

Requested by Representative FAHEY

**PROPOSED AMENDMENTS TO  
A-ENGROSSED HOUSE BILL 2025**

On page 1 of the printed A-engrossed bill, line 2, after “ORS” delete the rest of the line and delete lines 3 through 11.

On page 2, delete lines 1 through 4 and insert “171.861, 184.620, 184.621, 184.623, 184.642, 184.665, 184.740, 184.751, 295.103, 317A.100, 319.010, 319.020, 319.023, 319.245, 319.390, 319.410, 319.520, 319.530, 319.550, 319.665, 319.700, 319.883, 319.885, 319.910, 319.915, 319.920, 319.925, 319.930, 319.940, 320.400, 320.405, 320.410, 320.435, 320.445, 320.460, 320.465, 320.470, 320.475, 320.480, 320.550, 366.215, 366.505, 366.506, 366.772, 366.805, 367.091, 367.095, 801.041, 801.042, 802.348, 803.045, 803.065, 803.090, 803.092, 803.420, 803.422, 803.445, 803.645, 810.530, 815.425, 818.225, 818.400, 821.320, 822.043, 823.012, 823.023, 823.027, 823.085, 824.014, 825.005, 825.104, 825.141, 825.250, 825.326, 825.450, 825.474, 825.476, 825.480, 825.492, 825.555 and 825.990 and section 18, chapter 30, Oregon Laws 2010, section 6, chapter 491, Oregon Laws 2019, and sections 1 and 3, chapter 323, Oregon Laws 2023; repealing ORS 319.890, 803.091 and 825.486 and section 45, chapter 750, Oregon Laws 2017, section 2, chapter 428, Oregon Laws 2019, and sections 6 and 7, chapter 323, Oregon Laws 2023; and providing for revenue raising that requires approval by a three-fifths majority.”.

Delete lines 6 through 45 and delete pages 3 through 99 and insert:

**“ACCOUNTABILITY**

1       **“SECTION 1. (1) As used in this section, ‘performance audit’ has**  
2       **the meaning given that term in ORS 297.070.**

3       **“(2) The Division of Audits shall conduct a biennial performance**  
4       **audit of the Department of Transportation relating to the following:**

5       **“(a) The responsible use of moneys in the State Highway Fund; and**

6       **“(b) Capital projects carried out by the department.**

7       **“(3) The Division of Audits shall present the results of the audits**  
8       **described in subsection (2) of this section to an appropriate standing**  
9       **or interim committee of the Legislative Assembly.**

10       **“SECTION 1a.** ORS 184.620 is amended to read:

11       **“184.620. (1) The Department of Transportation shall be under the super-**  
12       **vision of a Director of Transportation who shall be appointed by and shall**  
13       **hold office at the pleasure of the Governor.** *[The Oregon Transportation*  
14       *Commission shall appoint the director, after consultation with the Governor.*  
15       *The director serves at the pleasure of the commission.]*

16       **“(2) The appointment of the director shall be subject to confirmation by**  
17       **the Senate in the manner provided in ORS 184.623.**

18       **“(3) The director may appoint:**

19       **“(a) Deputy directors with full authority to act for the director, but sub-**  
20       **ject to the director’s control. The appointment of a deputy director shall be**  
21       **by written order filed with the Secretary of State. A deputy director shall**  
22       **be in the unclassified services for purposes of the State Personnel Relations**  
23       **Law.**

24       **“(b) All subordinate officers and employees of the department and may**  
25       **prescribe their duties, assignments and reassignments and fix their compen-**  
26       **sation, subject to any applicable provisions of the State Personnel Relations**  
27       **Law.**

28       **“(4) Subject to the approval of the [commission] Oregon Transportation**  
29       **Commission, the director may organize and reorganize the department as**  
30       **the director considers necessary to properly conduct the work of the de-**

1 partment. As directed by the chairperson of the commission, the director  
2 shall assign employees of the department to staff the commission.

3 “(5) When service of summons or other process is required by statute to  
4 be served on the Director of Transportation, the Department of Transporta-  
5 tion or the Oregon Transportation Commission, such service shall be made  
6 upon the office of the director.

7 **“SECTION 1b.** ORS 184.623 is amended to read:

8 “184.623. (1) The executive appointment of the Director of Transportation  
9 by the [*Oregon Transportation Commission*] **Governor** under ORS 184.620 is  
10 subject to confirmation by the Senate. Confirmation requires the affirmative  
11 vote of a majority of the members of the Senate.

12 “(2) If an appointment made under ORS 184.620 is not confirmed by the  
13 Senate, the [*commission*] **Governor** shall make another appointment, subject  
14 to confirmation by the Senate.

15 “(3) The name of the individual to be appointed or reappointed shall be  
16 submitted to the Senate by the [*commission*] **Governor** under ORS 184.620.  
17 The Senate shall take up the question of confirmation as soon after the  
18 convening of a regular or special session as is appropriate. The question of  
19 confirmation may be referred to committee or may be acted upon without a  
20 referral.

21 “(4) If the name of an individual to be appointed or reappointed submitted  
22 by the [*commission*] **Governor** is not acted upon during the term of the  
23 Legislative Assembly to which it is submitted, the name may be resubmitted  
24 to the subsequent term by the [*commission*] **Governor** on or after the date  
25 the Legislative Assembly convenes in the subsequent regular session.

26 **“SECTION 1c.** (1) **The amendments to ORS 184.620 and 184.623 by**  
27 **sections 1a and 1b of this 2025 Act apply to appointments made on or**  
28 **after the effective date of this 2025 Act.**

29 **“(2) The Director of Transportation who is serving on the effective**  
30 **date of this 2025 Act continues to be governed by ORS 184.620 as in**

1 **effect immediately before the effective date of this 2025 Act.**

2 **“SECTION 1d.** ORS 184.665 is amended to read:

3 *“184.665. [(1) The Oregon Transportation Commission shall appoint a Con-*  
4 *tinuous Improvement Advisory Committee composed of members of the com-*  
5 *mission, employees of the Department of Transportation and transportation*  
6 *stakeholders. The committee shall be of such size and representation as the*  
7 *commission determines appropriate.]*

8 **“(1) As used in this section:**

9 **“(a) ‘Chief engineer’ means the person appointed by the Director**  
10 **of Transportation under ORS 184.628.**

11 **“(b) ‘Major project’ means a transportation project that costs \$250**  
12 **million or more to complete.**

13 **“(2) The Oregon Transportation Commission shall appoint a Con-**  
14 **tinuous Improvement Advisory Committee. The members of the com-**  
15 **mittee shall include, but are not limited to, the following:**

16 **“(a) Members of the commission;**

17 **“(b) The Director of Transportation;**

18 **“(c) The chief engineer;**

19 **“(d) Individuals with demonstrated expertise in planning, executing**  
20 **and delivering major projects; and**

21 **“(e) At least one individual with demonstrated knowledge and ex-**  
22 **perience in the application and implementation of the National Envi-**  
23 **ronmental Policy Act.**

24 **“[(2)] (3) The committee shall:**

25 **“(a) Advise the commission on ways to maximize the efficiency of the**  
26 **Department of Transportation to allow increased investment in the trans-**  
27 **portation system over the short, medium and long term.**

28 **“(b) Develop key performance measures, based on desired outcomes, for**  
29 **each division of the department. The committee shall submit key performance**  
30 **measures to the commission for its approval. The committee shall report**

1 **quarterly** to the commission [*at least once per year*] **and to the Joint**  
2 **Committee on Transportation** on the status of key performance measures  
3 and what steps are being taken by the department to achieve the goals of the  
4 key performance measures.

5 “[~~(3)~~] (4) The committee shall [*periodically*] report **quarterly** to the com-  
6 mission **and to the Joint Committee on Transportation**. The reports must  
7 include recommendations on ways the commission and the department may  
8 execute their duties more efficiently.

9 “[~~(4)~~] *Each odd-numbered year, the commission shall submit a report, in the*  
10 *manner provided by ORS 192.245, to the Joint Committee on Transportation*  
11 *established under ORS 171.858. The report must include information on the*  
12 *activities and recommendations of the committee and information on any*  
13 *actions taken by the commission or the department to implement recommen-*  
14 *dations of the committee.]*

15 “(5) The committee shall meet [*regularly*] **at least once a month**, at  
16 times and places fixed by the chairperson of the committee or a majority of  
17 members of the committee.

18 “(6) The department shall provide office space and personnel to assist the  
19 committee as requested by the chairperson, within the limits of available  
20 funds.

21 “[~~(6)~~] (7) Members of the committee are entitled to compensation and ex-  
22 penses as provided under ORS 292.495.

23 “**SECTION 1e.** ORS 171.861 is amended to read:

24 “171.861. (1) **As used in this section, ‘major project’ means a trans-**  
25 **portation project that costs \$250 million or more to complete.**

26 “(2) The Joint Committee on Transportation shall:

27 “(a) Examine transportation related policy; [*and*]

28 “(b) **Review** transportation project expenditures;

29 “(c) **Review the scope, schedule, changes and budget updates to**  
30 **major projects on a quarterly basis;**

1       “(d) Review requests for project scope expansion requests submitted  
2 by a city or a county under section 1f of this 2025 Act; and

3       “(e) Make recommendations related to transportation and appropriation  
4 of funding to the Joint Committee on Ways and Means during the period  
5 when the Legislative Assembly is in session, or to the Emergency  
6 Board or the Joint Interim Committee on Ways and Means during the  
7 interim period between sessions.

8       “(3) The Joint Committee on Transportation shall provide general legis-  
9 lative oversight of the Department of Transportation and the Oregon De-  
10 partment of Aviation.

11       “SECTION 1f. (1) As used in this section, ‘highway improvement  
12 project’ means a state highway project for which the Department of  
13 Transportation may use federal transportation funds.

14       “(2) If a city or county proposes to expand the scope of a highway  
15 improvement project, but does not provide funding, the city or county  
16 shall submit the proposed change to the Oregon Transportation Com-  
17 mission. If the commission approves the proposed change, the com-  
18 mission shall submit a report to the Joint Committee on  
19 Transportation that informs the committee about the proposed change  
20 and cost associated with the expanded scope. After reviewing the re-  
21 port, the committee may submit recommendations for appropriations  
22 that may be made in the future to cover the costs of the expanded  
23 scope of the highway improvement project.

24       “(3) This section applies to highway improvement projects when a  
25 city or county is not covering the costs of the expanded scope and:

26       “(a) The project costs less than \$25 million and the changes in scope  
27 the city or county is requesting increase the project costs by 10 percent  
28 or more; or

29       “(b) The project costs \$25 million or more and the changes in scope  
30 the city or county is requesting increase the project costs by five per-

cent or more.

