

HB 2025-11
(LC 4777)
6/13/25 (HE/ps)

Requested by Senator GORSEK

**PROPOSED AMENDMENTS TO
HOUSE BILL 2025**

1 On page 1 of the printed bill, line 2, after “184.642,” insert “185.642,”.

2 In line 6, after “366.805,” insert “367.091,”.

3 In line 7, after “367.095,” insert “468.469, 468.498,”.

4 On page 37, delete lines 25 through 45.

5 On page 38, delete lines 1 through 28 and insert:

6 **“SECTION 59.** ORS 320.405 is amended to read:

7 “320.405. (1) A tax is imposed on each vehicle dealer for the privilege of
8 engaging in the business of selling taxable motor vehicles at retail in this
9 state.

10 “(2)(a) The privilege tax shall be computed [*at the rate of 0.5 percent of*]
11 **on the retail sales price of the taxable motor vehicle at the following rates:**

12 **“(A) One percent if the retail sales price of the vehicle is less than**
13 **\$75,000.**

14 **“(B) Four percent if the retail sales price of the vehicle is \$75,000**
15 **or more.**

16 **“(b)** The tax may be rounded to the nearest whole cent.

17 **“[(b)] (c)** The privilege tax becomes due upon the sale at retail of a tax-
18 able motor vehicle that:

19 **“(A)** Has never been registered in this state; or

20 **“(B)** Has been registered only to a vehicle dealer for use as a demon-
21 strator in the course of the vehicle dealer’s business.

1 “(3)(a) A vehicle dealer may collect the amount of the privilege tax com-
2 puted on the retail sales price of a taxable motor vehicle from the purchaser
3 of the taxable motor vehicle.

4 “(b) Notwithstanding paragraph (a) of this subsection, the purchaser of
5 a taxable motor vehicle from whom the privilege tax is collected is not con-
6 sidered a taxpayer for purposes of the privilege tax imposed under this sec-
7 tion.

8 **“SECTION 60.** ORS 320.410 is amended to read:

9 “320.410. (1) A use tax is imposed on the storage, use or other consump-
10 tion in this state of taxable motor vehicles purchased at retail from any
11 seller.

12 “(2) The use tax shall be computed [*at the rate of 0.5 percent of*] **on** the
13 retail sales price of the taxable motor vehicle **at the following rates:**

14 **“(a) One percent if the retail sales price of the vehicle is less than**
15 **\$75,000.**

16 **“(b) Four percent if the retail sales price of the vehicle is \$75,000**
17 **or more.**

18 “(3) The use tax is a liability of the purchaser of the taxable motor ve-
19 hicle.

20 “(4) The use tax shall be reduced, but not below zero, by the amount of
21 any privilege, excise, sales or use tax imposed by any jurisdiction on the sale,
22 or on the storage, use or other consumption, of the taxable motor vehicle.
23 The reduction under this subsection shall be made only upon a showing by
24 the purchaser that a privilege, excise, sales or use tax has been paid.

25 “(5) The amount of the use tax shall be separately stated on an invoice,
26 receipt or other similar document that the seller provides to the purchaser
27 or shall be otherwise disclosed to the purchaser.

28 “(6) A purchaser’s liability for the use tax is satisfied by a valid receipt
29 given to the purchaser under ORS 320.420 by the seller of the taxable motor
30 vehicle.

1 **“SECTION 60a.** ORS 320.435 is amended to read:

2 “320.435. (1) The Department of Revenue shall deposit all revenue col-
3 lected from the privilege tax imposed under ORS 320.405 and the use tax
4 imposed under ORS 320.410 in a suspense account established under ORS
5 293.445 for the purpose of receiving the revenue. The department may pay
6 expenses for the administration and enforcement of the privilege and use
7 taxes out of moneys received from the privilege and use taxes. Amounts
8 necessary to pay administrative and enforcement expenses are continuously
9 appropriated to the department from the suspense account.

