
tion program as required by ORS 825.402.

(3) A weighmaster or motor carrier enforcement officer who finds evidence that a person oper-
ating a commercial motor vehicle has committed the offense of failure to pay the appropriate reg-
istration fee under ORS 803.315 may issue a citation for the offense in the same manner as under
ORS 810.410 as if the weighmaster or motor carrier enforcement officer were a police officer.

(4) The authority of a weighmaster or motor carrier enforcement officer to issue citations or
arrest under this section is subject to ORS chapter 153.

(5)(a) A person is a weighmaster for purposes of this section if the person is a county
weighmaster or a police officer.
(b) A person is a motor carrier enforcement officer under this section if the person is duly au-
thorized as a motor carrier enforcement officer by the Department of Transportation.

(6) A weighmaster or motor carrier enforcement officer may accept security in the same manner
as a police officer under ORS 810.440 and 810.450 and may take as security for the offenses, in ad-
dition to other security permitted under this section, the sum fixed as the presumptive fine for the
offense.

(7) A weighmaster or motor carrier enforcement officer may arrest a person for the offense of
failure to appear in a violation proceeding under ORS 153.992 if the violation is based upon a cita-
tion for any offense described in subsection (1) or (3) of this section except those described in sub-
section (1)(p) of this section.

(8) A weighmaster or motor carrier enforcement officer may exercise the same authority as a
police officer under ORS 810.490 to enforce vehicle requirements and detain vehicles. A person who
fails to comply with the authority of a weighmaster or motor carrier enforcement officer under this
subsection is subject to penalty under ORS 818.400.

SECTION 6. ORS 815.045 is amended to read:

ORS 815.045. (1) The Oregon Transportation Commission shall adopt rules necessary to carry out
ORS 815.140 and section 4 of this 2021 Act. The rules adopted by the commission:

(a) Shall establish the various types of conditions under which vehicle traction tires or chains
must be used or carried.

(b) Shall define types of vehicle traction tires or chains that may be used or carried under
various road conditions. The commission rules under this paragraph shall comply with the following:

(A) Traction tire shall be defined to include any tire that meets traction standards established
by the Department of Transportation.

(B) Retractable studded tires or tires with studs that are permitted under ORS 815.165 shall be
allowed as traction tires under the rules.

(C) The department may require that traction tires without studs bear identifying marks, defined
by the department, that indicate that the tire was manufactured specifically for adverse weather
conditions.

(D) Chains shall be defined to include link chains, cable chains or any other device that attaches
to the wheel, vehicle or outside of the tire and that augments the traction of a vehicle.

(E) Retractable studded tires shall be defined to include tires with embedded studs that project
beyond the tread surface only when a vehicle operator extends the studs to augment the traction
of the vehicle.

(c) Shall establish signs to be posted under conditions that require vehicle traction tires or
chains to be used or carried.

(d) May establish types or classes of vehicles that are exempt from requirements to use or carry
vehicle traction tires or chains under certain conditions if the commission determines that the op-
eration of the class or type of vehicle would be safe under those conditions.

(2) A road authority shall:

(a) Determine when conditions on a segment of highway require [the use of] a person to use
or carry vehicle traction tires or chains as defined by the commission;

(b) Determine which segments of a highway shall be posted as described under this section to
require a person to use or carry vehicle traction tires or chains; and

(c) Provide for the placement and removal of signs requiring [the use of] a person to use or
carry vehicle traction tires or chains.

SECTION 7. ORS 815.145 is amended to read:

ORS 815.145. This section establishes exemptions from ORS 815.140 and section 4 of this 2021 Act.

(1) The following are completely or partially exempt as described:

[(1)] (a) Police vehicles under any conditions.

[(2)] (b) Fire vehicles when responding to a fire.

[(3)] (c) An ambulance when responding to an emergency.

[(4)] (2) A passenger vehicle or truck is not required to use chains if the vehicle or truck:
(a) Has an unloaded weight of 6,500 pounds or less;
(b) Is equipped and operated to provide power to both front and rear wheels;
(c) Is carrying chains as defined in ORS 815.045;
(d) Is equipped with tires, on all wheels, that are vehicle traction tires as defined in ORS 815.045;
(e) Is not towing another vehicle other than as may be necessary to remove disabled vehicles from the roadway; and
(f) Is not being operated in a manner or under conditions where the vehicle loses traction while stopping, cornering or moving.

(5) Vehicles exempt by rule under ORS 815.045.

