HB 2453-A10 (LC 266) 5/6/13 (ASD/ps)

PROPOSED AMENDMENTS TO A-ENGROSSED HOUSE BILL 2453

| 1 | On page 1 of the printed A-engrossed bill, line 2, after "ORS" delete the |
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| 2 | rest of the line and insert "184.846, 305.410, 319.280, 319.550,". |
| 3 | Delete lines 6 through 21 and delete pages 2 through 16 and insert: |
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| 5 | "DEFINITIONS |
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| 7 | "SECTION 1. Sections 2 to 14 of this 2013 Act are added to and made |
| 8 | a part of ORS chapter 319. |
| 9 | "SECTION 2. As used in sections 2 to 14 of this 2013 Act: |
| 10 | "(1) 'Highway' has the meaning given that term in ORS 801.305. |
| 11 | "(2) 'Lessee' means a person that leases a motor vehicle that is re- |
| 12 | quired to be registered in Oregon. |

"(3) 'Mandatory vehicle' means a motor vehicle of a model year of 2015 or later 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.

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- 18 "(4)(a) 'Motor vehicle' has the meaning given that term in ORS 19 801.360.
- 20 "(b) Notwithstanding paragraph (a) of this subsection, 'motor vehi-21 cle' does not mean:
 - "(A) A motor vehicle designed to travel with fewer than four wheels

- in contact with the ground.
- "(B) A motor vehicle subject to the weight-mile tax imposed under ORS 825.474.
- "(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.
- 7 "(6) 'Subject vehicle' means a mandatory vehicle or a voluntary 8 vehicle.
 - "(7) '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.

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"ROAD USAGE CHARGES

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- "SECTION 3. (1)(a) Except as provided in paragraph (b) of this subsection, the registered owner of a mandatory vehicle shall pay a per-mile road usage charge for metered use by the mandatory vehicle 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.
 - "(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

| 1 | use of the highways in Oregon in an amount equal to the product of |
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| 2 | cents multiplied by 35,000 miles. |
| 3 | "(2) For-hire carriers as defined in ORS 825.005 may not opt to pay |
| 4 | the flat annual road usage charge. |
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| 6 | "REVENUE |
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| 8 | "SECTION 5. Moneys collected from the road usage charges im- |
| 9 | posed under sections 3 and 4 of this 2013 Act shall be deposited in the |
| 10 | State Highway Fund and allocated for distribution as follows: |
| 11 | "(1) 50 percent to the Department of Transportation. |
| 12 | "(2) 30 percent to counties for distribution as provided in ORS |
| 13 | 366.762. |
| 14 | "(3) 20 percent to cities for distribution as provided in ORS 366.800. |
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| 16 | "ADMINISTRATION |
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| 18 | "SECTION 6. (1) As used in this section, 'open system' means an |
| 19 | integrated system based on common standards and an operating sys- |
| 20 | tem that has been made public so that components performing the |
| 21 | same function can be readily substituted or provided by multiple pro- |
| 22 | viders. |
| 23 | "(2)(a) The Department of Transportation, in consultation with the |
| 24 | Road User Fee Task Force, shall establish the methods for: |
| 25 | "(A) Identifying the motor vehicles that are mandatory vehicles; |
| 26 | and |
| 27 | "(B) Recording and reporting the number of miles that subject ve- |
| 28 | hicles travel on highways. |
| 29 | "(b) When taking action under this subsection, the department |
| 30 | shall consider: |

- "(A) The accuracy of the data collected;
- "(B) Privacy options for persons liable for the per-mile road usage charge;
- 4 "(C) The security of the technology;

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- 5 "(D) The resistance of the technology to tampering;
- 6 "(E) The ability to audit compliance; and
- 7 "(F) Other relevant factors that the department deems important.
- "(c) The department shall establish at least one method of collecting and reporting the number of miles traveled by a subject vehicle that does not use vehicle location technology.
 - "(d)(A) The department shall adopt standards for open system 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.
 - "SECTION 6a. (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.
- 26 "(2) The department shall approve a valid and complete application 27 submitted under this section if:
- 28 "(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;
- 3 "(c) The voluntary vehicle has a gross vehicle weight rating of 4 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.
- "(3) Approval of an application under this section subjects the applicant to the requirements of section 10a of this 2013 Act until the person ends the person's voluntary participation in the road usage charge program in the manner required under subsection (4) of this section.
 - "(4) A person may end the person's voluntary participation in the road usage charge program at any time by notifying the department and paying any outstanding amount of road usage charge for metered use by the person's voluntary vehicle.
 - "SECTION 7. The Department of Transportation shall provide by rule for the collection of the road usage charges imposed under sections 3 and 4 of this 2013 Act, including penalties and interest imposed on delinquent charges.
- "SECTION 8. (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 according to the facts and circumstances applicable to classes of registered owners, lessees and subject vehicles.
- 27 "(3) In establishing reporting periods, the department shall con-28 sider:
- "(a) The effort required by registered owners or lessees to report
 metered use and to pay the per-mile road usage charge;

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- "(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;
- 4 "(d) The administrative cost to the department; and
- 5 "(e) Other relevant factors that the department deems important.
- 6 "SECTION 9. (1) As used in this section:

