



Oregon

Kate Brown, Governor

Department of Transportation

Director's Office
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DATE: February 9, 2021
TO: Joint Committee on Transportation
FROM: Lindsay Baker, Assistant Director
SUBJECT: HB 3055 – Transportation Omnibus

Dear Co-Chairs Beyer and McLain and members of the Joint Committee on Transportation,

Thank you for the opportunity to provide information regarding the Joint Committee's omnibus transportation bill, HB 3055. ODOT appreciates the Committee's willingness to include various provisions in its omnibus measure at the request of ODOT and looks forward to continued dialogue and engagement on the proposed language changes. The information below outlines provisions drafted at ODOT's request and background and context for each, including notation for those provisions certain to evolve in light of ongoing discussion.

ODOT-requested provisions

- **Sections 1 – 7: Disabled Person Parking Permits.** Disconnects the validity of a disabled person parking permit from a driver license, driver permit, identification card, or parking identification card. Current law requires the invalidation of a disabled person parking permit if action is taken against a person's driver license, driver permit, identification card, or parking identification; forcing a person to purchase a new credential when action is taken against their driver license or ID card, such as a suspension or revocation.
- **Section 8 & 12: Totaled Vehicle Plate Transfer.** HB 2576 (2019) allows for vehicle plates and remaining registration to be transferred to another vehicle in the event of a total loss. These changes make updates to statute to align with the intent of HB 2576.
- **Sections 9, & 25-29: Aligns railroad and train language.** Eliminates outdated term "icing" from statutes regulating railroads. Removes statutory references pre-empted by federal law. Eliminates reference to "caboose." Clarifies requirement for fire extinguishers. Allows railroads to apply for temporary exemption. Deletes outdated date reference.
- **Sections 10 & 11: Use Tax Emblem.** HB 2592 (2019) inadvertently eliminated reference to "user's emblem," when eliminating the use of a Motor Carrier's paper weight receipt. User emblems are used by ODOT Fuels Tax to indicate exception to paying Oregon's fuels tax. These changes reinstate reference to "user's emblem."
- **Sections 13 & 14: Local Fuels Tax Collection.** ORS 319.950 authorizes a city, county, or local government to enact a local fuels tax. Sections 13 and 14 provide ODOT explicit authority to collect local fuels taxes on their behalf; the amendment makes this express authority retroactive to January 1, 1977 to ensure existing agreements remain valid.
- **Section 24: Bridge and Pavement Reporting Date.** Sec. 11(2)(5) of HB 2017 requires local governments to report their bridge and pavement conditions to ODOT. Section 24 of HB 3055 extends the reporting period from April 1 of each odd-numbered year to June 1 of each odd-

numbered year to better align with federal reporting requirements and ensure information reported reflects a similar point in time.

- **Sections 30 & 31: Federal Odometer Disclosure Requirement.** Aligns Oregon statute with federal law regarding temporal requirements of odometer disclosure; provides ODOT rulemaking authority to align with federal law going forward.
- **Section 32: Park Model Recreational Vehicles.** Amends ORS 803.210 to exempt park model recreational vehicles from VIN inspections during title transactions. This change aligns with past practice when DMV formerly titled “manufactured structures.”
- **Sections 33: Out-of-State Class C Knowledge Test Waiver.** Amends ORS 807.072 to allow ODOT to waive knowledge tests for applicants of Class C driver licenses that hold a valid, out-of-state driver license.
- **Sections 33 & 42: Out-of-State Motorcycle Education Courses.** Provides ODOT rulemaking authority to accept out-of-state motorcycle rider education courses for those temporarily located outside Oregon.
- **Section 43: Non-Compliance for Traction Tire or Chain Use.** Creates a presumptive fine of \$880 for failure to use vehicle traction tires or chains.
- **Sections 44 & 45: Short-line Railroad Tax Credit.** Adds *leased* infrastructure as eligible for the short-line railroad tax credit established by HB 2164 (2019).
- **Sections 46-51: Alternative Delivery Methods, Public Hearings, and Expansion of Emerging Small Business Contracting Limit.**

Alternative Delivery Method

Allows an Owner’s Representative to perform Contract Administration and Construction Engineering & Inspection services, as provisions of the public contracting code currently limit the scope of personal services contracts. Amends the trigger for a public hearing prior to solicitation of an alternative delivery contract. ODOT requests an amendment to further clarify these provisions.

Emerging Small Business

Raises the limit on projects funded from ODOT’s Emerging Small Business account from \$100,000 to \$250,000, and transitions the procurement process to an informal competitive approach. ODOT requests an amendment to further clarify these provisions.

