HB 2453-A7 (LC 266) 4/24/13 (ASD/ps)

PROPOSED AMENDMENTS TO A-ENGROSSED HOUSE BILL 2453

1 On <u>page 1</u> of the printed A-engrossed bill, line 2, after "ORS" insert 2 "184.846,".

3 Delete lines 6 through 21 and delete pages 2 through 4.

4 On page 5, delete lines 1 through 6 and insert:

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"DEFINITIONS

8 "SECTION 1. Sections 2 to 15 of this 2013 Act are added to and made
9 a part of ORS chapter 319.

¹⁰ "<u>SECTION 2.</u> As used in sections 2 to 15 of this 2013 Act:

11 "(1) 'Highway' has the meaning given that term in ORS 801.305.

"(2) 'Lessee' means a person that leases a motor vehicle that is re quired to be registered in Oregon.

"(3)(a) 'Mandatory vehicle' means a motor vehicle that has a rating,
 as determined under a method established pursuant to section 6 of this
 2013 Act, of 55 miles per gallon of gasoline or above or 55 miles per
 gallon of gasoline equivalent or above.

18 "(b) 'Mandatory vehicle' does not mean a motor vehicle designed
 19 to travel with fewer than four wheels in contact with the ground.

"(4) 'Motor vehicle' has the meaning given that term in ORS
801.360.

22 "(5) 'Registered owner' means a person, other than a vehicle dealer

that holds a certificate issued under ORS 822.020, that is required to
register a motor vehicle in Oregon.

"(6) 'Subject vehicle' means a mandatory vehicle or a voluntary
vehicle.

"(7)(a) 'Voluntary vehicle' means a motor vehicle that has a rating,
as determined under a method established pursuant to section 6 of this
2013 Act, of less than 55 miles per gallon of gasoline or less than 55
miles per gallon of gasoline equivalent.

9 "(b) 'Voluntary vehicle' does not mean a motor vehicle designed to
10 travel with fewer than four wheels in contact with the ground.

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"ROAD USAGE CHARGES

14 "<u>SECTION 3.</u> (1)(a) Except as provided in paragraph (b) of this 15 subsection, the registered owner of a mandatory vehicle shall pay a 16 per-mile road usage charge for metered use by the mandatory vehicle 17 of the highways in Oregon.

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

"(2) The registered owner or lessee of a voluntary vehicle whose application has been approved pursuant to section 6a of this 2013 Act shall pay the per-mile road usage charge imposed under this section for metered use by the voluntary vehicle of the highways in Oregon.

25 "(3) The per-mile road usage charge is _____ cents per mile.

"SECTION 4. (1) Notwithstanding section 3 of this 2013 Act, in lieu
 of paying a per-mile road usage charge, a registered owner or lessee
 of a mandatory vehicle may pay a flat annual road usage charge for
 use of the highways in Oregon in an amount equal to the product of
 _____ cents multiplied by 35,000 miles.

"(2) For-hire carriers as defined in ORS 825.005 may not opt to pay 1 the flat annual road usage charge. $\mathbf{2}$ 3 **"REVENUE** 4 5 "SECTION 5. Moneys collected from the road usage charges im-6 posed under sections 3 and 4 of this 2013 Act shall be deposited in the 7 State Highway Fund and allocated for distribution as follows: 8 "(1) 50 percent to the Department of Transportation. 9 "(2) 30 percent to counties for distribution as provided in ORS 10 366.762. 11 "(3) 20 percent to cities for distribution as provided in ORS 366.800. 1213 **"ADMINISTRATION** 14 15 "SECTION 6. (1) As used in this section, 'open system' means an 16 integrated system based on common standards and an operating sys-17 tem that has been made public so that components performing the 18 same function can be readily substituted or provided by multiple pro-19 viders. 20"(2)(a) The Department of Transportation, in consultation with the 21Road User Fee Task Force, shall establish the methods for: 22"(A) Identifying the motor vehicles that are mandatory vehicles; 23and 24 "(B) Recording and reporting the number of miles that subject ve-25hicles travel on highways. 26"(b) When taking action under this subsection, the department 27shall consider: 28"(A) The accuracy of the data collected; 29 "(B) Privacy options for persons liable for the per-mile road usage 30 HB 2453-A7 4/24/13

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1 charge;

2 "(C) The security of the technology;

3 "(D) The resistance of the technology to tampering;

4 "(E) The ability to audit compliance; and

5 "(F) Other relevant factors that the department deems important.