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- "(a) 'Certified service provider' means an entity that has entered into an agreement with the Department of Transportation under ORS 367.806 for reporting metered use by a subject vehicle or for administrative services related to the collection of per-mile road usage charges 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.
 - "(c) 'VIN summary report' means a monthly report by the department or a certified service provider that includes a summary of all vehicle identification numbers of subject vehicles and associated total metered use during the month. The report may not include location 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

- 1 for a certified service provider may not disclose personally identifiable
- 2 information used or developed for reporting metered use by a subject
- 3 vehicle or for administrative services related to the collection of per-
- 4 mile road usage charges to any person except:
- 5 "(A) The registered owner or lessee;
- "(B) A financial institution, for the purpose of collecting per-mile road usage charges owed;
- 8 "(C) Employees of the department;
- 9 "(D) A certified service provider;

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- "(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 14 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.
 - "(b) Notwithstanding paragraph (a) of this subsection:
- "(A) For purposes of traffic management and research, the department and certified service providers may retain, aggregate and use information in the records after removing personally identifiable in-

- 1 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.
- "(C) Monthly summaries of metered use by subject vehicles may be retained in VIN summary reports by the department and certified service providers.
- "(5) The department, in any agreement with a certified service provider, shall provide for penalties if the certified service provider violates this section.
- "SECTION 10. (1) As soon as applicable, a person shall notify the
 Department of Transportation of the following:
- 14 "(a) That the person is the registered owner or lessee of a manda-15 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
- 19 "(B) That the person opts to pay the flat annual road usage charge 20 computed under section 4 of this 2013 Act.
- "(2) On a date determined by the department under section 8 of this
 22 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
- 27 "(b) Pay the flat annual road usage charge computed under section 28 4 of this 2013 Act.
- 29 "(3) Unless a registered owner or lessee presents evidence in a 30 manner approved by the department by rule that the mandatory ve-

hicle has been driven outside this state, the department shall assume 1 that all metered use reported represents miles driven by the manda-2 tory vehicle on the highways in Oregon. 3

"SECTION 10a. (1) On a date determined by the Department of 4 Transportation under section 8 of this 2013 Act, the registered owner or lessee of a voluntary vehicle that is the subject of an application 6 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 8 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.

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"REFUNDS AND EXEMPTIONS

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- "SECTION 11. (1) The Department of Transportation shall provide a refund to a registered owner or lessee that has overpaid the per-mile road usage charge imposed under section 3 of this 2013 Act.
- "(2) The department may provide by rule that the refund under this section be granted as a credit against future per-mile road usage charges incurred by the registered owner or lessee.
- "SECTION 12. (1) A registered owner or lessee that has paid the per-mile road usage charge imposed under section 3 of this 2013 Act may apply to the Department of Transportation for a refund for me-

- tered use of a road, thoroughfare or property in private ownership.
- "(2) An application for a refund under this section must be submitted to the department within 15 months after the date on which the per-mile road usage charge for which a refund is claimed is paid.
- "(3) The application required under this section shall be in a form prescribed by the department by rule and must include a signed statement by the applicant indicating the number of miles for which the refund is claimed.
 - "(4) The department may require the applicant for a refund under this section to furnish any information the department considers necessary for processing the application.
 - "SECTION 13. (1) The Department of Transportation may investigate a refund application submitted under section 12 of this 2013 Act and gather and compile such information related to the application as the department considers necessary to safeguard the state and prevent fraudulent practices in connection with tax refunds and tax evasion.
 - "(2) The department may, in order to establish the validity of an application, examine the relevant records of the applicant for such purposes.
 - "(3) If an applicant does not permit the department to examine the relevant records, the applicant waives all rights to the refund to which the application relates.
 - "SECTION 14. (1) A person may not intentionally make a false statement in a report or refund application or when supplying other information required under section 10, 10a or 12 of this 2013 Act.
 - "(2) A person may not intentionally apply for, receive or attempt to receive a refund under section 11 or 12 of this 2013 Act to which the person is not entitled.
 - "(3) A person may not intentionally aid or assist another person to

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- violate any provision of section 10, 10a, 11 or 12 of this 2013 Act.
- "(4) A person who violates any provision of this section commits a Class A violation.
- 4 **"SECTION 15.** ORS 319.550 is amended to read:
- 5 "319.550. (1) Except as provided in this section, a person may not use
- 6 fuel in a motor vehicle in this state unless the person holds a valid user's
- 7 license.[, except that:]
- 8 "[(1)] (2) A nonresident may use fuel in a motor vehicle not registered in
- 9 Oregon for a period not exceeding 30 days without obtaining a user's license
- or the emblem [provided in] issued under ORS 319.600, if, for all fuel used
- in a motor vehicle in this state, the nonresident pays to a seller, at the time
- of the sale, the tax provided in ORS 319.530.
- "[(2)] (3) A user's license is not required for a person who uses fuel in a
- motor vehicle with a combined weight of 26,000 pounds or less if, for all fuel
- used in a motor vehicle in this state, the person pays to a seller, at the time
- of the sale, the tax provided in ORS 319.530.
- "[(3)] (4)(a) A user's license is not required for a person who uses fuel
- as described in ORS 319.520 (7) in the vehicles specified in [subsection (4) of
- 19 this section] this subsection if the person pays to a seller, at the time of the
- sale, the tax provided in ORS 319.530.
- "[(4)] (b) [Subsection (3) of this section] Paragraph (a) of this subsection
- 22 applies to the following vehicles:
- "(a)] (A) Motor homes as defined in ORS 801.350.
- "(b)] (B) Recreational vehicles as defined in ORS 446.003.
- 25 "(5) A user's license is not required for a person who uses fuel in
- 26 a motor vehicle metered use by which is subject to the per-mile road
- 27 usage charge imposed under section 3 of this 2013 Act.
- 28 "SECTION 16. ORS 319.831 is amended to read:
- "319.831. (1) If a user obtains fuel for use in a motor vehicle in this state
- and pays the use fuel tax on the fuel obtained, the user may apply for a re-

