HB 2342-9 (LC 1698) 5/14/21 (ASD/ps)

Requested by JOINT COMMITTEE ON TRANSPORTATION (at the request of Senator Lee Beyer and Representative Susan McLain)

## PROPOSED AMENDMENTS TO HOUSE BILL 2342

1 On <u>page 1</u> of the printed bill, line 2, after "367.095," insert "801.041, 2 801.042,".

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".

6 On page 5, delete lines 31 through 35 and insert:

"SECTION 19. (1) Notwithstanding ORS 319.885, for the period be-7 ginning on July 1, 2026, and ending on June 30, 2030, the registered 8 owner or lessee of a subject vehicle of a model year of 2027 or later 9 and with a rating of at least 30 miles per gallon may pay, in lieu of the 10 per-mile road usage charge imposed under ORS 319.885 and the addi-11 tional amount of registration fees imposed under ORS 803.422, an an-12 nual fee prescribed, on or before June 30 immediately preceding July 13 1 of each 12-month period to which this section relates, by the De-14 partment of Transportation in an amount equal to the rate of the 15per-mile road usage charge determined under ORS 319.885 then in ef-16 fect multiplied by the average number of miles traveled by passenger 17 vehicles during the most recent 12-month period for which such data 18 is available. 19

20 "(2) Moneys collected from the annual fee in lieu of the per-mile 21 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.".

10 On page 7, delete lines 1 through 29 and insert:

11 "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 21would by itself, or in combination with any other vehicle registration fee 22imposed under this section, exceed the sum of the fee imposed under ORS 23803.420 (6)(a) and the fee applicable to the registered vehicle under ORS 24803.422. The owner of any vehicle subject to multiple fees under this section 25shall be allowed a credit or credits with respect to one or more of such fees 26so that the total of such fees does not exceed the sum of the fee imposed 27under ORS 803.420 (6)(a) and the fee applicable to the registered vehicle un-28der ORS 803.422. 29

30 "(6) A subject vehicle exempt under ORS 319.885 (3) from the fees

HB 2342-9 5/14/21 Proposed Amendments to HB 2342 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 5 in ORS 319.883.

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"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 9 be enacted by the county imposing the registration fee and filed with the 10 Department of Transportation. Notwithstanding ORS 203.055 or any pro-11 vision of a county charter, the governing body of a county with a population 12 of 350,000 or more may enact an ordinance establishing registration fees. The 13 governing body of a county with a population of less than 350,000 may enact 14 an ordinance establishing registration fees after submitting the ordinance to 15the electors of the county for their approval. The governing body of the 16 county imposing the registration fee shall enter into an intergovernmental 17 agreement under ORS 190.010 with the department by which the department 18 shall collect the registration fees, pay them over to the county and, if nec-19 essary, allow the credit or credits described in ORS 803.445 (5). The inter-20governmental agreement must state the date on which the department shall 21begin collecting registration fees for the county. 22

"(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 1 on the following:

2 "(a) Snowmobiles and Class I all-terrain vehicles.

3 "(b) Fixed load vehicles.

4 "(c) Vehicles registered under ORS 805.100 to disabled veterans.

<sup>5</sup> "(d) Vehicles registered as antique vehicles under ORS 805.010.

6 "(e) Vehicles registered as vehicles of special interest under ORS 805.020.

"(f) Government-owned or operated vehicles registered under ORS 805.040
or 805.045.

9 "(g) School buses or school activity vehicles registered under ORS 805.050.

10 "(h) Law enforcement undercover vehicles registered under ORS 805.060.

11 "(i) Vehicles registered on a proportional basis for interstate operation.

"(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 ORS805.300.

<sup>16</sup> "(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.

<sup>22</sup> "(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 23to exceed, with respect to any vehicle class, the sum of the registration fee 24established under ORS 803.420 (6)(a) and the fee applicable to the registered 25vehicle under ORS 803.422. For vehicles on which a flat fee is imposed under 26ORS 803.420, the fee must be a whole dollar amount. A subject vehicle ex-27empt under ORS 319.885 (3) from the fees applicable under ORS 803.422 28shall remain liable for any amount of vehicle registration fee imposed 29 by a county under this section that would be required if the exemption 30

1 did not exist. As used in this subsection, 'subject vehicle' has the 2 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 "(6) Except as provided in section 3, chapter 392, Oregon Laws 2019, or 7 unless a different distribution is agreed upon by the county and the cities 8 within the jurisdiction of the county, the county ordinance shall provide for 9 payment of at least 40 percent of the moneys from registration fees estab-10 lished 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.