10 “(2) After payment of administrative and enforcement expenses under
11 subsection (1) of this section and refunds or credits arising from erroneous
12 overpayments, the department shall transfer the balance of the moneys re-
13 ceived from the privilege and use taxes as follows:

14 “(a) Moneys attributable to the privilege tax **under ORS 320.405**
15 **(2)(a)(A)** shall be transferred as follows:

16 **“(A) Fifty percent of the gross amount of moneys shall be trans-**
17 **ferred annually to the Railroad Fund established under ORS 824.014;**
18 **and**

19 **“(B) Of the remaining 50 percent:**

20 “~~[(A)]~~ (i) The greater of \$12 million or 45 percent [*of the gross amount*]
21 of the moneys received [*from the privilege tax*] shall be transferred annually
22 to the Zero-Emission Incentive Fund established under ORS 468.449.

23 “~~[(B)]~~ (ii) After the transfer required under [*subparagraph (A) of this*
24 *paragraph*] **sub-subparagraph (i) of this subparagraph**, the balance of the
25 moneys shall be transferred to the Connect Oregon Fund established under
26 ORS 367.080.

27 **“(b) Moneys attributable to the privilege tax under ORS 320.405**
28 **(2)(a)(B) shall be transferred as follows:**

29 **“(A) Thirty-three percent shall be transferred to the Multimodal**
30 **Active Transportation Fund established under ORS 367.091;**

1 **“(B) Thirty-seven percent shall be transferred to the Zero-Emission**
2 **Medium- and Heavy-Duty Vehicle Incentive Fund established under**
3 **ORS 468.469;**

4 **“(C) Fifteen percent shall be transferred to the Medium- and**
5 **Heavy-Duty Electrification Charging Fund established under ORS**
6 **468.498;**

7 **“(D) Ten percent shall be transferred to the Department of Trans-**
8 **portation Operating Fund established under ORS 184.642 for the pur-**
9 **pose of providing rebates for the installation of electric vehicle**
10 **charging stations under the department’s community charging rebates**
11 **program; and**

12 **“(E) Five percent shall be transferred to the Electric Bicycle In-**
13 **centive Fund established under section 60c of this 2025 Act.**

14 **“[(b)] (c) Moneys attributable to the use tax shall be transferred to the**
15 **State Highway Fund.**

16 **“SECTION 60b. (1) As used in this section:**

17 **“(a) ‘Medical assistance’ has the meaning given that term in ORS**
18 **414.025.**

19 **“(b) ‘Qualifying electric bicycle’ means an electric assisted bicycle,**
20 **as defined in ORS 801.258, that meets criteria established by the De-**
21 **partment of Human Services by rule.**

22 **“(c) ‘Qualifying equipment’ means a bicycle helmet or a bicycle lock**
23 **purchased in the same transaction as a qualifying electric bicycle.**

24 **“(d) ‘Qualifying individual’ means an Oregon resident who:**

25 **“(A) Is 16 years of age or older; and**

26 **“(B) Is currently enrolled in the state program that provides med-**
27 **ical assistance or who has been enrolled in the program within the**
28 **previous 12 months.**

29 **“(2) The Department of Human Services shall establish by rule a**
30 **program for providing rebate vouchers to qualifying individuals for the**

1 purchase of qualifying electric bicycles and qualifying equipment.
2 Rules adopted by the department must include policies and procedures
3 for reimbursement of retailers that accept a rebate voucher as pay-
4 ment for a qualifying electric bicycle and qualifying equipment. The
5 department may hire or contract with a third-party organization to
6 implement and serve as the administrator of the program.

7 “(3) Rebate vouchers under the program shall be:

8 “(a) In the amount of \$1,200 or the purchase price of the qualifying
9 electric bicycle and any qualifying equipment, whichever is less.

10 “(b) Made only for qualifying electric bicycles and qualifying
11 equipment purchased from a retailer located in Oregon.

12 “(c) Made from moneys credited to or deposited in the Electric Bi-
13 cycle Incentive Fund established under section 60c of this 2025 Act.

14 “(4) A qualifying individual may not receive more than one rebate
15 voucher under the program.

16 “(5) The department shall coordinate with the Oregon Health Au-
17 thority to ensure that a qualifying individual may apply for a rebate
18 voucher using the Oregon Eligibility (ONE) system.