6 "(c) The department shall establish at least one method of collect-7 ing and reporting the number of miles traveled by a subject vehicle 8 that does not use vehicle location technology.

9 "(d)(A) The department shall adopt standards for open system
 10 technology used in methods established under this subsection.

"(B) In adopting standards pursuant to this paragraph, the department shall collaborate with agencies of the executive department as defined in ORS 174.112 to integrate information systems currently in use or planned for future use.

"(3) The department shall provide the persons liable for the per-mile
road usage charge the opportunity to select a method from among
multiple options for identifying a mandatory vehicle and for collecting
and reporting the metered use by a subject vehicle of the highways in
Oregon.

"<u>SECTION 6a.</u> (1) A person wishing to pay the per-mile road usage
 charge imposed under section 3 of this 2013 Act for a voluntary vehicle
 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 is the registered owner or lessee of a voluntary
 vehicle;

"(b) The voluntary vehicle is equipped with a method selected pur suant to section 6 of this 2013 Act for collecting and reporting the
 metered use by the voluntary vehicle of the highways in Oregon;

1 "(c) The voluntary vehicle has a gross vehicle weight rating of 2 10,000 pounds or less; and

"(d) Approval does not cause the number of voluntary vehicles active in the road usage charge program on the date of approval to exceed 5,000.

6 "(3) Approval of an application under this section subjects the ap-7 plicant to the requirements of section 10a of this 2013 Act until the 8 person ends the person's voluntary participation in the road usage 9 charge program in the manner required under subsection (4) of this 10 section.

11 "(4) A person may end the person's voluntary participation in the 12 road usage charge program at any time by notifying the department, 13 returning the emblem issued under section 15 of this 2013 Act to the 14 department and paying any outstanding amount of road usage charge 15 for metered use by the person's voluntary vehicle.

16 "<u>SECTION 7.</u> The Department of Transportation shall provide by 17 rule for the collection of the road usage charges imposed under 18 sections 3 and 4 of this 2013 Act, including penalties and interest im-19 posed on delinquent charges.

"<u>SECTION 8.</u> (1) The Department of Transportation shall establish
 by rule reporting periods for the road usage charges imposed under
 sections 3 and 4 of this 2013 Act.

"(2) Reporting periods established under this section may vary ac cording to the facts and circumstances applicable to classes of regis tered owners, lessees and subject vehicles.

"(3) In establishing reporting periods, the department shall con sider:

"(a) The effort required by registered owners or lessees to report
 metered use and to pay the per-mile road usage charge;

30 "(b) The amount of the per-mile road usage charge owed;

"(c) The cost to the registered owner or lessee of reporting metered
use and of paying the per-mile road usage charge;

3 "(d) The administrative cost to the department; and

4 "(e) Other relevant factors that the department deems important.
5 "<u>SECTION 9.</u> (1) As used in this section:

6 "(a) 'Certified service provider' means an entity that has entered 7 into an agreement with the Department of Transportation under ORS 8 367.806 for reporting metered use by a subject vehicle or for adminis-9 trative services related to the collection of per-mile road usage charges 10 and authorized employees of the entity.

"(b) 'Personally identifiable information' means any information that identifies or describes a person, including, but not limited to, the person's travel pattern data, per-mile road usage charge account number, address, telephone number, electronic mail address, driver license or identification card number, registration plate number, photograph, recorded images, bank account information and credit card number.

18 "(c) 'VIN summary report' means a monthly report by the depart-19 ment or a certified service provider that includes a summary of all 20 vehicle identification numbers of subject vehicles and associated total 21 metered use during the month. The report may not include location 22 information.