**“SECTION 1g. The Legislative Policy and Research Director shall enter into a professional services contract for a performance audit of the operations of the Department of Transportation, to include examination of:**

**“(1) The management of the department; and**

**“(2) Whether and how the department addresses recommendations from the management review conducted pursuant to section 203, chapter 7, Oregon Laws 2025 (Enrolled Senate Bill 5550).**

**“SECTION 1h. Section 1g of this 2025 Act is repealed on January 2, 2027.**

## **“WEIGHT-MILE TAXES**

**“SECTION 2. ORS 825.476 is amended to read:**

**“825.476.**

**“[ \_\_\_\_\_ ]**

### ***MILEAGE TAX RATE TABLE “A”***

*Declared Combined Fee Rates*

*Weight Groups Per Mile*

*(Pounds) (Mills)*

*26,001 to 28,000 76.4*

*28,001 to 30,000 80.9*

*30,001 to 32,000 84.6*

*32,001 to 34,000 88.4*

*34,001 to 36,000 91.8*

*36,001 to 38,000 96.6*

*38,001 to 40,000 100.2*

*40,001 to 42,000 103.8*

*42,001 to 44,000 107.7*

1	44,001 to 46,000	111.3
2	46,001 to 48,000	114.9
3	48,001 to 50,000	118.7
4	50,001 to 52,000	123.1
5	52,001 to 54,000	127.7
6	54,001 to 56,000	132.5
7	56,001 to 58,000	138.0
8	58,001 to 60,000	144.3
9	60,001 to 62,000	151.7
10	62,001 to 64,000	160.1
11	64,001 to 66,000	169.3
12	66,001 to 68,000	181.3
13	68,001 to 70,000	194.1
14	70,001 to 72,000	206.9
15	72,001 to 74,000	218.7
16	74,001 to 76,000	230.0
17	76,001 to 78,000	241.1
18	78,001 to 80,000	251.2

19 [ \_\_\_\_\_ ]

## 20 *AXLE-WEIGHT MILEAGE*

### 21 *TAX RATE TABLE "B"*

22	<i>Declared Combined</i>	<i>Number of Axles</i>				
23	<i>Weight Groups</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9 or</i>
24	<i>(Pounds)</i>			<i>(Mills)</i>		<i>more</i>
25	80,001 to 82,000	259.4	237.3	221.8	210.7	198.7
26	82,001 to 84,000	267.8	241.1	225.4	213.4	201.4
27	84,001 to 86,000	275.8	246.6	229.1	216.1	204.2
28	86,001 to 88,000	285.2	252.0	232.7	219.9	206.9
29	88,001 to 90,000	296.2	258.4	236.5	223.5	210.7
30	90,001 to 92,000	309.0	265.9	239.9	227.1	214.4



1	92,001 to 94,000	323.0	273.1	243.8	230.8	217.2
2	94,001 to 96,000	337.7	281.5	248.3	234.6	220.7
3	96,001 to 98,000	353.3	291.7	253.9	238.4	224.5
4	98,001 to 100,000		302.5	259.4	242.8	228.1
5	100,001 to 102,000			264.9	248.3	231.9
6	102,001 to 104,000			270.5	253.9	236.5
7	104,001 to 105,500			277.7	259.4	241.1

8 [ \_\_\_\_\_ ]

9

10

### MILEAGE TAX RATE TABLE "A"

11 Declared Combined

Fee Rates

12 Weight Groups

Per Mile

13 (Pounds)

(Mills)

14 26,001 to 32,000

187.1

15 32,001 to 38,000

200.6

16 38,001 to 44,000

214.9

17 44,001 to 50,000

227.7

18 50,001 to 56,000

242.3

19 56,001 to 62,000

254.8

20 62,001 to 68,000

268.3

21 68,001 to 74,000

281.9

22 74,001 to 80,000

292.4

23 80,001 to 105,500

361.7

24

25

26

### MILEAGE TAX RATE TABLE "E"

27 Declared Combined

Fee Rates

28 Weight Groups

Per Mile

29 (Pounds)

(Mills)

30 26,001 to 32,000

259.0

1	32,001 to 38,000	269.7
2	38,001 to 44,000	287.5
3	44,001 to 50,000	304.7
4	50,001 to 56,000	325.4
5	56,001 to 62,000	341.3
6	62,001 to 68,000	361.9
7	68,001 to 74,000	381.5
8	74,001 to 80,000	414.6
9	80,001 to 105,500	466.7

10 “

11 **“SECTION 3. The amendments to ORS 825.476 by section 2 of this**  
12 **2025 Act become operative on July 1, 2028.**

13 **“SECTION 4. The amendments to ORS 825.476 by section 2 of this**  
14 **2025 Act apply to taxes imposed on or after July 1, 2028.**

15 **“NOTE:** Sections 5 to 7 were deleted by amendment. Subsequent sections  
16 were not renumbered.

17 **“SECTION 8.** ORS 825.474 is amended to read:

18 “825.474. (1) In addition to other fees and taxes imposed by law upon  
19 carriers, there shall be assessed against and collected from every carrier a  
20 tax for the use of the highways, to apply to the cost of administration of this  
21 chapter and for the maintenance, operation, construction and reconstruction  
22 of public highways.

23 “(2) The tax rate which shall apply to each motor vehicle shall be based  
24 upon the declared combined weight of the motor vehicle and in accordance  
25 with the weight group tax rates as shown in the tables set forth in ORS  
26 825.476.

27 “(3) For the purpose of computing the tax due:

28 “(a) Table ‘A’ in **ORS 825.476** applies to motor vehicles subject to the tax  
29 imposed by this section that are not issued an annual variance permit under  
30 ORS 818.200 (1)(a) to (c) to operate with a combined weight of more than

1 80,000 pounds.

2 “[*(b) Table ‘B’ applies to motor vehicles subject to the tax imposed by this*  
3 *section that are issued or required to obtain an annual variance permit under*  
4 *ORS 818.200 (1)(a) to (c) to operate with a combined weight of more than 80,000*  
5 *pounds.*]

6 “**(b) Table ‘E’ in ORS 825.476 applies to electric vehicles subject to**  
7 **the tax imposed by this section that are not issued an annual variance**  
8 **permit under ORS 818.200 (1)(a) to (c) to operate with a combined**  
9 **weight of 26,001 pounds or more.**

10 “(c) The declared combined weight shall be the combined weight, as de-  
11 fined in ORS 825.005, declared in the [*application for authority under ORS*  
12 *825.100, subject to audit and approval by the Department of Transportation*]  
13 **registration weight.**

14 “(d) In addition to any tax due under this chapter, motor vehicles that  
15 exceed the maximum vehicle weight limits for annual variance permits under  
16 ORS 818.200 (1)(a) to (c) are subject to the road use assessment fee imposed  
17 under ORS 818.225 for the entire motor vehicle weight, minus the road use  
18 assessment fee for the maximum vehicle weight allowed under the annual  
19 variance permit.

20 “(4) The tax for each motor vehicle [*when table ‘A’ or ‘B’ is used*] shall  
21 be computed by multiplying the extreme mileage of travel in Oregon by the  
22 appropriate weight group tax rate as it appears in the table.

23 “**SECTION 9. The amendments to ORS 825.474 by section 8 of this**  
24 **2025 Act become operative on July 1, 2028.**

25 “**SECTION 10. The amendments to ORS 825.474 by section 8 of this**  
26 **2025 Act apply to taxes imposed on or after July 1, 2028.**

27  
28 “**DIESEL FUEL TAX ADMINISTRATION**

29  
30 “**SECTION 11.** ORS 319.010 is amended to read:

1 “319.010. As used in ORS 319.010 to 319.430, unless the context requires  
2 otherwise:

3 “(1) ‘Aircraft’ means every contrivance now known, or hereafter invented,  
4 used or designed for navigation of or flight in the air, operated or propelled  
5 by the use of aircraft fuel.

6 “(2) ‘Aircraft fuel’ means any gasoline and any other inflammable or  
7 combustible gas or liquid by whatever name such gasoline, gas or liquid is  
8 known or sold, usable as fuel for the operation of aircraft, except gas or  
9 liquid, the chief use of which, as determined by the Department of Trans-  
10 portation is for purposes other than the propulsion of aircraft.

11 “(3) ‘Airport’ means any area of land or water, except a restricted landing  
12 area, which is designed for the landing and takeoff of aircraft.

13 “(4) ‘Broker’ means [*and includes*] every person other than a dealer en-  
14 gaged in business as a broker, jobber or wholesale merchant dealing in motor  
15 vehicle fuel or aircraft fuel.

16 “(5) ‘Bulk transfer’ means any change in ownership of motor vehicle fuel  
17 or aircraft fuel contained in a terminal storage facility or any physical  
18 movement of motor vehicle fuel or aircraft fuel between terminal storage  
19 facilities by pipeline or marine transport.

20 “(6) ‘Dealer’ means any person who:

21 “(a) Imports or causes to be imported motor vehicle fuels or aircraft fuels  
22 for sale, use or distribution in, and after the same reaches the State of  
23 Oregon, but ‘dealer’ does not include any person who imports into this state  
24 motor vehicle fuel in quantities of 500 gallons or less purchased from a  
25 supplier who is licensed as a dealer under ORS 319.010 to 319.430 and who  
26 assumes liability for the payment of the applicable license tax to this state;

27 “(b) Produces, refines, manufactures or compounds motor vehicle fuels or  
28 aircraft fuels in the State of Oregon for use, distribution or sale in this state;

29 “(c) Acquires in this state for sale, use or distribution in this state motor  
30 vehicle fuels or aircraft fuels with respect to which there has been no license

1 tax previously incurred; or

2 “(d) Acquires title to or possession of motor vehicle fuels or aircraft fuels  
3 in this state and exports the product out of this state.

4 “(7) ‘Department’ means the Department of Transportation.

5 “(8) **‘Diesel’ or ‘diesel fuel’ includes biodiesel and renewable diesel**  
6 **fuel and other diesel fuel blends.**

7 “[8] (9) ‘Distribution’ means, in addition to its ordinary meaning, the  
8 delivery of motor vehicle fuel or aircraft fuel by a dealer to any service  
9 station or into any tank, storage facility or series of tanks or storage facil-  
10 ities connected by pipelines, from which motor vehicle fuel or aircraft fuel  
11 is withdrawn directly for sale or for delivery into the fuel tanks of motor  
12 vehicles whether or not the service station, tank or storage facility is owned,  
13 operated or controlled by the dealer.

14 “[9] (10) ‘First sale, use or distribution of motor vehicle fuel or aircraft  
15 fuel’ means the first withdrawal, other than by bulk transfer, of motor ve-  
16 hicle fuel or aircraft fuel from terminal storage facilities for sale, use or  
17 distribution. ‘First sale, use or distribution of motor vehicle fuel or aircraft  
18 fuel’ also means the first sale, use or distribution of motor vehicle fuel or  
19 aircraft fuel after import into this state if the motor vehicle fuel or aircraft  
20 fuel is delivered other than to the terminal storage facilities of a licensed  
21 dealer.

22 “[10] (11) ‘Highway’ means every way, thoroughfare and place, of what-  
23 ever nature, open for use of the public for the purpose of vehicular travel.

24 “[11] (12) ‘Motor vehicle’ means all vehicles, engines or machines, mov-  
25 able or immovable, operated or propelled by the use of motor vehicle fuel.

26 “[12] (13)(a) ‘Motor vehicle fuel’ means *[and includes]* gasoline, **diesel**  
27 and any other inflammable or combustible gas or liquid, by whatever name  
28 such gasoline, gas or liquid is known or sold, usable as fuel for the operation  
29 of motor vehicles, except gas or liquid[,] the chief use of which, as deter-  
30 mined by the department, is for purposes other than the propulsion of motor

1 vehicles upon the highways of this state.

2 “(b) ‘Motor vehicle fuel’ does not include dyed diesel as defined in  
3 **ORS 319.520.**

4 “[~~(13)~~] (14) ‘Person’ includes every natural person, association, firm,  
5 partnership, corporation or the United States.

6 “[~~(14)~~] (15) ‘Restricted landing area’ means any area of land or water, or  
7 both, which is used or made available for the landing and takeoff of aircraft,  
8 the use of which, except in case of emergency, is provided from time to time  
9 by the department.

10 “[~~(15)~~] (16) ‘Service station’ means [*and includes*] any place operated for  
11 the purpose of retailing and delivering motor vehicle fuel into the fuel tanks  
12 of motor vehicles or aircraft fuel into the fuel tanks of aircraft.

13 “[~~(16)~~] (17) ‘Terminal storage facility’ means any fuel storage facility that  
14 has marine or pipeline access.