19 “SECTION 60c. (1) The Electric Bicycle Incentive Fund is estab-
20 lished in the State Treasury, separate and distinct from the General
21 Fund. Interest earned by the Electric Bicycle Incentive Fund shall be
22 credited to the fund.

23 “(2) Moneys in the fund shall consist of:

24 “(a) Moneys transferred to the fund under ORS 320.435;

25 “(b) Amounts donated to the fund;

26 “(c) Amounts appropriated or otherwise transferred to the fund by
27 the Legislative Assembly;

28 “(d) Other amounts deposited in the fund from any public or private
29 source; and

30 “(e) Interest earned by the fund.

1 **“(3) Moneys in the fund are continuously appropriated to the De-**
2 **partment of Human Services to be used to carry out the provisions of**
3 **section 60b of this 2025 Act.**

4 **“(4) No more than 10 percent of the moneys deposited in the fund**
5 **per biennium may be expended to pay administrative expenses in-**
6 **curred in the administration of section 60b of this 2025 Act by:**

7 **“(a) The department; and**

8 **“(b) Any third-party organization that the department hires or**
9 **contracts with under section 60b of this 2025 Act.**

10 **“SECTION 60d.** ORS 367.091 is amended to read:

11 **“367.091. (1) As used in this section and ORS 367.093:**

12 **“(a) ‘Private entity’ means any entity that is not a public body, including**
13 **but not limited to a corporation, partnership, company, nonprofit organiza-**
14 **tion or other legal entity or natural person.**

15 **“(b) ‘Public body’ has the meaning given that term in ORS 174.109.**

16 **“(c) ‘Transportation project’ means a project or undertaking for bicycle**
17 **and pedestrian capital infrastructure, including bridges, paths and ways. A**
18 **transportation project does not include costs associated with operating ex-**
19 **penses or the purchase of bicycles.**

20 **“(2) The Multimodal Active Transportation Fund is established in the**
21 **State Treasury, separate and distinct from the General Fund. Earnings on**
22 **moneys in the Multimodal Active Transportation Fund shall be deposited**
23 **into the fund. Moneys in the fund are continuously appropriated to the De-**
24 **partment of Transportation for the purposes described in subsection (3) of**
25 **this section and in ORS 367.093. The fund consists of the following:**

26 **“(a) Moneys transferred to the fund under ORS 320.440.**

27 **“(b) Moneys transferred to the fund under ORS 367.081.**

28 **“(c) Moneys transferred to the fund under ORS 320.435.**

29 **“[(c)] (d) Moneys appropriated to the fund by the Legislative Assembly.**

30 **“[(d)] (e) Earnings on moneys in the fund.**

1 “[(e)] (f) Moneys from any other source.

2 “(3) The department shall use moneys in the fund to award grants for
3 bicycle and pedestrian transportation projects as provided in ORS 367.093.

4 **“SECTION 60e.** ORS 468.469 is amended to read:

5 “468.469. (1) The Zero-Emission Medium and Heavy Duty Vehicle Incen-
6 tive Fund is established in the State Treasury, separate and distinct from the
7 General Fund. Interest earned by the Zero-Emission Medium and Heavy Duty
8 Vehicle Incentive Fund shall be credited to the fund.

9 “(2) Moneys in the Zero-Emission Medium and Heavy Duty Vehicle In-
10 centive Fund shall consist of:

11 “(a) Amounts donated to the fund;

12 **“(b) Moneys transferred to the fund under ORS 320.435;**

13 “[(b)] (c) Amounts appropriated or otherwise transferred to the fund by
14 the Legislative Assembly;

15 “[(c)] (d) Other amounts deposited in the fund from any public or private
16 source; and

17 “[(d)] (e) Interest earned by the fund.

18 “(3) Moneys in the Zero-Emission Medium and Heavy Duty Vehicle In-
19 centive Fund are continuously appropriated to the Department of Environ-
20 mental Quality to be used to carry out the provisions of ORS 468.463.

21 “(4) No more than 15 percent of the moneys deposited in the Zero-
22 Emission Medium and Heavy Duty Vehicle Incentive Fund per biennium may
23 be expended to pay administrative expenses incurred in the administration
24 of ORS 468.463 by:

25 “(a) The department; or

26 “(b) Any third-party organization that the department hires or contracts
27 with under ORS 468.463.