15 "(8) Two or more counties may act jointly to impose a registration fee 16 under this section. The ordinance of each county acting jointly with another 17 under this subsection must provide for the distribution of moneys collected 18 through a joint registration fee.

19 "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 22under this section, it must submit the proposal to the electors of the district 23for their approval and, if the proposal is approved, enter into an intergov-24ernmental agreement under ORS 190.010 with the governing bodies of all 25counties, other districts and cities with populations of over 300,000 that 26overlap the district. The intergovernmental agreement must state the regis-27tration fees and, if necessary, how the revenue from the fees shall be appor-28tioned among counties and the districts. Before the governing body of a 29 county can enter into such an intergovernmental agreement, the county shall 30

HB 2342-9 5/14/21 Proposed Amendments to HB 2342 1 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.

6 "(3) Interest received on moneys credited to the Regional Arterial Fund 7 shall accrue to and become a part of the Regional Arterial Fund.

"(4) The Regional Arterial Fund must be administered by the governing 8 body of the district referred to in subsection (2) of this section and such 9 governing body by ordinance may disburse moneys in the Regional Arterial 10 Fund. Moneys within the Regional Arterial Fund may be disbursed only for 11 a program of projects recommended by a joint policy advisory committee on 12 transportation consisting of local officials and state agency representatives 13 designated by the district referred to in subsection (2) of this section. The 14 projects for which the joint policy advisory committee on transportation can 15recommend funding must concern arterials, collectors or other improvements 16 designated by the joint policy advisory committee on transportation. 17

"(5) Ordinances establishing registration fees under this section must be 18 filed with the Department of Transportation. The governing body of the dis-19 trict imposing the registration fee shall enter into an intergovernmental 20agreement under ORS 190.010 with the department by which the department 21shall collect the registration fees, pay them over to the district and, if nec-22essary, allow the credit or credits described in ORS 803.445 (5). The inter-23governmental agreement must state the date on which the department shall 24begin collecting registration fees for the district. 25

"(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:

5 "(a) Snowmobiles and Class I all-terrain vehicles.

6 "(b) Fixed load vehicles.

7 "(c) Vehicles registered under ORS 805.100 to disabled veterans.

8 "(d) Vehicles registered as antique vehicles under ORS 805.010.

9 "(e) Vehicles registered as vehicles of special interest under ORS 805.020.
10 "(f) Government-owned or operated vehicles registered under ORS 805.040

11 or 805.045.

<sup>12</sup> "(g) School buses or school activity vehicles registered under ORS 805.050.

13 "(h) Law enforcement undercover vehicles registered under ORS 805.060.

14 "(i) Vehicles registered on a proportional basis for interstate operation.

<sup>15</sup> "(j) Vehicles with a registration weight of 26,001 pounds or more de-<sup>16</sup> scribed in ORS 803.420 (14)(a) or (b).

"(k) Vehicles registered as farm vehicles under the provisions of ORS805.300.

<sup>19</sup> "(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.

<sup>25</sup> "(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 9 established under ORS chapter 268 may impose a vehicle registration fee that 10 does not exceed the sum of the fee imposed under ORS 803.420 (6)(a) and the 11 fee applicable to the registered vehicle under ORS 803.422, if the vehicle 12 registration fee is approved by the electors of the district before December 13 31, 2022. A subject vehicle exempt under ORS 319.885 (3) from the fees 14 applicable under ORS 803.422 shall remain liable for any amount of 15vehicle registration fee imposed by a district under this section that 16 would be required if the exemption did not exist. As used in this sec-17 tion, 'subject vehicle' has the meaning given that term in ORS 319.883. 18 "SECTION 28e. The amendments to ORS 801.041, 801.042 and 803.445 19 and section 6, chapter 491, Oregon Laws 2019, by sections 28a to 28d 20of this 2021 Act become operative on July 1, 2026. 21

"<u>SECTION 29.</u> (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.

5 "(c) The transition from the current fuel tax system to a per-mile 6 road usage charge program shall be designed in such a way as to en-7 sure that historically underserved communities and low-income 8 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:

"(A) Individuals and communities, categorized by income, race and
 socioeconomic status; and

3 "(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

8 "(B) If feasible, an implementation plan for the inclusion.

9 "(4) After considering a report submitted under this section, the 10 Road User Fee Task Force may make recommendations, including 11 recommendations for legislation, to the Joint Committee on Trans-12 portation established under ORS 171.858.

"(5) In conducting the studies, the department shall consult with
 other state agencies and stakeholders whose contributions the de partment considers helpful to the studies. State agencies shall comply
 with reasonable requests from the department for consultation.".

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