- 1 fund of that part of the use fuel tax paid which is applicable to use of the
- 2 fuel to propel a motor vehicle:
- 3 "(a) In another state, if the user pays to the other state an additional tax
- 4 on the same fuel;
- 5 "(b) Upon any road, thoroughfare or property in private ownership;
- 6 "(c) Upon any road, thoroughfare or property, other than a state highway,
- 7 county road or city street, for the removal of forest products, as defined in
- 8 ORS 321.005, or the products of such forest products converted to a form
- 9 other than logs at or near the harvesting site, or for the construction or
- maintenance of the road, thoroughfare or property, pursuant to a written
- agreement or permit authorizing the use, construction or maintenance of the
- 12 road, thoroughfare or property, with or by:
- "(A) An agency of the United States;
- "(B) The State Board of Forestry;
- "(C) The State Forester; or
- "(D) A licensee of an agency named in subparagraph (A), (B) or (C) of this paragraph;
- "(d) By an agency of the United States or of this state or of any county,
- 19 city or port of this state on any road, thoroughfare or property, other than
- 20 a state highway, county road or city street;
 - "(e) By any incorporated city or town of this state;
- 22 "(f) By any county of this state or by any road assessment district formed
- 23 under ORS 371.405 to 371.535;

- "(g) Upon any county road for the removal of forest products as defined
- 25 in ORS 321.005, or the products of such forest products converted to a form
- other than logs at or near the harvesting site, if:
- 27 "(A) Such use upon the county road is pursuant to a written agreement
- entered into with, or to a permit issued by, the State Board of Forestry, the
- 29 State Forester or an agency of the United States, authorizing such user to
- 30 use such road and requiring such user to pay for or to perform the con-

- 1 struction or maintenance of the county road;
- 2 "(B) The board, officer or agency that entered into the agreement or 3 granted the permit, by contract with the county court or board of county
- 4 commissioners, has assumed the responsibility for the construction or main-
- 5 tenance of such county road; and
- 6 "(C) Copies of the agreements or permits required by subparagraphs (A)
- and (B) of this paragraph are filed with the Department of Transportation;

 (h) By a school district or education service district of this state or the
- 10 cles being used to transport students;

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"(i) By a rural fire protection district organized under the provisions of ORS chapter 478;

contractors of a school district or education service district, for those vehi-

- "(j) By any district, as defined in ORS chapter 198, that is not otherwise specifically provided for in this section; or
 - "(k) By any state agency, as defined in ORS 240.855.
- "(L) In metered use subject to the per-mile road usage charge imposed under section 3 of this 2013 Act if the user has paid the charge.
- "(2) An application for a refund under subsection (1) of this section shall be filed with the department within 15 months after the date the use fuel tax, for which a refund is claimed, is paid.
- "(3) The application for a refund provided by subsection (1) of this section shall include a signed statement by the applicant indicating the amount of fuel for which a refund is claimed, and the way in which the fuel was used which qualifies the applicant for a refund. If the fuel upon which the refund is claimed was obtained from a seller to whom the use fuel tax was paid, the application shall be supported by the invoices which cover the purchase of the fuel. If the applicant paid the use fuel tax directly to the department, the applicant shall indicate the source of the fuel and the date it was obtained.
- 29 "(4) The department may require any person who applies for a refund 30 provided by subsection (1) of this section to furnish a statement, under oath,

- giving the person's occupation, description of the machines or equipment in which the fuel was used, the place where used and such other information as the department may require.
- "(5)(a) The department may provide by rule that a refund under subsection (1)(L) of this section be granted as a credit against future per-mile road usage charges incurred by the user under section 3 of this 2013 Act.
 - "(b)(A) The department may provide by rule for refund thresholds that are met by aggregating refund amounts or by estimating use fuel tax refunds by vehicle type, at the option of the user applying for the refund.
 - "(B) If the user applying for the refund opts for an estimated refund based on vehicle type, the requirement under subsection (3) of this section that a refund application must be supported by the invoices covering the purchase of the fuel does not apply.
 - "SECTION 17. ORS 319.280 is amended to read:

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- "319.280. (1) Any person who has paid any tax on motor vehicle fuel levied or directed to be paid by ORS 319.010 to 319.430 either directly by the collection of the tax by the vendor from the consumer, or indirectly by adding the amount of the tax to the price of the fuel and paid by the consumer, shall be reimbursed and repaid the amount of such tax paid, except as provided in ORS 319.290 to 319.330, if such person has:
- "(a) Purchased and used such fuel for the purpose of operating or propelling a stationary gas engine, a tractor or a motor boat, if the motor boat is used for commercial purposes at any time during the period for which the refund is claimed;
- "(b) Purchased and used such fuel for cleaning or dyeing or other commercial use, except when used in motor vehicles operated upon any highway;
- "(c) Purchased and exported such fuel from this state, in containers other than fuel supply tanks of motor vehicles, provided that the person:

- "(A) Exports the motor vehicle fuel from this state to another state, territory or country, not including a federally recognized Indian reservation located wholly or partially within the borders of this state, where the motor vehicle fuel is unloaded; and
- "(B) Has a valid motor vehicle fuel dealer's license or its equivalent issued by the state, territory or country to which the fuel is exported and where it is unloaded;
 - "(d) Purchased and exported such fuel in the fuel supply tank of a motor vehicle and has used such fuel to operate the vehicle upon the highways of another state, if the user has paid to the other state a similar motor vehicle fuel tax on the same fuel, or has paid any other highway use tax the rate for which is increased because such fuel was not purchased in, and the tax thereon paid, to such state; [or]
 - "(e) Purchased and used such fuel for small engines that are not used to propel motor vehicles on highways, including but not limited to those that power lawn mowers, leaf blowers, chain saws and similar implements[.]; or
 - "(f) Purchased and used such fuel for operating a motor vehicle the metered use of which is subject to the per-mile road usage charge imposed under section 3 of this 2013 Act, if the person has paid the charge.
 - "(2) When a motor vehicle with auxiliary equipment uses fuel and there is no auxiliary motor for such equipment or separate tank for such a motor, a refund may be claimed and allowed as provided by subsection [(4)] (5) of this section, except as otherwise provided by this subsection, without the necessity of furnishing proof of the amount of fuel used in the operation of the auxiliary equipment. The person claiming the refund may present to the Department of Transportation a statement of the claim and be allowed a refund as follows:
- "(a) For fuel used in pumping aircraft fuel, motor vehicle fuel, fuel or heating oils or other petroleum products by a power take-off unit on a de-

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- livery truck, refund shall be allowed claimant for tax paid on fuel purchased at the rate of three-fourths of one gallon for each 1,000 gallons of petroleum products delivered.
- "(b) For fuel used in operating a power take-off unit on a cement mixer truck or on a garbage truck, claimant shall be allowed a refund of 25 percent of the tax paid on all fuel used in such a truck.
 - "(3) When a person purchases and uses motor vehicle fuel in a vehicle equipped with a power take-off unit, a refund may be claimed for fuel used to operate the power take-off unit provided the vehicle is equipped with a metering device approved by the department and designed to operate only while the vehicle is stationary and the parking brake is engaged; the quantity of fuel measured by the metering device shall be presumed to be the quantity of fuel consumed by the operation of the power take-off unit.
 - "(4)(a) The department may provide by rule that a refund under subsection (1)(f) of this section be granted as a credit against future per-mile road usage charges incurred by the person under section 3 of this 2013 Act.
 - "(b)(A) The department may provide by rule for refund thresholds that are met by aggregating refund amounts or by estimating motor vehicle fuel tax refunds by vehicle type, at the option of the person claiming the refund.
 - "(B) If the person claiming the refund opts for an estimated refund based on vehicle type, the requirement under subsection (5) of this section that the person claiming the refund must present original invoices or reasonable facsimiles showing motor vehicle fuel purchases does not apply.
- "[(4)] (5) Before any such refund may be granted, the person claiming such refund must present to the department a statement, accompanied by the original invoices, or reasonable facsimiles approved by the department, showing such purchases; provided that in lieu of original invoices or fac-

similes, refunds submitted under subsection (1)(d) of this section shall be 1 accompanied by information showing source of the fuel used and evidence 2 of payment of tax to the state in which the fuel was used. The statement 3 shall be made over the signature of the claimant, and shall state the total 4 amount of such fuel for which the claimant is entitled to be reimbursed un-5 der subsection (1) of this section. The department upon the presentation of 6 the statement and invoices or facsimiles, or other required documents, shall 7 cause to be repaid to the claimant from the taxes collected on motor vehicle 8 fuel such taxes so paid by the claimant. 9

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"PENALTIES

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"SECTION 18. Section 19 of this 2013 Act is added to and made a part of the Oregon Vehicle Code.

"SECTION 19. (1) A person commits the offense of tampering with a vehicle metering system if the person:

- "(a) With the intent to defraud, operates a motor vehicle that is subject to the per-mile road usage charge imposed under section 3 of this 2013 Act on a highway knowing that the vehicle metering system is disconnected or nonfunctional.
- "(b) Replaces, disconnects or resets the vehicle metering system of a motor vehicle that is subject to the per-mile road usage charge imposed under section 3 of this 2013 Act with the intent of reducing the metered use recorded by the vehicle metering system.
- "(2) This section does not apply to a person who is servicing, repairing or replacing a vehicle metering system.
- "(3) As used in this section, 'vehicle metering system' means a system used to record the metered use by a motor vehicle for the purpose of complying with the reporting requirements under sections 10 and 10a of this 2013 Act.

"(4) Tampering with a vehicle metering system is a Class A traffic violation.