SECTION 8. Section 4 of this 2021 Act and the amendments to ORS 810.530, 815.045, 815.140 and 815.145 by sections 2 and 5 to 7 of this 2021 Act apply to offenses occurring on or after the effective date of this 2021 Act.

SHORT LINE RAILROAD TAX CREDIT

SECTION 9. ORS 315.591 is amended to read:

315.591. As used in ORS 315.591 to 315.606:
(1) “Infrastructure” includes tracks, switches, sidings, roadbeds, railroad bridges and industrial leads owned or leased by a short line railroad.
(2) “Short line railroad” means a class II or class III railroad as defined in 49 C.F.R. 1201.
(3) “Short line railroad rehabilitation project” means a project that involves the maintenance, reconstruction or replacement of infrastructure.
(4) “Short line railroad rehabilitation project costs” means costs that are directly related to the work necessary to maintain, reconstruct or replace infrastructure. “Short line railroad rehabilitation project costs” does not include costs that are funded by or used to qualify for any state or federal grants, or costs that are used to claim a federal tax credit.
(5) “Tier I short line railroad” means a short line railroad owned or leased by a person for whom the total length of short line railroad track owned or leased in Oregon is equal to or greater than 200 miles. The total amount of short line railroad track in Oregon calculated under this subsection includes any short line railroad track owned or leased by the person, or if the person is a corporation, by the person’s parent corporation or subsidiaries, regardless of whether the track is owned or leased by one or more railroads.
(6) “Tier II short line railroad” means a short line railroad that is not a tier I short line railroad or is a short line railroad owned or leased by the state, a city, a county, a port or any other public or municipal corporation.

SECTION 10. The amendments to ORS 315.591 by section 9 of this 2021 Act apply to tax years beginning on or after January 1, 2020, and before January 1, 2026.

INTEREST CHARGED ON REPORTED WEIGHT-MILE TAX

SECTION 11. ORS 825.490 is amended to read:
825.490. (1) On or before the last day of each month, except for the time of payment provided in ORS 825.480 and 825.492, all persons shall report and pay to the Department of Transportation the amount of taxes and fees due from them for the preceding calendar month. However, taxes and
fees incurred after the 15th day of any month may be reported and paid to the department on or before the last day of the second calendar month following the month in which the taxes or fees were incurred. If no taxes or fees are due in any reporting period, the report shall so state. If payment is not made on or before the date it is due, there shall be added as a late payment charge a sum equal to 10 percent of the unpaid amount of the tax.

(2) The department may permit a person to report and pay motor carrier taxes and fees on a periodic basis other than the calendar-month basis prescribed in subsection (1) of this section, provided that the number of reporting periods in any 12-month period is not less than 12. If no taxes or fees are due in any reporting period, the report shall so state. If payment is not made on or before the date it is due, there shall be added as a late payment charge a sum equal to 10 percent of the unpaid amount of the tax.

(3) Whenever practicable, and in no event later than three years after any report of taxes or fees is filed, the department shall audit the report if the department deems such audit practicable. If the department is not satisfied with the report filed or amount of taxes or fees, including fees for temporary passes required under ORS 825.470, paid to the state by any person, the department may, not later than three years after the report was filed or the taxes or fees were paid, make a proposed assessment of additional taxes or fees due from such person based upon any information available to the department. There shall be added to each such assessment, as a late payment charge, a sum equal to 10 percent of the amount of additional taxes or fees due.

(4) Every such additional assessment shall bear interest at the rate of one percent per month, or fraction thereof, from the last day of the month following the close of the month for which the additional assessment is imposed until paid.

(5) If the remaining amount due exceeds by at least five percent but not more than 15 percent the amount of taxes or fees reported or paid, a penalty of five percent of the remaining amount due [of the additional assessment] shall be added thereto in addition to the 10 percent late payment charge provided in subsection (3) of this section.

(6) If the remaining amount due exceeds by more than 15 percent the amount of taxes or fees reported or paid, a penalty of 20 percent of the remaining amount due [of the additional assessment] shall be added thereto in addition to the 10 percent late payment charge provided in subsection (3) of this section.

(7) The department shall give to the person concerned written notice of any amounts due.

(8) Except as provided in ORS 825.484 (3), the department shall refund to any person the amount of any overpayment caused by any incorrect report.

(9) Whenever the department has made an assessment pursuant to this section that has become
The department may not reopen or reassess such taxes, interest or penalties unless the department is satisfied that the taxpayer fraudulently or with intent to evade taxation destroyed, concealed or withheld any books, accounts, papers, records or memoranda required to be maintained by the taxpayer pursuant to this chapter or the rules of the department.

