HOUSE AMENDMENTS TO HOUSE BILL 2342

By JOINT COMMITTEE ON TRANSPORTATION

June 7

- On page 1 of the printed bill, line 2, after "367.095," insert "801.041, 801.042,".
- In line 3, after "803.422" insert ", 803.445" and after "2010," delete "and".

 In line 4, after "2017" insert ", and section 6, chapter 491, Oregon Laws 2019".
- On page 5, delete lines 31 through 35 and insert:

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- "SECTION 19. (1) Notwithstanding ORS 319.885, for the period beginning on July 1, 2026, and ending on June 30, 2030, the registered owner or lessee of a subject vehicle of a model year of 2027 or later and with a rating of at least 30 miles per gallon may pay, in lieu of the per-mile road usage charge imposed under ORS 319.885 and the additional amount of registration fees imposed under ORS 803.422, an annual fee prescribed, on or before June 30 immediately preceding July 1 of each 12-month period to which this section relates, by the Department of Transportation in an amount equal to the rate of the per-mile road usage charge determined under ORS 319.885 then in effect multiplied by the average number of miles traveled by passenger vehicles during the most recent 12-month period for which such data is available.
- "(2) Moneys collected from the annual fee in lieu of the per-mile road usage charge payable under this section shall be deposited and allocated for distribution in the same manner as moneys from the road usage charges under ORS 319.895.
- "(3) The registered owner or lessee of a subject vehicle electing under this section to pay the annual fee in lieu of the per-mile road usage charge and the additional amount of registration fees imposed under ORS 803.422 shall remain liable for any amount of vehicle registration fee imposed by a county or a district under the vehicle code that would be required if the annual fee payable under this section did not exist."
 - On page 7, delete lines 1 through 29 and insert:
 - "SECTION 28a. ORS 803.445 is amended to read:
- "803.445. (1) The governing body of a county may impose registration fees for vehicles as provided in ORS 801.041.
- "(2) The governing body of a district may impose registration fees for vehicles as provided in ORS 801.042.
- "(3) The Department of Transportation shall provide by rule for the administration of laws authorizing county and district registration fees and for the collection of those fees.
- "(4) Any registration fee imposed under this section shall be imposed in a manner consistent with ORS 803.420.
- "(5) A county or district may not impose a vehicle registration fee that would by itself, or in combination with any other vehicle registration fee imposed under this section, exceed the sum of the fee imposed under ORS 803.420 (6)(a) and the fee applicable to the registered vehicle under ORS

803.422. The owner of any vehicle subject to multiple fees under this section shall be allowed a credit or credits with respect to one or more of such fees so that the total of such fees does not exceed the sum of the fee imposed under ORS 803.420 (6)(a) and the fee applicable to the registered vehicle under ORS 803.422.

"(6) A subject vehicle exempt under ORS 319.885 (3) from the fees applicable under ORS 803.422 shall remain liable for any amount of vehicle registration fee imposed by a county or a district under this section that would be required if the exemption did not exist. As used in this subsection, 'subject vehicle' has the meaning given that term in ORS 319.883.

"SECTION 28b. ORS 801.041 is amended to read:

"801.041. The following apply to the authority granted to counties by ORS 801.040 to establish registration fees for vehicles:

- "(1) An ordinance establishing registration fees under this section must be enacted by the county imposing the registration fee and filed with the Department of Transportation. Notwithstanding ORS 203.055 or any provision of a county charter, the governing body of a county with a population of 350,000 or more may enact an ordinance establishing registration fees. The governing body of a county with a population of less than 350,000 may enact an ordinance establishing registration fees after submitting the ordinance to the electors of the county for their approval. The governing body of the county imposing the registration fee shall enter into an intergovernmental agreement under ORS 190.010 with the department by which the department shall collect the registration fees, pay them over to the county and, if necessary, allow the credit or credits described in ORS 803.445 (5). The intergovernmental agreement must state the date on which the department shall begin collecting registration fees for the county.
- "(2) The authority granted by this section allows the establishment of registration fees in addition to those described in ORS 803.420 and 803.422. There is no authority under this section to affect registration periods, qualifications, cards, plates, requirements or any other provision relating to vehicle registration under the vehicle code.
- "(3) Except as otherwise provided for in this subsection, when registration fees are imposed under this section, they must be imposed on all vehicle classes. Registration fees as provided under this section may not be imposed on the following:
 - "(a) Snowmobiles and Class I all-terrain vehicles.
 - "(b) Fixed load vehicles.
- "(c) Vehicles registered under ORS 805.100 to disabled veterans.
- 33 "(d) Vehicles registered as antique vehicles under ORS 805.010.
- 34 "(e) Vehicles registered as vehicles of special interest under ORS 805.020.
- 35 "(f) Government-owned or operated vehicles registered under ORS 805.040 or 805.045.
 - "(g) School buses or school activity vehicles registered under ORS 805.050.
 - "(h) Law enforcement undercover vehicles registered under ORS 805.060.
- 38 "(i) Vehicles registered on a proportional basis for interstate operation.
- 39 "(j) Vehicles with a registration weight of 26,001 pounds or more described in ORS 803.420 (14)(a) or (b).
 - "(k) Vehicles registered as farm vehicles under the provisions of ORS 805.300.
- 42 "(L) Travel trailers, campers and motor homes.
- "(m) Vehicles registered to an employment address as provided in ORS 802.250 when the eligible public employee or household member's residence address is not within the county of the employment address. The department may adopt rules it considers necessary for the administration of this

paragraph.