28 “(5)(a) The Environmental Quality Commission shall require by rule that
29 at least 40 percent of the moneys deposited in the fund per biennium are
30 allocated to fund the provision of rebates for vehicles located in communities

disproportionately burdened by diesel pollution, as described in ORS 468.463 (7)(c).

“(b) Notwithstanding paragraph (a) of this subsection, if the department determines that the total amount of rebates provided to applicants eligible for the rebate described in ORS 468.463 (7)(c) is unlikely to exceed 40 percent of the total amount of moneys deposited in the fund during a biennium, the department may release moneys allocated under paragraph (a) of this subsection to be used for the provision of any rebate under ORS 468.463.

“SECTION 60f. ORS 468.498 is amended to read:

“468.498. (1) The Medium and Heavy-Duty Electrification Charging Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Medium and Heavy-Duty Electrification Charging Fund must be credited to the Medium and Heavy-Duty Electrification Charging Fund.

“(2) Moneys in the Medium and Heavy-Duty Electrification Charging Fund consist of:

“(a) Moneys transferred to the fund under ORS 320.435;

“(b) Amounts donated to the fund[,];

“(c) Amounts appropriated or otherwise transferred to the fund by the Legislative Assembly[,];

“(d) Any other amounts deposited to the fund from any public or private source; and

“(e) Interest earned by the fund.

“(3) Moneys in the Medium and Heavy-Duty Electrification Charging Fund are continuously appropriated to the Department of Environmental Quality for a grant program to support medium and heavy-duty zero emission vehicle charging and fueling infrastructure projects authorized under ORS 468.035.

“(4) Not more than 10 percent of the moneys in the Medium and Heavy-Duty Electrification Charging Fund in each biennium may be expended to

1 pay the department's expenses, or the expenses of any other person the de-
2 partment hires or with which the department contracts, to administer the
3 grant program.

4 **"SECTION 60g.** ORS 184.642 is amended to read:

5 "184.642. (1) The Department of Transportation Operating Fund is estab-
6 lished in the State Treasury separate and distinct from the General Fund and
7 separate and distinct from the State Highway Fund. Except as otherwise
8 provided in subsection (3)(e) of this section, moneys in the Department of
9 Transportation Operating Fund are continuously appropriated to the De-
10 partment of Transportation to pay expenses of the department that are in-
11 curred in the performance of functions the department is statutorily required
12 or authorized to perform and that may not constitutionally be paid from
13 revenues described in section 3a, Article IX of the Oregon Constitution.

14 "(2) The operating fund shall consist of the following:

15 "(a) Taxes paid on motor vehicle fuels or on the use of fuel in a motor
16 vehicle for which a person is entitled to a refund under a provision described
17 in this paragraph but for which no refund is claimed, in amounts determined
18 under ORS 184.643. This paragraph applies to refund entitlements described
19 in ORS 319.280 (1)(a) and (e), 319.320 (1)(a) and 319.831 (1)(b).

20 "(b) Fees collected under ORS 822.700 for issuance or renewal of:

21 "(A) Dismantler certificates;

22 "(B) Vehicle dealer certificates;

23 "(C) Show licenses;

24 "(D) Vehicle transporter certificates;

25 "(E) Driver training instructor certificates;

26 "(F) Commercial driver training school certificates; and

27 "(G) Vehicle appraiser certificates.

28 "(c) Late fees collected under ORS 822.700.

29 "(d) Fees collected under ORS 822.705.

30 "(e) Moneys from civil penalties imposed under ORS 822.009.

1 “(f) Fees collected under ORS 807.410 for identification cards.

2 “(g) Fees collected by the department for issuance of permits to engage
3 in activities described in ORS 374.302 to 374.334 that are not directly con-
4 nected to the construction, reconstruction, improvement, repair, mainte-
5 nance, operation and use of a public highway, road, street or roadside rest
6 area.

7 “(h) Fees collected under ORS 835.017 for services provided to the Oregon
8 Department of Aviation.

9 “(i) **Amounts transferred to the operating fund under ORS 320.435.**

10 “[i)] (j) Interest and other earnings on moneys in the operating fund.