"(2) Except as provided in subsections (3) and (4) of this section, personally identifiable information used for reporting metered use or for administrative services related to the collection of the per-mile road usage charge imposed under section 3 of this 2013 Act is confidential within the meaning of ORS 192.502 (9)(a) and is a public record exempt from disclosure under ORS 192.410 to 192.505.

"(3)(a) The department, a certified service provider or a contractor
 for a certified service provider may not disclose personally identifiable

information used or developed for reporting metered use by a subject
vehicle or for administrative services related to the collection of permile road usage charges to any person except:

4 "(A) The registered owner or lessee;

"(B) A financial institution, for the purpose of collecting per-mile
 road usage charges owed;

7 "(C) Employees of the department;

8 "(D) A certified service provider;

"(E) A contractor for a certified service provider, but only to the
 extent the contractor provides services directly related to the certified
 service provider's agreement with the department;

"(F) An entity expressly approved to receive the information by the
 registered owner or lessee of the subject vehicle; or

"(G) A police officer pursuant to a valid court order based on probable cause and issued at the request of a federal, state or local law enforcement agency in an authorized criminal investigation involving a person to whom the requested information pertains.

"(b) Disclosure under paragraph (a) of this subsection is limited to
 personally identifiable information necessary to the respective
 recipient's function under sections 2 to 15 of this 2013 Act.

"(4)(a) Not later than 30 days after completion of payment processing, dispute resolution for a single reporting period or a noncompliance investigation, whichever is latest, the department and certified service providers shall destroy records of the location and daily metered use of subject vehicles.

26 "(b) Notwithstanding paragraph (a) of this subsection:

"(A) For purposes of traffic management and research, the depart ment and certified service providers may retain, aggregate and use
 information in the records after removing personally identifiable in formation.

"(B) A certified service provider may retain the records if the registered owner or lessee consents to the retention. Consent under this subparagraph does not entitle the department to obtain or use the records or the information contained in the records.

5 "(C) Monthly summaries of metered use by subject vehicles may be 6 retained in VIN summary reports by the department and certified 7 service providers.

8 "(5) The department, in any agreement with a certified service 9 provider, shall provide for penalties if the certified service provider 10 violates this section.

"SECTION 10. (1) As soon as applicable, a person shall notify the
 Department of Transportation of the following:

"(a) That the person is the registered owner or lessee of a manda tory vehicle; and

"(b)(A) Which method approved by the department under section 6
 of this 2013 Act the person chooses for reporting the metered use by
 the mandatory vehicle of the highways in Oregon; or

"(B) That the person opts to pay the flat annual road usage charge
 computed under section 4 of this 2013 Act.

"(2) On a date determined by the department under section 8 of this
2013 Act, the registered owner or lessee shall:

"(a) Report the metered use by the mandatory vehicle, rounded up
to the next whole mile, and pay to the department the per-mile road
usage charge due under section 3 of this 2013 Act for the reporting
period; or

26 "(b) Pay the flat annual road usage charge computed under section
27 4 of this 2013 Act.

"(3) Unless a registered owner or lessee presents evidence in a
 manner approved by the department by rule that the mandatory ve hicle has been driven outside this state, the department shall assume

that all metered use reported represents miles driven by the mandatory vehicle on the highways in Oregon.

SECTION 10a. (1) On a date determined by the Department of Transportation under section 8 of this 2013 Act, the registered owner or lessee of a voluntary vehicle that is the subject of an application approved under section 6a of this 2013 Act shall report the metered use by the voluntary vehicle, rounded up to the next whole mile, and pay to the department the per-mile road usage charge due under section 3 of this 2013 Act for the reporting period.

"(2) The registered owner or lessee of a voluntary vehicle may not
 pay the flat annual road usage charge computed under section 4 of this
 2013 Act in lieu of the per-mile road usage charge.

"(3) Unless a registered owner or lessee presents evidence in a manner approved by the department by rule that the voluntary vehicle has been driven outside this state, the department shall assume that all metered use reported represents miles driven by the voluntary vehicle on the highways in Oregon.".