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"CONFORMING AMENDMENTS

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- "SECTION 20. ORS 366.505 is amended to read:
- 7 "366.505. (1) The State Highway Fund shall consist of:
- "(a) All moneys and revenues derived under and by virtue of the sale of bonds, the sale of which is authorized by law and the proceeds thereof to be dedicated to highway purposes.
 - "(b) All moneys and revenues accruing from the licensing of motor vehicles, operators and chauffeurs.
 - "(c) Moneys and revenues derived from any tax levied upon gasoline, distillate, liberty fuel or other volatile and inflammable liquid fuels, except moneys and revenues described in ORS 184.642 (2)(a) that become part of the Department of Transportation Operating Fund.
 - "(d) Moneys and revenues derived from the road usage charges imposed under sections 3 and 4 of this 2013 Act.
 - "[(d)] (e) Moneys and revenues derived from or made available by the federal government for road construction, maintenance or betterment purposes.
 - "[(e)] (f) All moneys and revenues received from all other sources which by law are allocated or dedicated for highway purposes.
- "(2) The **State** Highway Fund shall be deemed and held as a trust fund, separate and distinct from the General Fund, and may be used only for the purposes authorized by law and is continually appropriated for such purposes.
- "(3) Moneys in the State Highway Fund may be invested as provided in ORS 293.701 to 293.820. All interest earnings on any of the funds designated in subsection (1) of this section shall be placed to the credit of the highway

- fund. 1
- **"SECTION 21.** ORS 367.802 is amended to read: 2
- "367.802. As used in ORS 367.800 to 367.824: 3
- "(1) 'Agreement' means a written agreement, including but not limited to 4
- a contract, for a transportation project that is entered into under ORS 5
- 367.806. 6

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- "(2) 'Private entity' means any entity that is not a unit of government, 7
- including but not limited to a corporation, partnership, company, nonprofit 8
- organization or other legal entity or a natural person. 9
- "(3) 'Transportation project' or 'project' means any proposed or existing 10 undertaking that facilitates: 11
 - "(a) Any mode of transportation in this state [or that facilitates];
- "(b) The collection of taxes and fees as an alternative to the motor ve-13 hicle fuel taxes imposed under ORS 319.020 and 319.530[.]; or 14
 - "(c) The collection of the per-mile road usage charge imposed under section 3 of this 2013 Act.
- "(4) 'Unit of government' means any department or agency of the federal 17 government, any state or any agency, office or department of a state, any city, county, district, commission, authority, entity, port or other public 19 corporation organized and existing under statutory law or under a voter-20 approved charter and any intergovernmental entity created under ORS 21 190.003 to 190.130, 190.410 to 190.440 or 190.480 to 190.490. 22
 - "SECTION 22. ORS 367.804 is amended to read:
- "367.804. (1) The Department of Transportation shall establish the Oregon 24 Innovative Partnerships Program for the planning, acquisition, financing, 25 development, design, construction, reconstruction, replacement, improvement, 26 maintenance, management, repair, leasing and operation of transportation 27
- projects. 28
- "(2) The goals of the Oregon Innovative Partnerships Program are to: 29
- "(a) Develop an expedited project delivery process; 30

- 1 "(b) Maximize innovation; and
- 2 "(c) Develop partnerships with private entities and units of government.
- 3 "(3) As part of the program established under this section[,]:
- 4 **"(a)** The department may:

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- 5 "[(a)] (A) Solicit concepts or proposals for transportation projects from 6 private entities and units of government.
- "[(b)] (B) Accept unsolicited concepts or proposals for transportation
 projects from private entities and units of government.
- "[(c)] (C) Evaluate the concepts or proposals received under this subsection and select potential projects based on the concepts or proposals. The evaluation under this [paragraph] subparagraph shall include consultation with any appropriate local government, metropolitan planning organization or area commission on transportation.
 - "[(d)] (**D**) Charge an administrative fee for the evaluation in an amount determined by the department.
 - "(b) The department shall enter into agreements to undertake transportation projects described in ORS 367.806 (2).
 - "(4) Following an evaluation by the department of concepts or proposals [submitted] the department receives under subsection (3)(a) of this section, and the selection of potential transportation projects, the department may negotiate and enter into the agreements described in ORS 367.806 for implementing the selected transportation projects.
 - "(5) Except as provided in subsection (6) of this section:
- "(a) Information related to a transportation project proposed under ORS 367.800 to 367.824, including but not limited to the project's design, management, financing and other details, is exempt from disclosure under ORS 192.410 to 192.505 until:
- "(A) The department shares the information with a local government, metropolitan planning organization or area commission on transportation under subsection [(3)(c)] (3)(a)(C) of this section; or

- "(B) The department completes its evaluation of the proposed project and has selected the proposal for negotiation of an agreement.
- "(b) After the department has either shared the information described in paragraph (a) of this subsection with a local government, metropolitan planning organization or area commission on transportation, or has completed its evaluation of the proposed project, the information is subject to disclosure under ORS 192.410 to 192.505.
- "(6) Sensitive business, commercial or financial information that is not customarily provided to business competitors that is submitted to the department in connection with a transportation project under ORS 367.800 to 367.824 is exempt from disclosure under ORS 192.410 to 192.505 until the information is submitted to the Oregon Transportation Commission in connection with its review and approval of the transportation project under ORS 367.806.
 - "(7) The department may, in connection with the evaluation of concepts or proposals for transportation projects, consider any financing mechanisms, including but not limited to the imposition and collection of franchise fees or user fees and the development or use of other revenue sources.
 - "(8) The department and any other unit of government may expend, out of any funds available for the purpose, such moneys as may be necessary for the evaluation of concepts or proposals for transportation projects and for negotiating agreements for transportation projects under ORS 367.806. The department or other unit of government may employ engineers, consultants or other experts the department or other unit of government determines are needed for the purposes of doing the evaluation and negotiation. Expenses incurred by the department or other unit of government under this subsection prior to the issuance of transportation project revenue bonds or other financing shall be paid by the department or other unit of government, as applicable, and charged to the appropriate transportation project. The department or other unit of government shall keep records and accounts