11 “(3) Moneys in the Department of Transportation Operating Fund estab-
12 lished by subsections (1) and (2) of this section may be spent only as follows:

13 “(a) Taxes described in subsection (2)(a) of this section may be used only
14 for payment of expenses of the Department of Transportation that:

15 “(A) May not constitutionally be paid from revenues described in section
16 3a, Article IX of the Oregon Constitution;

17 “(B) Are incurred in the performance of functions the department is
18 statutorily required or authorized to perform; and

19 “(C) Are not payable from moneys described in paragraphs (b) to (e) of
20 this subsection.

21 “(b) Fees collected under subsection (2)(b) of this section may be used
22 only to carry out the regulatory functions of the department relating to the
23 businesses that generate the fees.

24 “(c) Fees collected under ORS 822.705 may be used only for the purposes
25 described in ORS 822.705.

26 “(d) Moneys collected from civil penalties imposed under ORS 822.009 may
27 be used only for regulation of vehicle dealers.

28 “(e) Moneys collected under ORS 807.410 from fees for identification cards
29 shall be used first to pay the expenses of the department for performing the
30 functions of the department relating to identification cards. After paying the

1 expenses related to identification cards, the department shall transfer the
2 remaining moneys collected under ORS 807.410 to the Statewide Transporta-
3 tion Improvement Fund established in ORS 184.751.

4 “(f) Moneys from the permits described in subsection (2)(g) of this section
5 may be used for costs of issuing the permits and monitoring the activities
6 that generate the fees.

7 “(g) Moneys transferred from ORS 320.435 may only be used for the
8 purpose of providing rebates for the installation of electric vehicle
9 charging stations under the department’s community charging rebates
10 program.

11 “[g)] (h) Moneys from interest and other earnings on moneys in the op-
12 erating fund may be used for any purpose for which other moneys in the fund
13 may be used.”.

14 In line 29, delete “60b” and insert “60h”.

15 On page 60, line 23, after “tax” insert “other than the privilege use
16 tax”.

17 In line 26, after “tax” insert “other than the privilege use tax”.

18 Delete lines 33 through 45.

19 On page 61, delete lines 1 through 20 and insert:

20 “**SECTION 86.** ORS 320.405, as amended by section 59 of this 2025 Act,
21 is amended to read:

22 “320.405. (1) A tax is imposed on each vehicle dealer for the privilege of
23 engaging in the business of selling [*taxable motor*] **privilege tax** vehicles at
24 retail in this state.

25 “(2)(a) The privilege tax shall be computed on the retail sales price of the
26 [*taxable motor*] **privilege tax** vehicle at the following rates:

27 “(A) One percent if the retail sales price of the vehicle is less than
28 \$75,000.

29 “(B) Four percent if the retail sales price of the vehicle is \$75,000 or more.

30 “(b) The tax may be rounded to the nearest whole cent.

1 “(c) The privilege tax becomes due upon the sale at retail of a [*taxable*
2 *motor*] **privilege tax** vehicle that:

3 “(A) Has never been registered in this state; or

4 “(B) Has been registered only to a vehicle dealer for use as a demon-
5 strator in the course of the vehicle dealer’s business.

6 “(3)(a) A vehicle dealer may collect the amount of the privilege tax com-
7 puted on the retail sales price of a [*taxable motor*] **privilege tax** vehicle from
8 the purchaser of the [*taxable motor*] **privilege tax** vehicle.

9 “(b) Notwithstanding paragraph (a) of this subsection, the purchaser of
10 a [*taxable motor*] **privilege tax** vehicle from whom the privilege tax is col-
11 lected is not considered a taxpayer for purposes of the privilege tax imposed
12 under this section.

13 **“SECTION 87.** ORS 320.410, as amended by section 60 of this 2025 Act,
14 is amended to read:

15 “320.410. (1) A use tax is imposed on the storage, use or other consump-
16 tion in this state of [*taxable motor*] **privilege tax** vehicles purchased at retail
17 from any seller.

18 “(2) The use tax shall be computed on the retail sales price of the [*taxable*
19 *motor*] **privilege tax** vehicle at the following rates:

20 “(a) One percent if the retail sales price of the vehicle is less than \$75,000.