15 **“SECTION 12. ORS 295.103 is amended to read:**

16 “295.103. (1) This section applies to the following moneys:

17 “(a) Motor **vehicle** fuel taxes, penalties and interest that are:

18 “(A) Imposed on motor carriers; and

19 “(B) Payable through a clearinghouse operated under an international  
20 fuel tax agreement entered into under ORS 825.555; and

21 “(b) Registration fees and other fixed fees and taxes that are:

22 “(A) Imposed on motor carriers for motor vehicles proportionally regis-  
23 tered in this state and other jurisdictions;

24 “(B) Apportioned to this state; and

25 “(C) Payable through a clearinghouse operated under an agreement for  
26 proportional registration entered into under ORS 826.007.

27 “(2) Moneys described in subsection (1) of this section are not public  
28 funds for purposes of ORS 295.001 to 295.108 for the period during which the  
29 moneys are held by a clearinghouse described in subsection (1) of this section  
30 pending disbursement to, or payment on behalf of, the state.

1       **“SECTION 13.** ORS 319.390 is amended to read:

2       ***“319.390. [Every dealer in motor vehicle fuel shall keep a record in such***  
3 ***form as may be prescribed by the Department of Transportation of all pur-***  
4 ***chases, receipts, sales and distribution of motor fuel. The records shall include***  
5 ***copies of all invoices or bills of all such sales and shall at all times during***  
6 ***the business hours of the day be subject to inspection by the department or its***  
7 ***deputies or other officers duly authorized by the department. Upon request***  
8 ***from the officials to whom is entrusted the enforcement of the motor fuel tax***  
9 ***law of another state, territory, country or the federal government, the depart-***  
10 ***ment shall forward to such officials any information which it may have rela-***  
11 ***tive to the import or export of any motor vehicle fuel by any dealer, provided***  
12 ***such other state, territory, country or federal government furnishes like infor-***  
13 ***mation to this state.]***

14       **“(1) As used in this section:**

15       **“(a) ‘Department of Transportation’ or ‘department’ includes depu-**  
16 **ties or other officers or representatives duly authorized by the de-**  
17 **partment.**

18       **“(b) ‘Inspection’ means any inspection, audit, examination or test**  
19 **reasonably required in the administration of this section.**

20       **“(c) ‘Premises’ means any premises, equipment, rolling stock or**  
21 **facilities operated or occupied by any dealer or broker.**

22       **“(d) ‘Records’ means any records of purchases, receipts, sales and**  
23 **distribution of motor vehicle fuel, including copies of invoices or bills**  
24 **of such sales, and related books, papers, statements and reports.**

25       **“(2) The Department of Transportation may, at any time during a**  
26 **dealer’s or broker’s business hours, upon demand, enter upon the**  
27 **premises in order to:**

28       **“(a) Conduct an inspection of records and equipment;**

29       **“(b) Set up and use any apparatus or appliance, and occupy neces-**  
30 **sary space, for the inspection;**

1       “(c) Verify the completeness, truth and accuracy of any records;  
2       and

3       “(d) Determine whether the dealer or broker has violated any pro-  
4       vision of ORS 319.010 to 319.430.

5       “(3) Any dealer or broker that refuses entry to the department for  
6       an inspection, or a demand to furnish records necessary for the in-  
7       spection, is subject to a civil penalty under section 24 of this 2025 Act.

8       “**SECTION 14.** ORS 825.555 is amended to read:

9       “825.555. (1) The Department of Transportation may enter into an inter-  
10      national fuel tax agreement with jurisdictions outside [of] this state to pro-  
11      vide for cooperation and assistance among member jurisdictions in the  
12      administration and collection of taxes imposed on motor carriers for the  
13      consumption of all fuels used in vehicles operated interstate.

14      “(2) An agreement under this section may:

15      “(a) Provide for determining a base state for motor carriers for purposes  
16      of the agreement.

17      “(b) Impose record keeping requirements.

18      “(c) Specify audit procedures.

19      “(d) Provide for exchange of information among jurisdictions.

20      “(e) Provide criteria for determining which carriers are eligible to receive  
21      the benefits of the agreement.

22      “(f) Define qualified motor vehicles.

23      “(g) Specify conditions under which bonds are required.

24      “(h) Specify reporting requirements and periods, including but not limited  
25      to specifying penalty and interest rates for late reporting.

26      “(i) Determine methods for collecting and forwarding of motor **vehicle**  
27      fuel taxes, penalties and interest to another jurisdiction.

28      “(j) Provide that the Department of Transportation may deny any person  
29      further benefits under the agreement until all motor **vehicle** fuel taxes have  
30      been paid, if the department determines that additional motor **vehicle** fuel



1 taxes are owed by the person.

2 “(k) Authorize the department to suspend, [or] cancel **or refuse to renew**  
3 benefits under the agreement for any person who violates any term or con-  
4 dition of the agreement or any law or rule of this state relating to motor  
5 carriers or vehicles.

6 “(L) Contain such other provisions as will facilitate the agreement.

7 “(m) **Authorize the department to deny an international fuel tax**  
8 **agreement license if the department has reasonable grounds to believe,**  
9 **based on information contained in the department files and records**  
10 **or based on evidence presented during an administrative hearing, that**  
11 **the department has authority to deny or revoke an international fuel**  
12 **tax agreement license.**

13 “(3) An agreement may not provide for any benefit, exemption or privilege  
14 with respect to any fees or taxes levied or assessed against the use of high-  
15 ways or use or ownership of vehicles except for motor **vehicle** fuel taxes and  
16 requirements related to motor **vehicle** fuel taxes.

17 “(4) The department may adopt any rules the department deems necessary  
18 to **enforce**, effectuate and administer the provisions of an agreement entered  
19 into under this section. Nothing in the agreement shall affect the right of  
20 the department to adopt rules as provided in ORS chapter 823 and this  
21 chapter.

22 “(5) An agreement shall be in writing and shall be filed with the depart-  
23 ment within 10 days after execution or on the effective date of the agree-  
24 ment, whichever is later.

25 “(6)(a) The department shall adopt rules establishing an annual fee to be  
26 paid by each motor carrier receiving benefits from an agreement entered into  
27 under this section.

28 “(b) In establishing fees, the department shall consider the size of the  
29 motor carrier’s fleet.

30 “(c) Fees established under this subsection shall be designed to recover

1 the full direct and indirect costs to the department that result from partic-  
2 ipation in the agreement[, *but the department may not establish a fee under*  
3 *this subsection that exceeds \$650*].

4 **“SECTION 15.** ORS 810.530 is amended to read:

5 “810.530. (1) A weighmaster or motor carrier enforcement officer in whose  
6 presence an offense described in this subsection is committed may arrest or  
7 issue a citation for the offense in the same manner as under ORS 810.410 as  
8 if the weighmaster or motor carrier enforcement officer were a police officer.  
9 This subsection applies to the following offenses:

10 “(a) Violation of maximum weight limits under ORS 818.020.

11 “(b) Violation of posted weight limits under ORS 818.040.

12 “(c) Violation of administratively imposed weight or size limits under  
13 ORS 818.060.

14 “(d) Violation of maximum size limits under ORS 818.090.

15 “(e) Exceeding maximum number of vehicles in combination under ORS  
16 818.110.

17 “(f) Violation of posted limits on use of road under ORS 818.130.

18 “(g) Violation of towing safety requirements under ORS 818.160.

19 “(h) Operating with sifting or leaking load under ORS 818.300.

20 “(i) Dragging objects on highway under ORS 818.320.

21 “(j) Unlawful use of devices without wheels under ORS 815.155.

22 “(k) Unlawful use of metal objects on tires under ORS 815.160.

23 “(L) Operation without pneumatic tires under ORS 815.170.

24 “(m) Operation in violation of vehicle variance permit under ORS 818.340.

25 “(n) Failure to carry and display permit under ORS 818.350.

26 “(o) Failure to comply with commercial vehicle enforcement requirements  
27 under ORS 818.400.

28 “(p) Violation of any provision of ORS chapter 825.

29 “(q) Operation without proper fenders or mudguards under ORS 815.185.

30 “[*r*] *Operating a vehicle without driving privileges in violation of ORS*

1 807.010 if the person is operating a commercial motor vehicle and the person  
2 does not have commercial driving privileges.]

3 “[s] Violation driving while suspended or revoked in violation of ORS  
4 811.175 if the person is operating a commercial motor vehicle while the person’s  
5 commercial driving privileges are suspended or revoked.]

6 **“(r) Operating a vehicle without driving privileges in violation of**  
7 **ORS 807.010 if the person does not have driving privileges and is oper-**  
8 **ating:**

9 **“(A) A commercial motor vehicle; or**

10 **“(B) A commercial vehicle that has:**

11 **“(i) A gross vehicle weight rating of 10,001 pounds or more;**

12 **“(ii) A gross combination weight rating of 10,001 pounds or more;**

13 **“(iii) A gross vehicle weight of 10,001 pounds or more; or**

14 **“(iv) A gross combination weight of 10,001 pounds or more.**

15 **“(s) Violation driving while suspended or revoked in violation of**  
16 **ORS 811.175 if the person is operating any of the following vehicles**  
17 **while the person’s driving privileges are suspended or revoked:**

18 **“(A) A commercial motor vehicle; or**

19 **“(B) A commercial vehicle that has:**

20 **“(i) A gross vehicle weight rating of 10,001 pounds or more;**

21 **“(ii) A gross combination weight rating of 10,001 pounds or more;**

22 **“(iii) A gross vehicle weight of 10,001 pounds or more; or**

23 **“(iv) A gross combination weight of 10,001 pounds or more.**

24 **“(t) Failure to use vehicle traction tires or chains in violation of ORS**  
25 **815.140 if the person is operating a motor vehicle subject to ORS chapter 825**  
26 **or 826.**

27 **“(u) Failure to carry vehicle traction tires or chains in violation of ORS**  
28 **815.142 if the person is operating a motor vehicle subject to ORS chapter 825**  
29 **or 826.**

30 **“(v) Illegally altering or displaying registration plate in violation of ORS**

1 803.550.

2 “(2) A weighmaster or motor carrier enforcement officer in whose pres-  
3 ence an offense described in this subsection is committed by a person oper-  
4 ating a [*commercial motor*] vehicle **described in subsection (3) of this**  
5 **section** may issue a citation for the offense. A weighmaster or motor carrier  
6 enforcement officer who finds evidence that an offense described in this  
7 subsection has been committed by a person operating a [*commercial motor*]  
8 vehicle **described in subsection (3) of this section** or by a motor carrier  
9 for which the person is acting as an agent may issue a citation for the of-  
10 fense. A weighmaster or motor carrier enforcement officer issuing a citation  
11 under this subsection has the authority granted a police officer issuing a  
12 citation under ORS 810.410. A citation issued under this subsection to the  
13 operator of a [*commercial motor*] vehicle **described in subsection (3) of this**  
14 **section** shall be considered to have been issued to the motor carrier that  
15 owns the [*commercial motor*] vehicle **described in subsection (3) of this**  
16 **section** if the operator is not the owner. This subsection applies to the fol-  
17 lowing offenses, all of which are Class A traffic violations under ORS 825.990  
18 (1):

19 “(a) Repeatedly violating or avoiding any order or rule of the Department  
20 of Transportation.

21 “(b) Repeatedly refusing or repeatedly failing, after being requested to do  
22 so, to furnish service authorized by certificate.

23 “(c) Refusing or failing to file the annual report as required by ORS  
24 825.320.

25 “(d) Refusing or failing to maintain records required by the department  
26 or to produce such records for examination as required by the department.

27 “(e) Failing to appear for a hearing after notice that the carrier’s certif-  
28 icate or permit is under investigation.

29 “(f) Filing with the department an application that is false with regard  
30 to the ownership, possession or control of the equipment being used or the

operation being conducted.

“(g) Delinquency in reporting or paying any fee, tax or penalty due to the department under ORS chapter 825 or 826.

“(h) Refusing or failing to file a deposit or bond as required under ORS 825.506.