SECTION 12. ORS 825.496 is amended to read:

825.496. (1) Any person against whom an assessment is made under ORS 825.490 or 825.494, may petition the Department of Transportation for a reassessment within 30 days after service upon the person of notice. If a petition is not filed within the 30-day period, the assessment becomes final. If a petition for reassessment is filed within the 30-day period the department shall reconsider the assessment and, if the person has requested in the petition, shall grant such person a hearing and give the person 10 days' notice of the time and place of the hearing. The department has power to continue the hearing from time to time as may be necessary. The decision of the department upon a petition for reassessment shall become final 30 days after service of notice upon the person concerned.

(2) The department may waive or reduce the interest and penalties provided in ORS 825.490 [(1) to (6)] or 825.494 (2) or (3) on those terms as the department considers proper if request for waiver or reduction is made within 30 days after service of notice of assessment upon the person concerned, or as part of the pleas made in the department's reconsideration of the assessment.

(3) Every assessment made by the department under ORS 825.490 to 825.496 becomes due and payable at the time it becomes final and if not paid to the department when due and payable there shall be added to the assessment a penalty of 10 percent of the amount of the tax.

(4) If any person who has requested a hearing pursuant to this section fails to appear at the scheduled hearing and failed to withdraw the petition for reassessment at least five days before the date of the hearing, the department may require such person to pay a charge of $150 in addition to any other fees, taxes and charges which may be imposed under this chapter.

LOCAL FUEL TAX COLLECTION

SECTION 13. ORS 319.950 is amended to read:

319.950. (1) The governing body of a city, county or other local government may enact or amend any charter provision, ordinance, resolution or other provision taxing fuel for motor vehicles after submitting the proposed tax to the electors of the local government for their approval.

(2) The governing body of a local government that imposes a tax on fuel for motor vehicles pursuant to this section may enter into an agreement with the Department of Transportation pursuant to which the department shall collect and distribute the revenues from the tax.

SECTION 14. The amendments to ORS 319.950 by section 13 of this 2021 Act apply to agreements described in section 13 (2) of this 2021 Act entered into before, on or after the effective date of this 2021 Act.

FUEL TAX USER’S EMBLEM

SECTION 15. ORS 319.665 is amended to read:

319.665. (1) The seller of fuel for use in a motor vehicle shall collect the tax provided by ORS 319.530 at the time the fuel is sold, unless one of the following situations applies:
(a) The Department of Transportation has issued a weight identifier under ORS 825.450 for the vehicle into which the seller delivers or places the fuel.

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

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

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

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

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

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

SECTION 16. ORS 319.671 is amended to read:

319.671. (1) The seller of fuel for any purpose shall make a duplicate invoice for every sale of fuel for any purpose and shall retain one copy and give the other copy to the user. The Department of Transportation may prescribe the form of the invoice. The invoice shall show:

(a) The seller’s name and address;

(b) The date;

(c) The amount of the sale in gallons; and

(d) The name and address of the user.

(2) In addition to the invoice entries listed in subsection (1) of this section, the seller of fuel for use in a motor vehicle shall indicate on the invoice the amount of the tax collected, if any, and:

(a) The license plate number, if the vehicle bears a license plate issued by the department or another jurisdiction;

(b) The emblem number, if the vehicle bears a user’s emblem; [or]

(c) The temporary pass number, if the vehicle bears no valid user’s emblem [or license plate issued by the department.]; or

(d) The license plate number, if the vehicle bears no valid user’s emblem or temporary pass number issued by the department.

(3) Notwithstanding subsection (1) of this section, this section does not require any invoice to be prepared for any sale where fuel is delivered into the fuel tank of a vehicle described in this subsection unless the operator of the vehicle requests an invoice. If an invoice is prepared under this subsection, the name and address of a user is not required to be shown on the invoice for such sale.
where the fuel is delivered into the fuel tanks of vehicles described in this subsection. This sub-
section applies to vehicles:

(a) That have a combined weight of 26,000 pounds or less; and

(b)(A) For which the tax under ORS 319.530 must be paid at the time of sale under ORS 319.665;
or

(B) For which an emblem has been issued under ORS 319.535.

UNIT CAPTIONS

SECTION 17. The unit captions used in this 2021 Act are provided only for the conven-
ience of the reader and do not become part of the statutory law of this state or express any
legislative intent in the enactment of this 2021 Act.