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- showing each amount so charged. Upon the sale of transportation project
- 2 revenue bonds or upon obtaining other financing for any transportation
- 3 project, the funds expended by the department or other unit of government
- 4 under this subsection in connection with the project shall be repaid to the
- 5 department or the unit of government from the proceeds of the bonds or
- 6 other financing, as allowed by applicable law.
 - **"SECTION 23.** ORS 367.806 is amended to read:
- 8 "367.806. (1) As part of the **Oregon Innovative Partnerships** Program
- 9 established under ORS 367.804, the Department of Transportation may:
- "(a) Enter into any agreement or any configuration of agreements relating
- to transportation projects with any private entity or unit of government or
- 12 any configuration of private entities and units of government. The subject
- of agreements entered into under this section may include, but need not be
- 14 limited to, planning, acquisition, financing, development, design, con-
- struction, reconstruction, replacement, improvement, maintenance, manage-
- ment, repair, leasing and operation of transportation projects.
- 17 "(b) Include in any agreement entered into under this section any fi
 - nancing mechanisms, including but not limited to the imposition and col-
- 19 lection of franchise fees or user fees and the development or use of other
- 20 revenue sources.

- "(2) As part of the Oregon Innovative Partnerships Program estab-
- 22 lished under ORS 367.804, the department shall enter into agreements
- 23 to undertake transportation projects the subjects of which include the
- 24 application of technology standards to determine whether to certify
- 25 technology, the collection of metered use data, tax processing and ac-
- 26 count management, as these subjects relate to the operation of a road
- usage charge system pursuant to sections 2 to 14 of this 2013 Act.
- "[(2)] (3) The agreements among the public and private sector partners
- 29 entered into under this section must specify at least the following:
- "(a) At what point in the transportation project public and private sector

- 1 partners will enter the project and which partners will assume responsibility
- 2 for specific project elements;

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- 3 "(b) How the partners will share management of the risks of the project;
- 4 "(c) How the partners will share the costs of development of the project;
- 5 "(d) How the partners will allocate financial responsibility for cost over-6 runs;
- 7 "(e) The penalties for nonperformance;
- 8 "(f) The incentives for performance;
- 9 "(g) The accounting and auditing standards to be used to evaluate work 10 on the project; and
 - "(h) Whether the project is consistent with the plan developed by the Oregon Transportation Commission under ORS 184.618 and any applicable regional transportation plans or local transportation system programs and, if not consistent, how and when the project will become consistent with applicable plans and programs.
 - "[(3)] (4) The department may, either separately or in combination with any other unit of government, enter into working agreements, coordination agreements or similar implementation agreements to carry out the joint implementation of any transportation project selected under ORS 367.804.
 - "[(4)] (5) Except for ORS 383.015, 383.017 (1), (2), (3) and (5) and 383.019, the provisions of ORS 383.003 to 383.075 apply to any tollway project entered into under ORS 367.800 to 367.824.
 - "[(5)] (6) The provisions of ORS 279.835 to 279.855 and ORS chapters 279A, 279B and 279C do not apply to concepts or proposals submitted under ORS 367.804, or to agreements entered into under this section, except that if public moneys are used to pay any costs of construction of public works that is part of a project, the provisions of ORS 279C.800 to 279C.870 apply to the public works. In addition, if public moneys are used to pay any costs of construction of public works that is part of a project, the construction contract for the public works must contain provisions that require the payment

- of workers under the contract in accordance with ORS 279C.540 and 279C.800 to 279C.870.
- "[(6)(a)] (7)(a) The department may not enter into an agreement under this section until the agreement is reviewed and approved by the Oregon Transportation Commission.
- "(b) The department may not enter into, and the commission may not approve, an agreement under this section for the construction of a public improvement as part of a transportation project unless the agreement provides for bonding, financial guarantees, deposits or the posting of other security to secure the payment of laborers, subcontractors and suppliers who perform work or provide materials as part of the project.
 - "(c) Before presenting an agreement to the commission for approval under this subsection, the department must consider whether to implement procedures to promote competition among subcontractors for any subcontracts to be let in connection with the transportation project. As part of its request for approval of the agreement, the department shall report in writing to the commission its conclusions regarding the appropriateness of implementing such procedures.
 - "[(7)(a)] (8)(a) Except as provided in paragraph (b) of this subsection, documents, communications and information developed, exchanged or compiled in the course of negotiating an agreement with a private entity under this section are exempt from disclosure under ORS 192.410 to 192.505.
 - "(b) The documents, communications or information described in paragraph (a) of this subsection are subject to disclosure under ORS 192.410 to 192.505 when the documents, communications or information are submitted to the commission in connection with its review and approval of a transportation project under subsection [(6)] (7) of this section.
- "[(8)] (9) The terms of a final agreement entered into under this section and the terms of a proposed agreement presented to the commission for review and approval under subsection [(6)] (7) of this section are subject to

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- 1 disclosure under ORS 192.410 to 192.505.
- 2 "[(9)] (10) As used in this section:

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- 3 "(a) 'Public improvement' has the meaning given that term in ORS 4 279A.010.
- 5 "(b) 'Public works' has the meaning given that term in ORS 279C.800.
- **"SECTION 24.** ORS 803.350 is amended to read:
- "803.350. [This section establishes the requirements for qualification for registration.] The Department of Transportation [shall] may not issue registration to a vehicle if the requirements under this section are not met. The department, in the absence of just cause for refusing to register a vehicle upon application, shall assign a distinctive number or other distinctive means of identification and shall issue registration for a vehicle if all of the following requirements are met:
 - "(1) The applicant applies for and is granted title in the applicant's name at the same time the person makes application for registration, or presents satisfactory evidence that title covering the vehicle has been previously issued to the applicant.
 - "(2) The applicant completes an application described under ORS 803.370. If the vehicle is a reconstructed or assembled vehicle or a replica, the person must indicate that fact in the application or be subject to ORS 803.225.
 - "(3) The applicant pays the department the registration fee established under ORS 803.420 and any applicable fees for issuance of registration plates.
 - "(4) For motor vehicles, proof of compliance with pollution control equipment requirements is provided to the department. Proof required to comply with this subsection is described under ORS 815.310. This subsection does not apply if the vehicle is exempt from the requirements for proof of compliance under ORS 815.300.
- "(5) The applicant is domiciled in this state, as described in ORS 803.355, if required by ORS 803.360 to be domiciled in the state in order to register a vehicle. If the department has reason to believe that the applicant is not

- domiciled in this state and is required to be in order to register a vehicle,
- 2 the department may require the person to submit proof of domicile. The de-
- 3 partment shall determine by rule what constitutes proof of domicile.
- 4 "(6) The applicant owns a vehicle that qualifies under ORS 803.360 (2) for
- 5 registration in this state, if the owner is not domiciled in this state and is
- 6 not required by ORS 803.200, or any other provision of law, to register the
- 7 vehicle in this state.
- 8 "(7) The applicant surrenders all evidence of any former registration or
- 9 title as required by ORS 803.380.
- "(8)(a) Beginning with 2009 model year new motor vehicles, the applicant
- 11 provides proof of compliance with low emission motor vehicle standards
- adopted pursuant to ORS 468A.360. The department shall determine by rule
- what constitutes proof of compliance with low emission motor vehicle stan-
- 14 dards.

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- 15 "(b) The department shall determine by rule which new motor vehicles
- 16 are exempt from the requirements of this subsection. Any rules adopted
- 17 pursuant to this paragraph shall be consistent with the Environmental
- 18 Quality Commission standards adopted pursuant to ORS 468A.360.
- "(c) For purposes of this subsection, 'new motor vehicle' means a motor
- vehicle with 7,500 miles or less on the odometer when the vehicle is initially
- 21 registered under ORS 803.420 (1), 805.100 or 805.120.
 - "(9) If required to do so by the department, the applicant provides the
 - department with satisfactory proof that the vehicle was designed to be op-
 - erated on highways and meets equipment requirements imposed by statute
 - or rule for the lawful operation of a vehicle on highways. The department
- 26 may adopt rules specifying the kinds of vehicles that are subject to this
- 27 subsection and what constitutes satisfactory proof under this subsection.
 - "(10) If applicable, the applicant provides proof that the applicant
- 29 has notified the department, pursuant to section 8 or 10 of this 2013
 - Act, that metered use by the vehicle is subject to the per-mile road

- usage charge imposed under section 3 of this 2013 Act. The department
- 2 shall determine by rule what constitutes proof of notification.
- **"SECTION 25.** ORS 305.410 is amended to read:
- "305.410. (1) Subject only to the provisions of ORS 305.445 relating to ju-
- 5 dicial review by the Supreme Court and to subsection (2) of this section, the
- 6 tax court shall be the sole, exclusive and final judicial authority for the
- 7 hearing and determination of all questions of law and fact arising under the
- 8 tax laws of this state. For the purposes of this section, and except to the
- 9 extent that they preclude the imposition of other taxes, the following are not
- 10 tax laws of this state:
- "(a) ORS chapter 577 relating to Oregon Beef Council contributions.
- 12 "(b) ORS 576.051 to 576.455 relating to commodity commission assess-13 ments.
- "(c) ORS chapter 477 relating to fire protection assessments.
- "(d) ORS chapters 731, 732, 733, 734, 737, 742, 743, 743A, 744, 746, 748 and
- 16 750 relating to insurance company fees and taxes.
- "(e) ORS chapter 473 relating to liquor taxes.
- 18 "(f) ORS chapter 583 relating to milk marketing, production or distrib-19 ution fees.
- 20 "(g) ORS chapter 825 relating to motor carrier taxes.
- 21 "(h) ORS chapter 319 relating to motor vehicle and aircraft fuel taxes and
- the road usage charges imposed under sections 3 and 4 of this 2013
- 23 Act.
- "(i) ORS title 59 relating to motor vehicle and motor vehicle operators'
- 25 license fees and ORS title 39 relating to boat licenses.
- 26 "(j) ORS chapter 578 relating to Oregon Wheat Commission assessments.
- 27 "(k) ORS chapter 462 relating to racing taxes.
- 28 "(L) ORS chapter 657 relating to unemployment insurance taxes.
- 29 "(m) ORS chapter 656 relating to workers' compensation contributions,
- 30 assessments or fees.