“(i) Failing to comply with the applicable requirements for attendance at a motor carrier education program as required by ORS 825.402.

“(j) **Failure to comply with an international fuel tax agreement under section 18 of this 2025 Act.**

“(k) **Improper use of dyed diesel under section 19 of this 2025 Act.**

“(3) **Subsections (2) and (4) of this section apply to the following vehicles:**

“(a) **A commercial motor vehicle; or**

“(b) **A commercial vehicle that has:**

“(A) **A gross vehicle weight rating of 10,001 pounds or more;**

“(B) **A gross combination weight rating of 10,001 pounds or more;**

“(C) **A gross vehicle weight of 10,001 pounds or more; or**

“(D) **A gross combination weight of 10,001 pounds or more.**

“[(3)] (4) A weighmaster or motor carrier enforcement officer who finds evidence that a person operating a [*commercial motor*] vehicle **described in subsection (3) of this section** has committed the offense of failure to pay the appropriate registration fee under ORS 803.315 may issue a citation for the offense in the same manner as under ORS 810.410 as if the weighmaster or motor carrier enforcement officer were a police officer.

“[(4)] (5) The authority of a weighmaster or motor carrier enforcement officer to issue citations or arrest under this section is subject to ORS chapter 153.

“[(5)(a)] (6)(a) A person is a weighmaster for purposes of this section if the person is a county weighmaster or a police officer.

“(b) A person is a motor carrier enforcement officer under this section if

1 the person is duly authorized as a motor carrier enforcement officer by the  
2 Department of Transportation.

3 “[~~(6)~~] (7) A weighmaster or motor carrier enforcement officer may accept  
4 security in the same manner as a police officer under ORS 810.440 and  
5 810.450 and may take as security for the offenses, in addition to other secu-  
6 rity permitted under this section, the sum fixed as the presumptive fine for  
7 the offense.

8 “[~~(7)~~] (8) A weighmaster or motor carrier enforcement officer may arrest  
9 a person for the offense of failure to appear in a violation proceeding under  
10 ORS 153.992 if the violation is based upon a citation for any offense de-  
11 scribed in subsection (1) or [~~(3)~~] (4) of this section except those described in  
12 subsection (1)(p) of this section.

13 “[~~(8)~~] (9) A weighmaster or motor carrier enforcement officer may exercise  
14 the same authority as a police officer under ORS 810.490 to enforce vehicle  
15 requirements and detain vehicles. A person who fails to comply with the  
16 authority of a weighmaster or motor carrier enforcement officer under this  
17 subsection is subject to penalty under ORS 818.400.

18 **“SECTION 16. Sections 17 to 19 of this 2025 Act are added to and**  
19 **made a part of the Oregon Vehicle Code.**

20 **“SECTION 17. ‘Dyed diesel’ has the meaning given that term in**  
21 **ORS 319.520.**

22 **“SECTION 18. (1) A person commits the offense of failure to comply**  
23 **with an international fuel tax agreement if the person is required to**  
24 **comply with the requirements of an international fuel tax agreement**  
25 **entered into under ORS 825.555 or any rule adopted by the Department**  
26 **of Transportation under ORS 825.555, and the person fails to comply.**

27 **“(2) The offense described under this section, failure to comply with**  
28 **an international fuel tax agreement, is a Class A traffic violation.**

29 **“SECTION 19. (1) A person commits the offense of improper use of**  
30 **dyed diesel if the person operates a motor vehicle on the highways of**

1 **this state and has dyed diesel in the fuel supply tank of the vehicle in**  
2 **violation of section 23 of this 2025 Act.**

3 **“(2) The offense described under this section, improper use of dyed**  
4 **diesel, is a Class A traffic violation.**

5 **“SECTION 20.** ORS 319.520 is amended to read:

6 “319.520. As used in ORS 319.510 to 319.880, unless the context clearly  
7 indicates a different meaning:

8 “(1) ‘Cardlock card’ means a fuel card:

9 “(a) Capable of generating an electronic invoice or electronic statement  
10 that includes the information required by ORS 319.671 and the applicable fuel  
11 tax amount;

12 “(b) Issued for a specific vehicle, a specific piece of equipment or a group  
13 of equipment;

14 “(c) That includes the qualifying information, as designated by the De-  
15 partment of Transportation by rule, that is printed on the electronic invoice  
16 or electronic statement;

17 “(d) That allows the tax status of the cardlock card to be indicated on the  
18 electronic invoice or electronic statement and includes state tax as a sepa-  
19 rate item on the invoice or statement; and

20 “(e) That allows a cardlock card issuer to generate a statement recording,  
21 by fuel type, gallons of fuel purchased for domestic and foreign customers  
22 each month.

23 “(2) ‘Combined weight’ means the total empty weight of all vehicles in a  
24 combination plus the total weight of the load carried on that combination  
25 of vehicles.

26 “(3) ‘Delinquent’ means having failed to pay a tax or penalty within the  
27 time provided by law.

28 “(4) ‘Department’ means the Department of Transportation.

29 **“(5) ‘Diesel’ and ‘diesel fuel’ have the meanings given those terms**  
30 **in ORS 319.010.**

1        “[5] (6) ‘Domestic customer’ means a customer making a purchase at a  
2 nonretail facility owned by the cardlock card issuer.

3        **“(7) ‘Dyed diesel’ means diesel fuel that is dyed a color and meets**  
4 **the dyeing and marking requirements of the Internal Revenue Service.**

5        “[6] (8) ‘Foreign customer’ means a customer making a purchase at a  
6 nonretail facility owned by a seller other than the cardlock card issuer.

7        “[7] (9) ‘Fuel’ means any combustible gas, liquid or material of a kind  
8 used for the generation of power to propel a motor vehicle on the highways  
9 except motor vehicle fuel as defined in ORS 319.010.

10       “[8] (10) ‘Highway’ means every way, thoroughfare and place, of what-  
11 ever nature, open to the use of the public for the purpose of vehicular travel.

12       “[9] (11) ‘Light weight’ means the weight of a vehicle when fully  
13 equipped for moving over the highway.

14       “[10] (12) ‘Liquefied petroleum gas’ includes propane, pentane and any  
15 mixture of propane and pentane.

16       “[11] (13) ‘Motor vehicle’ means every self-propelled vehicle operated on  
17 the highway, except an implement of husbandry used in agricultural oper-  
18 ations and only incidentally operated or moved upon the highway.

19       “[12] (14) ‘Nonretail facility’ means:

20       “(a) An unattended facility accessible only by cardlock card and not as-  
21 sociated with a retail facility; or

22       “(b) An unattended portion of a retail facility separate from the retail  
23 operations and accessible only by cardlock card.

24       “[13] (15) ‘Person’ means any individual, firm, copartnership, joint ven-  
25 ture, association, corporation, trust, receiver or any group or combination  
26 acting as a unit.

27       “[14] (16) ‘Seller’ means:

28       “(a) A person that sells fuel to a user; or

29       “(b) If the fuel is dispensed at a nonretail facility, the person that owns  
30 the user’s accounts and bills the user for fuel purchased at a nonretail fa-



1 cility.

2 “[(15)] (17) ‘To sell fuel for use in a motor vehicle’ means to dispense or  
3 place fuel for a price into a receptacle on a motor vehicle, from which re-  
4 ceptacle the fuel is supplied to propel the motor vehicle.

5 “[(16)] (18) ‘To use fuel in a motor vehicle’ means to receive into any re-  
6 ceptacle on a motor vehicle, fuel to be consumed in propelling the motor  
7 vehicle on the highways of this state; and, if the fuel is received into the  
8 receptacle outside the taxing jurisdiction of the state, ‘to use fuel in a motor  
9 vehicle’ means to consume in propelling the motor vehicle on the highways  
10 of this state.

11 **“SECTION 21.** ORS 319.550 is amended to read:

12 “319.550. (1) Except as provided in this section, a person may not use fuel  
13 in a motor vehicle in this state unless the person holds a valid user’s license.

14 “(2) A nonresident may use fuel in a motor vehicle not registered in  
15 Oregon for a period not exceeding 30 consecutive days without obtaining a  
16 user’s license or the emblem issued under ORS 319.600, if, for all fuel used  
17 in a motor vehicle in this state, the nonresident pays to a seller, at the time  
18 of the sale, the tax provided in ORS 319.530.

19 “(3) A user’s license is not required for a person who uses fuel in a motor  
20 vehicle if, for all fuel used in a motor vehicle in this state, the person pays  
21 to a seller, at the time of the sale, the tax provided in ORS 319.530.

22 “(4) A user’s license is not required for a person who is subject to the  
23 weight-mile tax described in ORS 825.474 and 825.476 or the flat fee rate de-  
24 scribed in ORS 825.480.

25 “(5)(a) A user’s license is not required for a person who uses fuel as de-  
26 scribed in ORS 319.520 [(7)] (9) in the vehicles specified in this subsection  
27 if the person pays to a seller, at the time of the sale, the tax provided in  
28 ORS 319.530.

29 “(b) Paragraph (a) of this subsection applies to the following vehicles:

30 “(A) Motor homes as defined in ORS 801.350.

1 “(B) Recreational vehicles as defined in ORS 174.101.

2 “(6) A user’s license is not required for a person who uses fuel in a motor  
3 vehicle:

4 “(a) Metered use by which is subject to the per-mile road usage charge  
5 imposed under ORS 319.885; and

6 “(b) That also uses fuels subject to ORS 319.510 to 319.880.

7 “(7) A user’s license is not required for a person who uses fuel in a motor  
8 vehicle on which an emblem issued for the motor vehicle pursuant to ORS  
9 319.535 is displayed.

10 **“SECTION 22. Sections 23 and 24 of this 2025 Act are added to and**  
11 **made a part of ORS 319.510 to 319.880.**

12 **“SECTION 23. Dyed diesel use. (1) A person may operate or main-**  
13 **tain a motor vehicle on the highways of this state with dyed diesel in**  
14 **the fuel supply tank only if the use is authorized by an agency of the**  
15 **United States or the person is eligible for a refund under ORS 267.570**  
16 **(2) or 319.831.**

17 **“(2) A person that owns, operates or maintains a fuel storage tank**  
18 **or terminal storage facility:**

19 **“(a) Shall provide markings consistent with those directed by fed-**  
20 **eral law; and**

21 **“(b) May not knowingly store, or cause to be stored, dyed diesel in**  
22 **a fuel storage tank or terminal storage facility if the purpose of the**  
23 **tank or facility is to store undyed diesel.**

24 **“(3) A person that violates this section is subject to a civil penalty**  
25 **under section 24 of this 2025 Act.**

26 **“SECTION 24. Civil penalties. (1) In addition to any other penalty**  
27 **provided by law, the Department of Transportation may impose a civil**  
28 **penalty for failure to comply with section 23 of this 2025 Act.**

29 **“(2) Any civil penalty imposed under this section shall be imposed**  
30 **in the manner provided by ORS 183.745.**

1       “(3) The department shall adopt rules implementing these pro-  
2 visions, including a schedule of civil penalties.

3       “(4) The civil penalty for each violation of section 23 of this 2025  
4 Act may not exceed the amount of \$10 per gallon of capacity of the  
5 supply tank of the motor vehicle, or \$1,000, whichever is greater, plus  
6 the amount of tax that would have been paid for an equivalent amount  
7 of motor vehicle fuel.

8       “(5) A civil penalty imposed under this section may be remitted or  
9 reduced upon such terms and conditions as the department considers  
10 proper and consistent with the public health and safety.

11       “(6)(a) In imposing a penalty pursuant to the schedule adopted  
12 pursuant to this section, the department shall consider the following  
13 factors:

14       “(A) Any prior violations of section 23 of this 2025 Act.

15       “(B) The extent to which the violation threatens the public health  
16 or safety and the immediacy of the threat.