21 “(b) Four percent if the retail sales price of the vehicle is \$75,000 or more.

22 “(3) The use tax is a liability of the purchaser of the [*taxable motor*]
23 **privilege tax** vehicle.

24 “(4) The use tax shall be reduced, but not below zero, by the amount of
25 any privilege, excise, sales, **transfer** or use tax **other than the transfer**
26 **use tax** imposed by any jurisdiction on the sale, or on the storage, use or
27 other consumption, of the [*taxable motor*] **privilege tax** vehicle. The re-
28 duction under this subsection shall be made only upon a showing by the
29 purchaser that a privilege, excise, sales, **transfer** or use tax **other than the**
30 **transfer use tax** has been paid.

1 “[*(5) The amount of the use tax shall be separately stated on an invoice,*
2 *receipt or other similar document that the seller provides to the purchaser or*
3 *shall be otherwise disclosed to the purchaser.*]

4 “[*(6) A purchaser’s liability for the use tax is satisfied by a valid receipt*
5 *given to the purchaser under ORS 320.420 by the seller of the taxable motor*
6 *vehicle.*]

7 **“(5) The use tax shall be collected by the Department of Transpor-**
8 **tation from the purchaser of the privilege tax vehicle in accordance**
9 **with ORS 803.045.”.**

10 On page 63, delete lines 14 through 33 and insert:

11 **“SECTION 92.** ORS 320.435, as amended by section 60a of this 2025 Act,
12 is amended to read:

13 “320.435. (1) The Department of Revenue shall deposit all revenue col-
14 lected from the privilege tax [*imposed under ORS 320.405 and the use tax*
15 *imposed under ORS 320.410*] in a suspense account established under ORS
16 293.445 for the purpose of receiving the revenue. The department may pay
17 expenses for the administration and enforcement of the privilege **tax** [*and*
18 *use taxes*] out of moneys received from the privilege **tax** [*and use taxes*].
19 Amounts necessary to pay administrative and enforcement expenses are
20 continuously appropriated to the department from the suspense account.

21 “(2) After payment of administrative and enforcement expenses under
22 subsection (1) of this section and refunds or credits arising from erroneous
23 overpayments, the department shall transfer the balance of the moneys re-
24 ceived from the privilege **tax** [*and use taxes*] as follows:

25 “(a) Moneys attributable to the privilege tax under ORS 320.405 (2)(a)(A)
26 shall be transferred as follows:

27 “(A) Fifty percent of the gross amount of moneys tax shall be transferred
28 annually to the Railroad Fund established under ORS 824.014; and

29 “(B) Of the remaining 50 percent:

30 “(i) The greater of \$12 million or 45 percent of the moneys received shall

1 be transferred annually to the Zero-Emission Incentive Fund established un-
2 der ORS 468.449.

3 “(ii) After the transfer required under sub-subparagraph (i) of this sub-
4 paragraph, the balance of the moneys shall be transferred to the Connect
5 Oregon Fund established under ORS 367.080.

6 “(b) Moneys attributable to the privilege tax under ORS 320.405 (2)(a)(B)
7 shall be transferred as follows:

8 “(A) Thirty-three percent shall be transferred to the Multimodal Active
9 Transportation Fund established under ORS 367.091;

10 “(B) Thirty-seven percent shall be transferred to the Zero-Emission Me-
11 dium- and Heavy-Duty Vehicle Incentive Fund established under ORS
12 468.469;

13 “(C) Fifteen percent shall be transferred to the Medium- and Heavy-Duty
14 Electrification Charging Fund established under ORS 468.498;

15 “(D) Ten percent shall be transferred to the Department of Transportation
16 Operating Fund established under ORS 184.642 for the purpose of providing
17 rebates for the installation of electric vehicle charging stations under the
18 department’s community charging rebates program; and

19 “(E) Five percent shall be transferred to the Electric Bicycle Incentive
20 Fund established under section 60c of this 2025 Act.

21 “[*(c) Moneys attributable to the use tax shall be transferred to the State*
22 *Highway Fund.*]”.

23