- "(n) ORS 311.420, 311.425, 311.455, 311.650, 311.655 and ORS chapter 312 relating to foreclosure of real and personal property tax liens.
- 3 "(o) Sections 15 to 22, 24 and 29, chapter 736, Oregon Laws 2003, relating to long term care facility assessments.
- 5 "(2) The tax court and the circuit courts shall have concurrent jurisdic-6 tion to try actions or suits to determine:
- 7 "(a) The priority of property tax liens in relation to other liens.
- "(b) The validity of any deed, conveyance, transfer or assignment of real or personal property under ORS 95.060 and 95.070 (1983 Replacement Part) or 95.200 to 95.310 where the Department of Revenue has or claims a lien or other interest in the property.
- "(3) Subject only to the provisions of ORS 305.445 relating to judicial review by the Supreme Court, the tax court shall be the sole, exclusive and final judicial authority for the hearing and determination of all questions of law and fact concerning the authorized uses of the proceeds of bonded indebtedness described in section 11 (11)(d), Article XI of the Oregon Constitution.
- "(4) Except as permitted under section 2, amended Article VII, Oregon Constitution, this section and ORS 305.445, no person shall contest, in any action, suit or proceeding in the circuit court or any other court, any matter within the jurisdiction of the tax court.
 - **"SECTION 25a.** ORS 184.846 is amended to read:
 - "184.846. (1) The Department of Transportation may develop one or more pilot programs to test alternatives to the current system of taxing highway use through motor vehicle fuel taxes. Pilot programs may include, but need not be limited to, programs testing technology and methods for:
 - "(a) Identifying vehicles;

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- 28 "(b) Collecting and reporting the number of miles traveled by a particular 29 vehicle; and
 - "(c) Receiving payments from participants in pilot projects.

- "(2) Technology and methods tested under subsection (1) of this section shall be tested for:
- 3 "(a) Reliability;
- 4 "(b) Ease of use;

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- 5 "(c) Public acceptance;
- 6 "(d) Cost of implementation and administration; and
- 7 "(e) Potential for evasion of accurate reporting.
- 8 "(3) The department may solicit volunteers for participation in pilot pro-9 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;
- 12 "(b) Pay the fee established for the program for use of the highway sys-13 tem; and
- 14 "(c) Display in the participant's vehicle an emblem issued under sub-15 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.
- 30 "(7) If a person participating in a pilot program under this section ends

- 1 the person's participation in the program prior to termination of the pro-
- 2 gram, the person shall pay to the department any amount of the highway use
- 3 fee established for the program under subsection (4) of this section that the
- 4 person has not yet paid. The person shall return to the department any
- 5 emblem issued to the person under subsection (6) of this section.
- 6 "(8) The department may terminate a pilot program at any time and may
- 7 terminate participation by any particular person at any time. When a pro-
- 8 gram is terminated or a person's participation is terminated by the depart-
- 9 ment, the department shall collect any unpaid highway use fees established
- 10 for the program under subsection (4) of this section.
 - "(9) The department may adopt any rules the department deems necessary
- 12 for the implementation of this section, including but not limited to rules
- 13 establishing methods of collecting highway use fees from program partic-
- 14 ipants and rules establishing reporting requirements for participants.
 - "(10) The department may compensate participants in pilot programs es-
- 16 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
- 19 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
- 22 evaluated by local governments.

"TECHNICAL PROVISIONS

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"SECTION 26. (1) Not later than April 1, 2014, the Department of Transportation shall prepare plans and specifications necessary to

comply with the amendments to ORS 367.802, 367.804 and 367.806 by

- sections 21 to 23 of this 2013 Act.
 - "(2) Not later than October 1, 2014, the department shall begin im-

plementing the agreements entered into pursuant to the amendments to ORS 367.802, 367.804 and 367.806 by sections 21 to 23 of this 2013 Act.

"SECTION 27. (1) Sections 3 to 5, 6a, 10 to 14 and 19 of this 2013 Act and the amendments to ORS 319.280, 319.550, 319.831, 366.505 and 803.350 by sections 15 to 17, 20 and 24 of this 2013 Act become operative on July 1, 2015.

"(2) The Department of Transportation may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the department to exercise, on and after the operative date specified in subsection (1) of this section, all the duties, functions and powers conferred on the department by sections 2 to 14 and 19 of this 2013 Act and the amendments to ORS 319.280, 319.550, 319.831, 366.505 and 803.350 by sections 15 to 17, 20 and 24 of this 2013 Act.

"SECTION 28. The unit captions used in this 2013 Act are provided only for the convenience 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 2013 Act.

"MULTIJURISDICTIONAL AGREEMENTS

- "SECTION 29. 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

| 1 | "(4) Developing a program for stakeholder outreach and communi- |
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| 2 | cations with respect to road usage charges. |
| 3 | "SECTION 30. For the biennium beginning July 1, 2013, expendi- |
| 4 | tures by the Department of Transportation from funds received from |
| 5 | other states, the federal government, Canadian provinces or the gov |
| 6 | ernment of Canada for the purposes described in section 29 of this 2013 |
| 7 | Act are not limited. |
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| 9 | "EFFECTIVE DATE |
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| 11 | "SECTION 31. This 2013 Act takes effect on the 91st day after the |
| 12 | date on which the 2013 regular session of the Seventy-seventh Legis- |
| 13 | lative Assembly adjourns sine die.". |
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