17       “(b) The penalty imposed under this section may be remitted or  
18 mitigated upon such terms and conditions as the department deter-  
19 mines to be proper and consistent with the public benefit.

20       “(7) All penalties recovered under this section shall be paid into the  
21 State Treasury and credited to the State Highway Fund.

22       “**SECTION 25.** ORS 319.700 is amended to read:

23       “319.700. The tax and the penalty imposed upon a user of fuel in a motor  
24 vehicle by ORS 319.510 to 319.880 **or penalties associated with the im-**  
25 **proper use or storage of dyed diesel** shall constitute a lien upon, and shall  
26 have the effect of an execution duly levied against, any motor vehicle in  
27 connection with which the taxable use is made, attaching at the time of such  
28 use. The lien shall not be removed until the tax has been paid or the motor  
29 vehicle subject to the lien has been sold in payment of such tax. The lien  
30 is paramount to all private liens or encumbrances of whatever character

1 upon the motor vehicle and to the rights of any conditional vendor or any  
2 other holder of the legal title in or to the motor vehicle.

3 **“SECTION 26.** ORS 823.012 is amended to read:

4 “823.012. (1) If the Director of Transportation determines that an emer-  
5 gency, as defined in ORS 401.025, has occurred or is imminent, the director  
6 may suspend operation of one or more of the following statutes involving  
7 motor carriers for the purpose of expediting the movement of persons or  
8 property:

9 “(a) ORS 818.400, compliance with commercial vehicle enforcement re-  
10 quirements related to commercial vehicle weight, size, load, conformation or  
11 equipment.

12 “(b) ORS 825.100, certificate or permit requirement for commercial trans-  
13 portation of persons or property.

14 “(c) ORS 825.104, registration requirement for for-hire or private carrier  
15 engaged in interstate operations.

16 “(d) ORS 825.160, requirement for person operating as motor carrier to  
17 have policy of public liability and property damage insurance.

18 “(e) ORS 825.162, requirement for person operating as for-hire carrier of  
19 freight or express to have cargo insurance.

20 “(f) ORS 825.250, requirement to stop and submit to an inspection of the  
21 driver, the cargo or the vehicle or combination of vehicles **or an inspection**  
22 **of the fuel supply tank of the vehicle or combination of vehicles.**

23 “(g) ORS 825.252, safety regulations for for-hire and private carriers.

24 “(h) ORS 825.258, rules for transportation of hazardous waste, hazardous  
25 material and PCB.

26 “(i) ORS 825.450, [*weight identifiers*] **tax enrollments** issued by Depart-  
27 ment of Transportation.

28 “(j) ORS 825.470, temporary pass for single trip or short-time operation  
29 of vehicle.

30 “(k) ORS 825.474, assessment of tax for use of highways.

1 “(L) ORS 826.031, registration of certain vehicles not already registered  
2 with state.

3 “(m) **Section 23 of this 2025 Act and ORS 319.020 and 319.530 related**  
4 **to the payment of motor vehicle fuel taxes or the use of dyed diesel**  
5 **on the highways.**

6 “(2) A suspension under this section may occur prior to a declaration of  
7 a state of emergency under ORS 401.165, but may not exceed 72 hours unless  
8 a state of emergency is declared under ORS 401.165. If a state of emergency  
9 is declared under ORS 401.165, the suspension shall last until the state of  
10 emergency is terminated as provided under ORS 401.204.

11 “(3) The director may designate by rule a line of succession of deputy  
12 directors or other employees of the department who may suspend operations  
13 of statutes under this section in the event the director is not available. Any  
14 suspension by a person designated by the director under this subsection has  
15 the same force and effect as if issued by the director, except that, if the di-  
16 rector can be reached, the suspension must be affirmed by the director when  
17 the director is reached. If the director does not set aside a suspension within  
18 24 hours of being reached, the suspension shall be considered affirmed by the  
19 director.

20 “**SECTION 27.** ORS 823.023 is amended to read:

21 “823.023. (1) The Department of Transportation or authorized represen-  
22 tatives may enter upon any premises, or any equipment, rolling stock, **motor**  
23 **vehicles** or facilities, operated or occupied by any motor carrier or railroad  
24 for the purpose of making any inspection, examination or test reasonably  
25 required in the administration of ORS chapters **319**, 823, 824, 825 and 826,  
26 and to set up and use on such premises, equipment, rolling stock, **motor**  
27 **vehicles** or facilities any apparatus or appliance and occupy reasonable  
28 space therefor.

29 “(2) The department or authorized representatives shall, upon demand,  
30 have the right to inspect the **motor vehicles**, books, accounts, papers, re-

1 cords and memoranda of any motor carrier or railroad and to examine under  
2 oath any officer, agent or employee of such motor carrier or railroad in re-  
3 lation to its business and affairs.

4 “(3) Any person who on behalf of the department makes demand of a  
5 motor carrier or railroad for an examination, inspection or test shall, upon  
6 request therefor, produce a certificate under the seal of the department  
7 showing authority to make such examination, inspection or test.

8 “(4) The department or authorized representatives shall, upon demand,  
9 have the right to enter any premises of a business that the department has  
10 reasonable cause to believe tendered for shipment, by motor or rail, any  
11 hazardous material and to make any examination, inspection or test reason-  
12 ably required to determine compliance with the health and safety regulations  
13 administered or enforced by the department. Any person, who on behalf of  
14 the department demands to make an examination, inspection or test, shall  
15 produce upon request a certificate under the seal of the department showing  
16 authority to make the examination, inspection or test.

17 “(5) Nothing in this section authorizes the department to use any infor-  
18 mation developed thereunder for any purpose inconsistent with any statute  
19 governing motor carriers or railroads and administered by the department  
20 or to make a disclosure thereof for other than regulatory purposes.

21 **“SECTION 28.** ORS 823.027 is amended to read:

22 “823.027. (1) Every motor carrier and railroad shall furnish to the De-  
23 partment of Transportation all information required by the department to  
24 carry into effect the provisions of ORS chapters **319**, 823, 824, 825 and 826  
25 and shall make specific answers to all questions submitted by the depart-  
26 ment.

27 “(2) If a motor carrier or railroad is unable to furnish any information  
28 required under subsection (1) of this section for any reason beyond its con-  
29 trol, it is a good and sufficient reason for such failure. The answer or in-  
30 formation shall be verified under oath and returned to the department at the

department's office within the period fixed by the department.

**SECTION 29.** ORS 823.085 is amended to read:

"823.085. (1) Any motor carrier or railroad that does, or causes or permits to be done, any matter, act or thing prohibited by ORS chapters **319**, 823, 824, 825 and 826, or omits to do any act, matter or thing required to be done by ORS chapters **319**, 823, 824, 825 and 826, is liable to the person injured thereby in the amount of damages sustained in consequence of such violation. If the party seeking damages alleges and proves that the wrong or omission was the result of gross negligence or willful misconduct, the motor carrier or railroad is liable to the person injured thereby in treble the amount of damages sustained in consequence of the violation. The court may award reasonable attorney fees to the prevailing party in an action under this section.

"(2) Any recovery under this section does not affect recovery by the state of the penalty, forfeiture or fine prescribed for such violation.

"(3) This section does not apply with respect to the liability of any motor carrier or railroad for personal injury or property damage.

**SECTION 30.** ORS 825.005 is amended to read:

"825.005. As used in this chapter:

"(1) 'Carrier' or 'motor carrier' means for-hire carrier or private carrier.

"(2) 'Cartage carrier' means any person who undertakes to transport any class of property by motor vehicle for compensation when the transportation is performed wholly within an incorporated city or a commercial zone adjacent to an incorporated city.

"(3) 'Certificate' means an authority issued to a for-hire carrier under ORS 825.110.

"(4) 'Combined weight' means the [*weight of the motor vehicle plus the weight of the maximum load which the applicant has declared such vehicle will carry*] **total empty weight of all vehicles in a combination plus the total weight of the load carried on that combination of vehicles as**

1 **listed in the vehicle registration for the time period shown on the**  
2 **registration document.** Any declared combined weight is subject to audit  
3 and approval by the Department of Transportation.

4 “(5) ‘Department’ means the Department of Transportation.

5 “(6) **‘Electric vehicle’ means a motor vehicle that uses electricity**  
6 **as its only source of motive power.**

7 “[6] (7) ‘Extreme miles’ or ‘extreme mileage’ means the total miles op-  
8 erated by a vehicle over the public highways, except the extra miles neces-  
9 sarily operated in traversing detours or temporary routes on account of road  
10 blockades in the state.

11 “[7] (8) ‘For-hire carrier’ means:

12 “(a) Any person who transports persons or property for hire or who pub-  
13 licly purports to be willing to transport persons or property for hire by motor  
14 vehicle; or

15 “(b) Any person who leases, rents or otherwise provides a motor vehicle  
16 to the public and who in connection therewith in the regular course of  
17 business provides, procures or arranges for, directly, indirectly or by course  
18 of dealing, a driver or operator therefor.

19 “[8] (9) ‘Household goods’ means the personal effects or other property  
20 used or to be used in a dwelling but does not include property transported  
21 from a store or factory or property exclusively for office use.

22 “[9] (10) ‘Motor vehicle’ means any self-propelled vehicle and any such  
23 vehicle in combination with any trailing units, used or physically capable  
24 of being used upon any public highway in this state in the transportation  
25 of persons or property, except vehicles operating wholly on fixed rails or  
26 tracks and electric trolley buses. ‘Motor vehicle’ includes overdimension ve-  
27 hicles or vehicles permitted excessive weights pursuant to a special author-  
28 ization issued by a city, county or the Department of Transportation.

29 “[10] (11) ‘Permit’ means an authority issued to a carrier under ORS  
30 825.102, **825.104**, 825.106, 825.108 or 825.127.



1        “[~~(11)~~] (12) ‘Private carrier’ means any person who operates a motor ve-  
2 hicle over the public highways of this state for the purpose of transporting  
3 persons or property when the transportation is incidental to a primary  
4 business enterprise, other than transportation, in which such person is en-  
5 gaged.

6        “[~~(12)~~] (13) ‘Privilege taxes’ means the weight-mile tax and fees prescribed  
7 in this chapter.

8        “[~~(13)~~] (14) ‘Property’ includes, but is not limited to, permanent loads such  
9 as equipment, appliances, devices, or ballast that are attached to, carried on,  
10 or made a part of the vehicle and that are designed to serve some functional  
11 purpose.

12       “[~~(14)~~] (15) ‘Public highway’ means every street, alley, road, highway and  
13 thoroughfare in this state used by the public or dedicated or appropriated  
14 to public use.

15       “[~~(15)~~] (16) ‘Transit-type motor vehicle’ means any passenger-carrying ve-  
16 hicle that does not have a separate space for transporting baggage or ex-  
17 press.

18       “[~~(16)~~] (17) ‘Transporter’ has the meaning given that term in ORS 466.005.

19       **“SECTION 31. Section 32 of this 2025 Act is added to and made a  
20 part of ORS chapter 825.**

21       **“SECTION 32. (1) Before operating a motor vehicle on the public  
22 highways of this state, an out-of-state motor carrier not licensed un-  
23 der an international fuel tax agreement shall obtain a valid fuel trip  
24 permit from the Department of Transportation in accordance with this  
25 section. A motor carrier shall obtain a fuel trip permit under this  
26 section if the motor carrier:**

27       **“(a) Is operating a motor vehicle with a combined weight of more  
28 than 26,000 pounds or a motor vehicle with three or more axles, re-  
29 gardless of weight, on the public highways of this state; and**

30       **“(b) The vehicle is not registered under ORS 826.009 or 826.031.**

1       “(2) This section does not apply to a motor carrier who has a valid  
2 international fuel tax agreement license issued by a jurisdiction other  
3 than Oregon.