- "(n) Vehicles registered under ORS 805.110 to former prisoners of war.
- "(4) Any registration fee imposed by a county must be a fixed amount not to exceed, with respect to any vehicle class, the sum of the registration fee established under ORS 803.420 (6)(a) and the fee applicable to the registered vehicle under ORS 803.422. For vehicles on which a flat fee is imposed under ORS 803.420, the fee must be a whole dollar amount. A subject vehicle exempt under ORS 319.885 (3) from the fees applicable under ORS 803.422 shall remain liable for any amount of vehicle registration fee imposed by a county under this section that would be required if the exemption did not exist. As used in this subsection, 'subject vehicle' has the meaning given that term in ORS 319.883.
- "(5) Moneys from registration fees established under this section must be paid to the county establishing the registration fees as provided in ORS 802.110.
- "(6) Except as provided in section 3, chapter 392, Oregon Laws 2019, or unless a different distribution is agreed upon by the county and the cities within the jurisdiction of the county, the county ordinance shall provide for payment of at least 40 percent of the moneys from registration fees established under this section to cities within the county.
- "(7) The moneys for the cities and the county shall be used for any purpose for which moneys from registration fees may be used, including the payment of debt service and costs related to bonds or other obligations issued for such purposes.
- "(8) Two or more counties may act jointly to impose a registration fee under this section. The ordinance of each county acting jointly with another under this subsection must provide for the distribution of moneys collected through a joint registration fee.

"SECTION 28c. ORS 801.042 is amended to read:

- "801.042. The following apply to the authority granted to a district by ORS 801.040 to establish registration fees for vehicles:
- "(1) Before the governing body of a district can impose a registration fee under this section, it must submit the proposal to the electors of the district for their approval and, if the proposal is approved, enter into an intergovernmental agreement under ORS 190.010 with the governing bodies of all counties, other districts and cities with populations of over 300,000 that overlap the district. The intergovernmental agreement must state the registration fees and, if necessary, how the revenue from the fees shall be apportioned among counties and the districts. Before the governing body of a county can enter into such an intergovernmental agreement, the county shall consult with the cities in its jurisdiction.
- "(2) If a district raises revenues from a registration fee for purposes related to highways, roads, streets and roadside rest areas, the governing body of that district shall establish a Regional Arterial Fund and shall deposit in the Regional Arterial Fund all such registration fees.
- "(3) Interest received on moneys credited to the Regional Arterial Fund shall accrue to and become a part of the Regional Arterial Fund.
- "(4) The Regional Arterial Fund must be administered by the governing body of the district referred to in subsection (2) of this section and such governing body by ordinance may disburse moneys in the Regional Arterial Fund. Moneys within the Regional Arterial Fund may be disbursed only for a program of projects recommended by a joint policy advisory committee on transportation consisting of local officials and state agency representatives designated by the district referred to in subsection (2) of this section. The projects for which the joint policy advisory committee on transportation can recommend funding must concern arterials, collectors or other improvements

designated by the joint policy advisory committee on transportation.

- "(5) Ordinances establishing registration fees under this section must be filed with the Department of Transportation. The governing body of the district imposing the registration fee shall enter into an intergovernmental agreement under ORS 190.010 with the department by which the department shall collect the registration fees, pay them over to the district and, if necessary, allow the credit or credits described in ORS 803.445 (5). The intergovernmental agreement must state the date on which the department shall begin collecting registration fees for the district.
- "(6) The authority granted by this section allows the establishment of registration fees in addition to those described in ORS 803.420 and 803.422. There is no authority under this section to affect registration periods, qualifications, cards, plates, requirements or any other provision relating to vehicle registration under the vehicle code.
- "(7) Except as otherwise provided for in this subsection, when registration fees are imposed under this section, the fees must be imposed on all vehicle classes. Registration fees as provided under this section may not be imposed on the following:
 - "(a) Snowmobiles and Class I all-terrain vehicles.
- "(b) Fixed load vehicles.