18 On page 16, after line 5, insert:

¹⁹ "SECTION 27a. ORS 184.846 is amended to read:

20 "184.846. (1) The Department of Transportation may develop one or more 21 pilot programs to test alternatives to the current system of taxing highway 22 use through motor vehicle fuel taxes. Pilot programs may include, but need 23 not be limited to, programs testing technology and methods for:

24 "(a) Identifying vehicles;

"(b) Collecting and reporting the number of miles traveled by a particularvehicle; and

²⁷ "(c) Receiving payments from participants in pilot projects.

"(2) Technology and methods tested under subsection (1) of this section
shall be tested for:

30 "(a) Reliability;

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1 "(b) Ease of use;

2 "(c) Public acceptance;

3 "(d) Cost of implementation and administration; and

4 "(e) Potential for evasion of accurate reporting.

5 "(3) The department may solicit volunteers for participation in pilot pro-6 grams developed under this section. A participant must:

"(a) Report the participant's use of the highway system in Oregon as required by the program;

9 "(b) Pay the fee established for the program for use of the highway sys-10 tem; and

11 "(c) Display in the participant's vehicle an emblem issued under sub-12 section (6) of this section.

"(4) The department shall establish a fee for each pilot program the department undertakes. The fee shall be a highway use fee and shall be paid by each participant in the program. The program may be designed so that the fee is imposed in lieu of any tax on motor vehicle fuel imposed under ORS 319.020 or any tax on the use of fuel in a vehicle under ORS 319.530 that would otherwise be paid by the participant.

"(5) If a person who participates in a pilot program under this section pays the motor vehicle fuel tax under ORS 319.020, the department may refund the taxes paid.

"(6) The department shall issue an emblem for each vehicle that will be used by a participant as part of a pilot program under this section. A seller of fuel for use in a motor vehicle may not collect the tax that would otherwise be due under ORS 319.530 from a person operating a vehicle for which an emblem has been issued under this subsection.

"(7) If a person participating in a pilot program under this section ends the person's participation in the program prior to termination of the program, the person shall pay to the department any amount of the highway use fee established for the program under subsection (4) of this section that the person has not yet paid. The person shall return to the department any
 emblem issued to the person under subsection (6) of this section.

"(8) The department may terminate a pilot program at any time and may terminate participation by any particular person at any time. When a program is terminated or a person's participation is terminated by the department, the department shall collect any unpaid highway use fees established for the program under subsection (4) of this section.

8 "(9) The department may adopt any rules the department deems necessary 9 for the implementation of this section, including but not limited to rules 10 establishing methods of collecting highway use fees from program partic-11 ipants and rules establishing reporting requirements for participants.

"(10) The department may compensate participants in pilot programs es tablished under this section.

"(11) In designing, implementing and evaluating pilot programs under this
 section, the department shall consider the recommendations of the task force
 created by ORS 184.843.

"(12) The department may evaluate, and facilitate the development
 of, pilot programs under this section to be designed, implemented and
 evaluated by local governments.".

20 In line 15, after "5," insert "6a,".

In line 24, before "15" insert "6, 7 to 10, 11 to".

After line 29, insert:

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"MULTIJURISDICTIONAL AGREEMENTS

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<u>"SECTION 32.</u> The Department of Transportation may enter into
 agreements with other state departments of transportation, the federal
 government and Canadian provinces for the purposes of:

"(1) Conducting joint research relating to road usage charges and
 development programs on a multistate basis;

"(2) Furthering the development and operation of single state or
 multistate road usage charge pilot programs;

"(3) Sharing costs incurred in conducting the research described in
subsection (1) of this section; and

5 "(4) Developing a program for stakeholder outreach and communi-6 cations with respect to road usage charges.

"SECTION 33. For the biennium beginning July 1, 2013, expenditures by the Department of Transportation from funds received from
other states, the federal government, Canadian provinces or the government of Canada for the purposes described in section 32 of this 2013
Act are not limited.".

In line 33, delete "32" and insert "34".

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