4       “(3) The Department of Transportation shall develop a standardized  
5 application form for a fuel trip permit issued under this section.

6       “(4) The department may not issue more than three fuel trip per-  
7 mits in a calendar year for any one motor vehicle.

8       “(5) No report of mileage is required for the motor vehicle to which  
9 the fuel trip permit relates.

10       “(6) A fuel trip permit issued under this section is valid:

11       “(a) For three consecutive days beginning and ending on the dates  
12 specified on the face of the fuel trip permit; and

13       “(b) Only for the motor vehicle for which the fuel trip permit was  
14 issued.

15       “(7) The fee for the fuel trip permit shall be determined by the de-  
16 partment by rule.

17       “(8) The department may adopt rules to carry out the provisions  
18 of this section.

19       “SECTION 33. ORS 825.326 is amended to read:

20       “825.326. (1) Except as provided in subsection (2) of this section, all fees,  
21 taxes, charges and other sums collected by the Department of Transportation  
22 **or from International Fuel Tax Agreement member jurisdictions** under  
23 this chapter shall be paid into the State Treasury and shall be placed to the  
24 credit of an account, separate and distinct from the General Fund, to be  
25 known as the Motor Carrier Account. Interest earned by the account shall  
26 be credited to the account.

27       “(2) Notwithstanding ORS 823.991, all fees collected under ORS 825.247  
28 and all penalties collected under ORS 825.950 for offering to transport or  
29 transporting household goods without a certificate shall be paid into the  
30 State Treasury and shall be placed to the credit of an account, separate and

1 distinct from the General Fund, to be known as the Consumer Protection  
2 Household Moves Account. Interest earned by the account shall be credited  
3 to the account. Moneys in the account are continuously appropriated to the  
4 department for purposes specified in subsection (5) of this section.

5 “(3) The department may purchase the necessary supplies and equipment  
6 and provide for all necessary and incidental expenses incurred by the de-  
7 partment in administering and enforcing this chapter.

8 “(4) All claims, duly approved by the department, that have been incurred  
9 in pursuance of law, shall be paid by warrants drawn in the manner provided  
10 by law, payable out of the Motor Carrier Account or the Consumer Pro-  
11 tection Household Moves Account.

12 “(5) Moneys in the Consumer Protection Household Moves Account shall  
13 be used by the department exclusively for administration and enforcement  
14 of provisions of this chapter relating to persons that offer to provide or  
15 provide transportation of household goods without a certificate.

16 **“SECTION 34.** ORS 825.104 is amended to read:

17 “825.104. An interstate for-hire carrier or private carrier required to ob-  
18 tain a United States Department of Transportation registration number en-  
19 gaged or to engage in interstate operations may not perform transportation  
20 services on the public highways of this state without having first:

21 “(1) Complied with federal registration and financial responsibility re-  
22 quirements; **and**

23 “(2) **Obtained a certificate under ORS 825.100 or a temporary pass**  
24 **under ORS 825.470.**

25 **“SECTION 35.** ORS 825.141, as amended by section 72 of this 2025 Act,  
26 is amended to read:

27 “825.141. In addition to any other requirements of this chapter, a carrier  
28 whose operating authority **or permit** has been suspended shall pay a rein-  
29 statement fee of \$25 to the Department of Transportation before the operat-  
30 ing authority may be reinstated and shall demonstrate operational activity

1 at the time of reinstatement.

2 **“SECTION 36.** ORS 825.450 is amended to read:

3 “825.450. (1) *[Upon application by a carrier,]* The Department of Trans-  
4 portation may *[issue a weight identifier]* **utilize a motor carrier’s regis-**  
5 **tration card as the tax enrollment document** for each **eligible** vehicle the  
6 carrier enrolls with the department<sup>1</sup>*[, which]*. **The tax enrollment docu-**  
7 **ment** must state the combined weight of the vehicle or combination of ve-  
8 hicles. *[The department shall record each weight identifier electronically.]* This  
9 subsection does not apply to vehicles issued a temporary pass under ORS  
10 825.470.

11 “(2) A person may not load any motor vehicle in excess of the combined  
12 weight stated on the *[weight identifier issued]* **tax enrollment document** for  
13 that motor vehicle under subsection (1) of this section.

14 “(3) *[Weight identifiers issued]* **Tax enrollments** under this section are  
15 valid *[from the first day of any calendar quarter to the last day of the fourth*  
16 *consecutive calendar quarter. Each carrier may select the calendar quarter in*  
17 *which the period will begin except that, if necessary for administrative con-*  
18 *venience, the department may require a carrier to adopt a starting date chosen*  
19 *by the department]* **based on the dates shown on the motor vehicle’s**  
20 **registration card, as issued by the jurisdiction in which the vehicle is**  
21 **registered.**

22 “[*(4) All vehicles operating under the carrier’s authority shall have the*  
23 *same four-quarter period of weight identifier validity. The department may*  
24 *allow a carrier to operate with expired weight identifiers for up to one extra*  
25 *quarter if the renewal application has been submitted. The extension of time*  
26 *allowed by this subsection shall be granted only if the department determines*  
27 *that the extension is necessary for the administrative convenience of the de-*  
28 *partment.]*

29 “[*(5)*] (4) The department may adopt rules necessary to administer the  
30 provisions of this section.

1       **“SECTION 37.** ORS 825.492 is amended to read:

2       “825.492. *[(1) Whenever in the judgment of the Department of Transporta-*  
3       *tion the estimated annual tax payable by a carrier will be less than \$100, and*  
4       *the vehicles operated by the carrier are of less than 30,000 pounds combined*  
5       *weight, the department may authorize the carrier to file reports annually in*  
6       *lieu of monthly reports required by ORS 825.490 and 825.515. Annual reports*  
7       *and accompanying remittances shall be filed on or before the due date of*  
8       *February 28 for the preceding calendar year.]*

9       “~~[(2)]~~ **(1)** At the request of a motor carrier, the Department of **Trans-**  
10      **portation** may authorize the carrier to file quarterly reports in lieu of  
11      monthly reports required by ORS 825.490 and 825.515. Quarterly reports and  
12      accompanying remittances due shall be filed on or before the due date as  
13      follows: First calendar quarter, May 31; second quarter, August 31; third  
14      quarter, November 30; fourth quarter, February 28.

15      “~~[(3)]~~ **(2)** Such authorizations may be withdrawn at any time upon the  
16      mailing of notice to the carrier at the last address of record of the carrier  
17      with the department. Any provisions of ORS 825.490 and 825.515 otherwise  
18      applicable to reports and remittances shall be applicable to reports and re-  
19      mittances under this section.

20      **“SECTION 38.** ORS 319.665 is amended to read:

21      “319.665. (1) The seller of fuel for use in a motor vehicle shall collect the  
22      tax provided by ORS 319.530 at the time the fuel is sold, unless one of the  
23      following situations applies:

24      “(a) The Department of Transportation has issued for the vehicle into  
25      which the seller delivers or places the fuel a [*weight identifier*] **tax enroll-**  
26      **ment document** under ORS 825.450 or a valid user’s emblem under ORS  
27      319.600.

28      “(b) The fuel is dispensed at a nonretail facility, in which case the seller  
29      shall collect any tax owed at the same time the seller collects the purchase  
30      price from the person to whom the fuel was dispensed at the nonretail fa-

1 cility. A seller is not required to collect the tax under this paragraph from  
2 a person who certifies to the seller that the use of the fuel is exempt from  
3 the tax imposed under ORS 319.530.

4 “(c) A cardlock card is used for purchase of the fuel at an attended por-  
5 tion of a retail facility equipped with a cardlock card reader, in which case  
6 the cardlock card issuer licensed in this state is responsible for collecting  
7 and remitting the tax unless the person making the purchase certifies to the  
8 seller that the use of the fuel is exempt from the tax imposed under ORS  
9 319.530.

10 “(2) If a cardlock card is used for purchase of fuel at an attended portion  
11 of a retail facility equipped with a cardlock card reader, the seller at the  
12 retail facility may deduct fuel purchases made with a cardlock card from the  
13 seller’s retail transactions if the seller provides the department with the  
14 following information:

15 “(a) A monthly statement from a cardlock card issuer that details the  
16 cardlock card purchases at the retail facility; and

17 “(b) A listing of cardlock card issuers and gallons of fuel purchased at  
18 the retail facility by the issuers’ customers.

19 “(3) The department shall supply each seller of fuel for use in a motor  
20 vehicle with a chart which sets forth the tax imposed on given quantities  
21 of fuel.

22 **“SECTION 39.** ORS 825.250 is amended to read:

23 “825.250. (1) An authorized representative of the Department of Trans-  
24 portation may require a person driving a vehicle or combination of vehicles  
25 subject to regulation by the department on a street or highway to stop and  
26 submit to an inspection of the driver, the cargo or the vehicle or combination  
27 of vehicles at any location where representatives of the department are  
28 conducting tests and inspections when signs are displayed requiring such  
29 stop.

30 **“(2) An authorized representative of the department may require a**

1 **person driving a vehicle or combination of vehicles subject to regu-**  
2 **lation by the department on a street or highway to stop and submit**  
3 **to an inspection of the fuel supply tank of the vehicle or combination**  
4 **of vehicles at any location where representatives of the department**  
5 **are conducting tests and inspections when signs are displayed requir-**  
6 **ing such stop.**

7 “[2)] (3) As used in this section, ‘authorized representative’ means a city,  
8 county or state employee who has been trained and certified by the depart-  
9 ment as a commercial vehicle inspector and who is employed either by the  
10 department or by an agency that has an agreement with the department to  
11 provide inspections of commercial vehicles, drivers, general cargo or haz-  
12 ardous materials.

13 **“SECTION 40.** ORS 825.990 is amended to read:

14 “825.990. (1) Except as otherwise provided in subsection (2) **or (5)** of this  
15 section, every person who violates or procures, aids or abets violation of this  
16 chapter and any person who refuses or fails to obey any order, decision or  
17 rule, made under or pursuant to this chapter commits a Class A traffic vio-  
18 lation.

19 “(2) Knowingly violating an out-of-service notice issued under authority  
20 of the Department of Transportation is a Class A misdemeanor.

21 “(3) A person is subject to the penalties under subsection (4) of this sec-  
22 tion if the person knowingly:

23 “(a) Transports any hazardous waste listed under ORS 466.005 or rules  
24 adopted thereunder to a facility that does not have appropriate authority to  
25 receive the waste under ORS 466.005 to 466.385 and 466.992.

26 “(b) Disposes of any hazardous waste listed under ORS 466.005 or rules  
27 adopted thereunder without appropriate authority under ORS 466.005 to  
28 466.385 and 466.992.

29 “(c) Materially violates terms of any permit or authority issued to the  
30 person under this chapter or ORS 466.005 to 466.385 and 466.992 in the

1 transporting or disposing of hazardous waste.

2 “(d) Makes any false material statement or representation in any appli-  
3 cation, label, manifest, record, report, permit or other document filed, main-  
4 tained or used for purposes of compliance with requirements under this  
5 chapter for the safe transportation of hazardous wastes.

6 “(e) Fails to include material information required under rules of the  
7 Department of Transportation in any application for any permit or authority  
8 to transport hazardous waste under this chapter.

9 “(f) Violates any rules adopted by the Department of Transportation  
10 concerning the transportation of hazardous wastes.

11 “(4) Subject to ORS 153.022, violation of subsection (3) of this section is  
12 a Class B misdemeanor.