- 17 "(c) Vehicles registered under ORS 805.100 to disabled veterans.
- 18 "(d) Vehicles registered as antique vehicles under ORS 805.010.
- "(e) Vehicles registered as vehicles of special interest under ORS 805.020.
- 20 "(f) Government-owned or operated vehicles registered under ORS 805.040 or 805.045.
- 21 "(g) School buses or school activity vehicles registered under ORS 805.050.
- 22 "(h) Law enforcement undercover vehicles registered under ORS 805.060.
 - "(i) Vehicles registered on a proportional basis for interstate operation.
- 24 "(j) Vehicles with a registration weight of 26,001 pounds or more described in ORS 803.420 (14)(a) or (b).
 - "(k) Vehicles registered as farm vehicles under the provisions of ORS 805.300.
 - "(L) Travel trailers, campers and motor homes.
 - "(m) Vehicles registered to an employment address as provided in ORS 802.250 when the eligible public employee or household member's residence address is not within the county of the employment address. The department may adopt rules it considers necessary for the administration of this paragraph.
 - "(n) Vehicles registered under ORS 805.110 to former prisoners of war.
 - "(8) Any registration fee imposed by the governing body of a district must be a fixed amount not to exceed, with respect to any vehicle class, the registration fee established under ORS 803.420 (6)(a) and the fee applicable to the registered vehicle under ORS 803.422. For vehicles on which a flat fee is imposed under ORS 803.420, the fee must be a whole dollar amount.
 - "(9) A subject vehicle exempt under ORS 319.885 (3) from the fees applicable under ORS 803.422 shall remain liable for any amount of vehicle registration fee imposed by a district under this section that would be required if the exemption did not exist. As used in this subsection, 'subject vehicle' has the meaning given that term in ORS 319.883.
 - "SECTION 28d. Section 6, chapter 491, Oregon Laws 2019, is amended to read:
 - "Sec. 6. Notwithstanding ORS 803.445 (5), a metropolitan service district established under ORS chapter 268 may impose a vehicle registration fee that does not exceed the sum of the fee imposed under ORS 803.420 (6)(a) and the fee applicable to the registered vehicle under ORS 803.422, if the vehicle registration fee is approved by the electors of the district before December 31, 2022. A

subject vehicle exempt under ORS 319.885 (3) from the fees applicable under ORS 803.422 shall remain liable for any amount of vehicle registration fee imposed by a district under this section that would be required if the exemption did not exist. As used in this section, 'subject vehicle' has the meaning given that term in ORS 319.883.

"SECTION 28e. The amendments to ORS 801.041, 801.042 and 803.445 and section 6, chapter 491, Oregon Laws 2019, by sections 28a to 28d of this 2021 Act become operative on July 1, 2026.

"SECTION 29. (1)(a) This subsection sets forth the policy of the Legislative Assembly for purposes of designing and implementing a mandatory per-mile road usage charge program.

- "(b) In addition to the per-mile road usage charge imposed under ORS 319.885, the registered owner of a subject vehicle shall pay an additional fee that is:
- "(A) Designed to reflect the impact on health and the environment of the criteria pollutants and greenhouse gases emitted by the subject vehicle; and
- "(B) Of a kind, and imposed at a rate, that, together with other national, state and local measures, can reasonably be expected to achieve Oregon's transition to a fully zero-emission fleet, as measured by the benchmarks enacted in chapter 565, Oregon Laws 2019.
- "(c) The transition from the current fuel tax system to a per-mile road usage charge program shall be designed in such a way as to ensure that historically underserved communities and low-income Oregonians do not, on balance, face:
- "(A) Any greater disparate impact from the per-mile road usage charge program than they face under the current fuel tax system; or
 - "(B) Additional barriers to employment or economic opportunity.
- "(2) Not later than September 15, 2022, September 15, 2024, and September 15, 2026, the Department of Transportation shall submit, in the manner provided in ORS 192.245, to the Road User Fee Task Force created under ORS 184.843 a report on the department's progress in developing and implementing the mandatory per-mile road usage charge under ORS 319.883 to 319.946 and may include in the reports recommendations for legislation.
- "(3) The reports required under subsection (2) of this section shall present the findings of studies conducted by the department to consider, in accordance with the policy statement set forth under subsection (1) of this section:
- "(a) Technological readiness and pricing mechanisms other than the per-mile road usage charge;
- "(b) Possible rate structures for, and the best method of imposing and collecting, the additional fee described in subsection (1)(b) of this section;
- "(c) The best method of making the transition from the current fuel tax system to a per-mile road usage charge program, including, but not limited to, the likely impact of the transition on:
- 38 "(A) Individuals and communities, categorized by income, race and socioeconomic status; 39 and
 - "(B) Urban, rural and suburban communities; and
 - "(d)(A) The feasibility of including in the weight-mile tax system or other per-mile road usage charge programs vehicles with a registration weight of more than 8,000 pounds, and less than 26,000 pounds, that are not registered as passenger vehicles; and
 - "(B) If feasible, an implementation plan for the inclusion.
 - "(4) After considering a report submitted under this section, the Road User Fee Task

- Force may make recommendations, including recommendations for legislation, to the Joint Committee on Transportation established under ORS 171.858.
- "(5) In conducting the studies, the department shall consult with other state agencies and stakeholders whose contributions the department considers helpful to the studies. State agencies shall comply with reasonable requests from the department for consultation.".

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