- **Sections 52-80: Tolling Program Modernization.** ODOT reaffirms its stated, ongoing commitment to implementing a system-wide tolling program with a dual goal: managing congestion on the state transportation system and generating revenue for future system improvements. ODOT looks forward to ongoing discussion with the Committee and stakeholders on the specific language proposed, and provides the following detail regarding the language reflected in the introduced version:

- Sec 52: modifies definitions applicable to tolling statutes, to reflect current practice and method of toll collection. Importantly, the section removes outdated references to toll booth collections, electronic toll collection systems, and photo enforcement systems. This language is replaced with updated definitions for toll collection and management.
- Sec. 53: modernizes the physical toll infrastructure language and expands the possible considerations for setting a toll rate to include expenses related to indebtedness.
- Sec. 54-57: Toll Program Fund
 - o Replaces the State Tollway Account with the Toll Program Fund, separate and distinct from the General Fund
 - o Allows toll revenue collected by a private tollway operator to be part of the Toll Program Fund.
 - o Expands list of revenue sources available to be placed in the Fund.
 - o Expands the purposed eligible fund expenditures to include development and administration costs of the toll program.
 - o Specifies the Article IX section 3a constitutionality of any applicable revenues transferred into the fund or toll revenue collected.
- Sec. 58: ensures interoperability with other toll programs; eliminates specific and exclusive interoperability reference to the State of Washington in favor of general direction to ensure interoperability.
- Sec. 59: eliminates separate design and contracting standard for projects funded via toll revenue; makes applicable to transportation projects funded with toll revenues existing design and contracting standards; maintains exemption from ad valorem property tax payments facilities funded via toll revenue.
- Sec. 60-61: provides authority and method for enforcement of toll collection, including imposition of civil penalty for failure to pay
- Sec. 62-64: aligns consumer protection/data privacy provisions in tolling statutes with other statutes; identifies allowable entities and use of public information requested; eliminates past requirement to apply for FHWA approval (request submitted Dec 2018)
- Sec. 65-74: provides ODOT statutory authority through State Treasurer to issue revenue bonds backed by the Toll Program Fund; lists the sources of revenue eligible for pledging to debt on toll revenue bonds. These sources include Toll Program Funds but could also include highway funds, federal funds, and other sources. This section also establishes priority of the Toll Program Funds to pay debt service before other expenditures; allows use of federal transportation funds for toll project debt service and project cost; mechanical sections establishing the direction, process, and requirements for ODOT to issue toll revenue bonds, including establishment of reserve accounts; updates bond terminology; allows General Obligation bonds to be used for toll projects
- Secs. 76-80: conforming amendments

Section 16: Traffic Control Devices

ODOT welcomes language clarifying traffic control devices such as flashing yellow beacons by adding new language to ORS 811.260. The language in the bill mirrors the language in the Manual on Uniform Traffic Control Devices (MUTCD) adopted by Oregon Revised Statute and Oregon Administrative Rule for flashing yellow beacons, and for flashing circular yellow signals.

Sections 18-20: Motor Carrier Education Requirements

ODOT shares the goals of modernizing and updating the Motor Carrier education requirements in ORS Chapter 825. ODOT urges the committee's consideration of two items:

- Delayed operative date of January 1, 2022, to allow time for rulemaking and program changes;
- The appropriate entity for revenue collection. Current law places a number of requirements on a third party that collects fees on behalf of state agencies, as well as requirements on those agencies to monitor the entity's compliance. Authorizing the department to collect the fees directly rather than through a third party removes a layer of complexity and streamlines the process.

Section 81: Delegated speed setting authority

Sec. 81 allows ODOT to delegate its statutory authority for speed setting to a city or named county for roads under their jurisdiction. Through the Oregon Administrative Rule process ODOT will establish criteria local jurisdictions must meet in order to receive delegated speed setting authority; for example, local jurisdictions must utilize an accepted methodology, must have necessary engineering staff, and must provide sufficient notice (signage) to alert drivers of changes in speed. Rulemaking will also include accountability and reporting measures. Under this delegated authority model, ODOT will retain the ability to rescind the delegated authority if necessary. These provisions represent months of stakeholder engagement and general consensus regarding this approach; ODOT appreciates the Committee's attention to this issue and is comfortable with the language proposed.

ODOT appreciates the Committee's consideration of the items above, and looks forward to working with the committee and stakeholders on clarifying amendment language for some of the provisions of HB 3055 (particularly provisions around contracting and tolling).

Please reach out with additional questions.