13 **“(5) Violating ORS 825.250 (2) is a Class B misdemeanor.**

14 **“SECTION 41.** ORS 818.400 is amended to read:

15 “818.400. (1) A person commits the offense of failure to comply with  
16 commercial vehicle enforcement requirements if the person is driving a ve-  
17 hicle or combination of vehicles and the person does not comply with any  
18 of the following or if the person is the owner of a vehicle or combination  
19 of vehicles and the person causes or permits the vehicle or combination not  
20 to comply with any of the following:

21 “(a) A vehicle or combination of vehicles must stop and submit to any  
22 enforcement of commercial vehicle weight, size, load, conformation or  
23 equipment regulation when directed to do so by an ‘OPEN’ sign displayed  
24 at a permanently established truck scale.

25 “(b) A vehicle or combination of vehicles must stop and submit to any  
26 enforcement of commercial vehicle weight, size, load, **dyed diesel use**, con-  
27 formation or equipment regulation when directed to do so by any sign or  
28 signal displayed or given by a police officer, motor carrier enforcement offi-  
29 cer or weighmaster acting in accordance with authority granted under ORS  
30 810.490.



1 “(c) A vehicle or combination of vehicles must move into the right lane  
2 for purposes of a weight or size check when instructed to do so by a sign  
3 indicating the presence of a weigh-in-motion scale.

4 “(d) The directions of any police officer, motor carrier enforcement officer  
5 or weighmaster that are given in accordance with authority granted under  
6 ORS 810.490 or 810.530 must be complied with.

7 “(2) The requirement of subsection (1)(a) of this section does not apply to:

8 “(a) An empty combination of a log truck and pole trailer if the pole  
9 trailer is bunked on the log truck and there is no other load; or

10 “(b) A vehicle or combination of vehicles if:

11 “(A) The normal route of the vehicle or combination of vehicles requires  
12 turning off the highway after passing the ‘OPEN’ sign but before reaching  
13 the scale; and

14 “(B) The vehicle or combination of vehicles is en route to a terminal or  
15 other legitimate business.

16 “(3) Operation of any vehicle or combination of vehicles in violation of  
17 this section is prima facie evidence that the owner of such vehicle or com-  
18 bination caused or permitted it to be so operated and the owner shall be li-  
19 able for any penalties imposed under this section.

20 “(4) The offense described in this section, failure to comply with com-  
21 mercial vehicle enforcement requirements, is a Class B misdemeanor. The  
22 penalty provided under this subsection is in addition to any penalty provided  
23 for violation of any prohibition relating to vehicle weight, size, load, con-  
24 formation or equipment.

25 **“SECTION 42. ORS 825.486 is repealed.**

26 **“SECTION 43. Sections 17 to 19, 23, 24 and 32 of this 2025 Act and**  
27 **the amendments to ORS 295.103, 319.010, 319.390, 319.520, 319.550, 319.665,**  
28 **319.700, 810.530, 818.400, 823.012, 823.023, 823.027, 823.085, 825.005, 825.104,**  
29 **825.141, 825.250, 825.326, 825.450, 825.492, 825.555 and 825.990 by sections**  
30 **11 to 15, 20, 21, 25 to 30 and 33 to 41 of this 2025 Act and the repeal of**

1 **ORS 825.486 by section 42 of this 2025 Act become operative on July 1,**  
2 **2028.**

3  
4 **“HIGHWAY COST ALLOCATION STUDY**

5  
6 **“SECTION 44.** ORS 366.506 is amended to read:

7 “366.506. (1) Once every two years, the Oregon Department of Adminis-  
8 trative Services shall conduct a highway cost allocation study. The purpose  
9 of the study is to determine:

10 “(a) The proportionate share that the users of each class of vehicle should  
11 pay for the costs of maintenance, operation and improvement of the high-  
12 ways, roads and streets in the state; and

13 “(b) Whether the users of each class are paying that share.

14 “(2) Each study must include:

15 “(a) An examination of the most recent study period for which actual data  
16 are available for the purpose of determining the accuracy of the most re-  
17 cently published study results; and

18 “(b) An examination of the prospective study period based on projected  
19 data for the purpose described in subsection (1) of this section **and that**  
20 **incorporates the results of the examination described in paragraph (a)**  
21 **of this subsection.**

22 “(3) The department may use any study design the department determines  
23 will best accomplish the purposes stated in subsection (1) of this section. In  
24 designing the study, the department may make decisions that include, but  
25 are not limited to, the methodology to be used for the study, what constitutes  
26 a class of vehicle for purposes of collection of data under subsections (1) to  
27 (5) of this section and the nature and scope of costs that will be included in  
28 the study.

29 “(4) The department may appoint a study review team to participate in  
30 the study required by subsection (1) of this section. The team may perform

1 any functions assigned by the department, including, but not limited to,  
2 consulting on the design of the study.

3 “(5) A report on the results of the study shall be submitted to the legis-  
4 lative revenue committees and the Joint Committee on Transportation by  
5 January 31 of each odd-numbered year.

6 “[*(6) The Legislative Assembly shall use the report described in subsection*  
7 *(5) of this section to determine whether adjustments to revenue sources de-*  
8 *scribed in Article IX, section 3a (3), of the Oregon Constitution, are needed in*  
9 *order to carry out the purposes of Article IX, section 3a (3), of the Oregon*  
10 *Constitution. If such adjustments are needed, the Legislative Assembly shall*  
11 *enact whatever measures are necessary to make the adjustments.*]

12 **“(6)(a) The Legislative Assembly shall use the report described in**  
13 **subsection (5) of this section to determine whether adjustments to the**  
14 **revenue sources described in Article IX, section 3a (3), of the Oregon**  
15 **Constitution, are needed to carry out the purposes of Article IX, sec-**  
16 **tion 3a (3), of the Oregon Constitution.**

17 **“(b) If the report indicates that the equity ratio for the heavy ve-**  
18 **hicle class or the light vehicle class is greater than 1.05, within two**  
19 **years of the Joint Committee on Transportation’s receipt of the report,**  
20 **the Legislative Assembly shall enact whatever measures are necessary**  
21 **to reduce the equity ratio between the heavy vehicle class and the**  
22 **light vehicle class to 1.05 or less.**

## 23 24 **“MOTOR VEHICLE FUEL TAX INCREASES**

25  
26 **“SECTION 45. ORS 319.020 is amended to read:**

27 **“319.020. (1) [*Subject to subsections (2) to (4) of this section, in addition to***  
28 ***the taxes otherwise provided for by law,*] This section applies to every dealer**  
29 **engaging in the dealer’s own name, or in the name of others, in the first sale,**  
30 **use or distribution of motor vehicle fuel or aircraft fuel or withdrawal of**

1 motor vehicle fuel or aircraft fuel for sale, use or distribution within areas  
2 in this state within which the state lacks the power to tax the sale, use or  
3 distribution of motor vehicle fuel or aircraft fuel.[, *shall*.]

4 “[*(a)*] **(2) Subject to subsections (4) to (6) of this section, in addition**  
5 **to the taxes otherwise provided for by law, not later than the 25th day**  
6 **of each calendar month, every dealer described in subsection (1) of this**  
7 **section shall** render a statement to the Department of Transportation of all  
8 motor vehicle fuel or aircraft fuel sold, used, distributed or so withdrawn by  
9 the dealer in the State of Oregon as well as all such fuel sold, used or dis-  
10 tributed in this state by a purchaser [*thereof*] **of the fuel** upon which sale,  
11 use or distribution the dealer has assumed liability for the applicable license  
12 tax during the preceding calendar month. The dealer shall render the state-  
13 ment to the department in the manner provided by the department by rule.

14 “[*(b)*] **(3) Subject to subsections (4) to (6) of this section, in addition**  
15 **to the taxes otherwise provided for by law, and except as provided in**  
16 **ORS 319.270, every dealer described in subsection (1) of this section**  
17 **shall** pay a license tax computed on the basis of [*34*] **52** cents per gallon on  
18 the first sale, use or distribution of such motor vehicle fuel or aircraft fuel  
19 so sold, used, distributed or withdrawn as shown by such statement in the  
20 manner and within the time provided in ORS 319.010 to 319.430.

21 “[*(2)*] **(4)** When aircraft fuel is sold, used or distributed by a dealer, the  
22 license tax shall be computed on the basis of 11 cents per gallon of fuel so  
23 sold, used or distributed, except that when aircraft fuel usable in aircraft  
24 operated by turbine engines (turbo-prop or jet) is sold, used or distributed,  
25 the tax rate shall be three cents per gallon.

26 “[*(3)*] **(5)** In lieu of claiming refund of the tax paid on motor vehicle fuel  
27 consumed by such dealer in nonhighway use as provided in ORS 319.280,  
28 319.290 and 319.320, or of any prior erroneous payment of license tax made  
29 to the state by such dealer, the dealer may show such motor vehicle fuel as  
30 a credit or deduction on the monthly statement and payment of tax.

1        “[~~(4)~~] (6) The license tax computed on the basis of the sale, use, distrib-  
2        ution or withdrawal of motor vehicle or aircraft fuel may not be imposed  
3        wherever such tax is prohibited by the Constitution or laws of the United  
4        States with respect to such tax.

5        **“SECTION 46. The amendments to ORS 319.020 by section 45 of this**  
6        **2025 Act become operative on January 1, 2026.**

7        **“NOTE:** Sections 47 and 48 were deleted by amendment. Subsequent  
8        sections were not renumbered.

9        **“SECTION 49. ORS 319.530 is amended to read:**

10       “319.530. (1) To compensate this state partially for the use of its highways,  
11       an excise tax [*hereby is imposed at the rate of 34 cents per gallon*] **is imposed**  
12       on the use of fuel in a motor vehicle **at the rate per gallon computed**  
13       **under ORS 319.020 (3).**

14       “(2) Except as otherwise provided in subsections (3) to (6) of this section,  
15       100 cubic feet of fuel used or sold in a gaseous state, measured at 14.73  
16       pounds per square inch of pressure at 60 degrees Fahrenheit, is taxable at  
17       the same rate as a gallon of liquid fuel.

18       “(3) 123.57 cubic feet, or 5.66 pounds, of compressed natural gas used or  
19       sold in a gaseous state is taxable at the same rate as one gasoline gallon.

20       “(4) 1.353 gallons, or 5.75 pounds, of liquefied petroleum gas is taxable at  
21       the same rate as one gasoline gallon.

22       “(5) 1.71 gallons, or 6.059 pounds, of liquefied natural gas is taxable at the  
23       same rate as one diesel gallon.

24       “(6) One kilogram of hydrogen is taxable at the same rate as one gasoline  
25       gallon.

26       **“SECTION 50. ORS 319.023, as amended by section 1, chapter 82, Oregon**  
27       **Laws 2024, is amended to read:**

28       “319.023. (1) The following amounts shall be distributed in the manner  
29       prescribed in this section:

30       “(a) Any amount of tax on aircraft fuel usable in aircraft operated by

1 turbine engines that is computed on a basis in excess of one cent per gallon  
2 and any amount of tax on all other aircraft fuel that is computed on a basis  
3 in excess of nine cents per gallon, under ORS 319.020 [(2)] (4); and

4 “(b) Any amount of tax on aircraft fuel usable in aircraft operated by  
5 turbine engines in excess of one cent per gallon and any amount of tax on  
6 all other aircraft fuel in excess of nine cents per gallon, that is deducted  
7 before the refunding of tax under ORS 319.330 (1).

8 “(2)(a) Applications for distributions under subsection (5) of this section  
9 may not be approved unless the applicant demonstrates a commitment to  
10 contribute at least five percent of the costs of the project to which the ap-  
11 plication relates. The Oregon Department of Aviation shall adopt rules for  
12 purposes of this paragraph.

13 “(b) The department may adopt rules that:

14 “(A) Set higher minimum contribution commitment requirements; or

15 “(B) Establish maximum grant amounts.

16 “(3)(a) The State Aviation Board shall establish a review committee  
17 composed of one member from each of the area commissions on transporta-  
18 tion chartered by the Oregon Transportation Commission.

19 “(b) The review committee shall meet as necessary to review applications  
20 for distributions of amounts pursuant to this section. In reviewing applica-  
21 tions, the review committee shall consider:

22 “(A) Whether a proposed project:

23 “(i) Reduces transportation costs for Oregon businesses or improves ac-  
24 cess to jobs and sources of labor in this state;

25 “(ii) Results in an economic benefit to this state;

26 “(iii) Connects elements of Oregon’s aviation system in a way that will  
27 measurably improve utilization and efficiency of the system;

28 “(iv) Is ready for construction or implementation; and

29 “(v) Has a useful life expectancy that offers maximum benefit to this  
30 state; and

1 “(B) How much of the cost of the proposed project can be borne by the  
2 applicant from sources other than Oregon Department of Aviation funds or  
3 the Connect Oregon Fund.

4 “(c) The review committee shall recommend applications to the State  
5 Aviation Board for approval.

6 “(4)(a) Five percent of the amounts described in subsection (1) of this  
7 section are appropriated to the Oregon Department of Aviation for the costs  
8 of the department and the State Aviation Board in administering this sec-  
9 tion.

10 “(b) The remaining 95 percent of the amounts described in subsection (1)  
11 of this section shall be distributed pursuant to subsections (5) and (6) of this  
12 section.

13 “(5)(a) Seventy-five percent of the amounts described in subsection (4)(b)  
14 of this section shall be distributed for the following purposes:

15 “(A) To assist airports in Oregon with match requirements for Federal  
16 Aviation Administration grants.

17 “(B) To make grants for emergency preparedness and infrastructure  
18 projects, in accordance with the Oregon Resilience Plan or the Oregon Avi-  
19 ation Plan.

20 “(C) To make grants for:

21 “(i) Services critical or essential to aviation, including, but not limited  
22 to, fuel, sewer, water and weather equipment;

23 “(ii) Aviation-related business development, including, but not limited to,  
24 hangars, parking for business aircraft and related facilities; or

25 “(iii) Airport development for local economic benefit, including, but not  
26 limited to, signs and marketing.

27 “(D)(i) To assist commercial air service to rural Oregon.

28 “(ii) The Oregon Department of Aviation may adopt a definition of ‘rural  
29 Oregon’ for purposes of this subparagraph.

30 “(b) The State Aviation Board may establish by rule priorities for the

distributions made pursuant to this subsection.

“(6) Twenty-five percent of the amounts described in subsection (4)(b) of this section shall be distributed to state-owned airports for the purposes of:

“(a) Safety improvements recommended by the State Aviation Board and local community airports.

“(b) Infrastructure projects at public use airports.

“(7)(a) Not later than September 15 of each year, the State Aviation Board shall submit the reports described in paragraph (b) of this subsection, in the manner provided in ORS 192.245, to the interim committees, as applicable, of the Legislative Assembly related to air transportation.

“(b) The reports required under this subsection shall describe in detail the projects for which applications have been submitted and approved, the airports affected, the names of the applicants and the persons who will perform the work proposed in the applications, the progress of projects for which applications have been approved and any other information the board considers necessary for a comprehensive analysis of the implementation of this section.

**“SECTION 51.** ORS 319.245 is amended to read:

“319.245. (1) As used in this section:

“(a) ‘Indian tribe’ means a federally recognized Indian tribe in Oregon.

“(b) ‘Tribal entity’ means an entity wholly owned by an Indian tribe.

“(c) ‘Tribal member entity’ means an entity wholly owned and operated by an enrolled member of an Indian tribe.

“(2) The first sale, use or distribution of motor vehicle fuel in this state is exempt from the license tax imposed under ORS 319.020 [(1)(b)] (3) if:

“(a) The motor vehicle fuel is purchased by an Indian tribe, tribal entity or tribal member entity directly or from a dealer that purchased the motor vehicle fuel in a transaction that would otherwise be subject to the tax; and

“(b) The motor vehicle fuel is delivered to a service station that is owned by an Indian tribe, tribal entity or tribal member entity and operated on the



1   respective Indian tribe's reservation or trust land.

2       “(3) In order to be eligible for the exemption under subsection (2) of this  
3   section, the Indian tribe must:

4       “(a) Impose a tax on the distribution of the motor vehicle fuel at the same  
5   rate as the license tax imposed under ORS 319.020 [(1)(b)] (3);

6       “(b) Expend the revenue from the tax imposed pursuant to paragraph (a)  
7   of this subsection solely for uses that are consistent with the requirements  
8   of Article IX, section 3a, of the Oregon Constitution; and

9       “(c) Certify annually to the Department of Transportation that the Indian  
10   tribe is in compliance with this subsection.

11       “(4) A dealer described in subsection (2)(a) of this section shall report to  
12   the department such sales of motor vehicle fuel to Indian tribes, tribal enti-  
13   ties and tribal member entities.

14       “(5) The department shall adopt rules prescribing the processes, forms and  
15   information that the forms must include for the certification required under  
16   subsection (3)(c) of this section and the reports required under subsection (4)  
17   of this section.

18       **“SECTION 52.** ORS 319.410 is amended to read:

19       “319.410. (1) The Department of Transportation shall promptly turn over  
20   the license tax to the State Treasurer to be disposed of as provided in ORS  
21   802.110.

22       “(2) The revenue from the license tax collected from the use, sale or dis-  
23   tribution of aircraft fuel as imposed by ORS 319.020 [(2)] (4) shall be trans-  
24   ferred upon certification of the department to the State Treasurer, who shall  
25   credit the certified amount to the State Aviation Account for the purpose  
26   of carrying out the provisions of the state aviation laws.

27       **“SECTION 53. The amendments to ORS 319.023, 319.245, 319.410 and**  
28   **319.530 by sections 49 to 52 of this 2025 Act become operative on Janu-**  
29   **ary 1, 2026.**



1 intend to or will not be able to make timely payment or deposit of the tax  
2 required to be deducted and withheld, such lender, surety or other person  
3 shall be liable to the State of Oregon in a sum equal to the taxes, together  
4 with interest, that are not timely paid over to the Department of Revenue.  
5 Such liability shall be limited to the principal amount supplied by the lender,  
6 surety or other person, and any amounts so paid to the department shall be  
7 credited against the liability of the employer.

8 “(7)(a) An employer shall submit an annual return pursuant to ORS  
9 316.202 to the Department of Revenue. The amounts deducted from the wages  
10 during any calendar year in accordance with this section shall be considered  
11 to be in payment of the tax imposed under subsection (2) of this section.

12 “(b) The return submitted by the employer shall be accepted by the De-  
13 partment of Revenue as evidence in favor of the employee of the amounts so  
14 deducted from the employee’s wages.

15 “(8) Nothing in this section prohibits the Department of Revenue from  
16 including the tax imposed under this section in the combined quarterly tax  
17 report required under ORS 316.168.

18 “(9) An employer that fails to deduct and withhold the tax required under  
19 this section:

20 “(a) Is deemed responsible for the payment of the tax obligation in an  
21 amount equal to the amount required to be withheld from the employee’s  
22 wages and remitted to the Department of Revenue; and

23 “(b) Is subject to a penalty of \$250 per employee, up to a maximum pen-  
24 alty of \$25,000, if the employer knowingly fails to deduct and withhold the  
25 tax.

26 “(10) Residents subject to the tax imposed under this section on wages  
27 earned outside this state from an employer not doing business within this  
28 state shall report and pay the tax in an amount not to exceed [*one-tenth of*  
29 *one percent of*] the wages earned outside this state **multiplied by the rate**  
30 **set under subsection (2)(b) of this section**, and at the time and in the

manner, as determined by the Department of Revenue by rule.

**“SECTION 55. The amendments to ORS 320.550 by section 54 of this 2025 Act become operative on January 1, 2026.**

**“SECTION 55a.** ORS 320.550, as amended by section 54 of this 2025 Act, is amended to read:

“320.550. (1) As used in this section:

“(a) ‘Employer’ has the meaning given that term in ORS 316.162.

“(b) ‘Resident of this state’ has the meaning given that term in ORS 316.027.

“(c) ‘Wages’ has the meaning given that term in ORS 316.162.

“(2)(a) A tax is imposed on the wages of an employee who is:

“(A) A resident of this state, regardless of where services are performed.

“(B) Not a resident of this state, for services performed in this state.

“(b) The tax shall be imposed at the *[following rates:]*

“*[(A) For calendar years 2026 and 2027, 0.18 percent.]*

“*[(B) For calendar years 2028 and 2029, 0.25 percent.]*

“*[(C) For calendar years 2030 and later,]* **rate of** 0.3 percent.

“(3) Every employer at the time of the payment of wages shall deduct and withhold from the total amount of the wages paid for services described under subsection (2) of this section an amount equal to the total amount of wages multiplied by the rate of tax imposed under subsection (2) of this section.

“(4) An employer shall report and pay the tax imposed under this section to the Department of Revenue at the time and in the manner determined by the department by rule.

“(5) For purposes of the tax imposed under this section, an employer is considered a taxpayer.

“(6) If a lender, surety or other person who supplies funds to or for the account of an employer for the purpose of paying wages of the employees of such employer has actual notice or knowledge that such employer does not

1 intend to or will not be able to make timely payment or deposit of the tax  
2 required to be deducted and withheld, such lender, surety or other person  
3 shall be liable to the State of Oregon in a sum equal to the taxes, together  
4 with interest, that are not timely paid over to the Department of Revenue.  
5 Such liability shall be limited to the principal amount supplied by the lender,  
6 surety or other person, and any amounts so paid to the department shall be  
7 credited against the liability of the employer.

8 “(7)(a) An employer shall submit an annual return pursuant to ORS  
9 316.202 to the Department of Revenue. The amounts deducted from the wages  
10 during any calendar year in accordance with this section shall be considered  
11 to be in payment of the tax imposed under subsection (2) of this section.

12 “(b) The return submitted by the employer shall be accepted by the De-  
13 partment of Revenue as evidence in favor of the employee of the amounts so  
14 deducted from the employee’s wages.

15 “(8) Nothing in this section prohibits the Department of Revenue from  
16 including the tax imposed under this section in the combined quarterly tax  
17 report required under ORS 316.168.

18 “(9) An employer that fails to deduct and withhold the tax required under  
19 this section:

20 “(a) Is deemed responsible for the payment of the tax obligation in an  
21 amount equal to the amount required to be withheld from the employee’s  
22 wages and remitted to the Department of Revenue; and

23 “(b) Is subject to a penalty of \$250 per employee, up to a maximum pen-  
24 alty of \$25,000, if the employer knowingly fails to deduct and withhold the  
25 tax.

26 “(10) Residents subject to the tax imposed under this section on wages  
27 earned outside this state from an employer not doing business within this  
28 state shall report and pay the tax in an amount not to exceed the wages  
29 earned outside this state multiplied by the rate set under subsection (2)(b)  
30 of this section, and at the time and in the manner, as determined by the

1 Department of Revenue by rule.

2 **“SECTION 55b. The amendments to ORS 320.550 by section 55a of**  
3 **this 2025 Act become operative on January 1, 2031.**

4 **“SECTION 56. (1) The Department of Transportation shall conduct**  
5 **a study that reviews:**

6 **“(a) The method of funding distribution from the Statewide Trans-**  
7 **portation Improvement Fund to qualified entities; and**

8 **“(b) How to improve interagency partnerships and service to ad-**  
9 **dress transit gaps and unmet needs in the Metro region.**

10 **“(2) The goal of the review described under subsection (1)(a) of this**  
11 **section is to determine the Department of Transportation’s ability to**  
12 **effectively and equitably distribute moneys in the Statewide Trans-**  
13 **portation Improvement Fund to address current and reasonably ex-**  
14 **pected transit service levels around this state. As part of the review,**  
15 **the Oregon Department of Administrative Services shall evaluate**  
16 **whether there are sufficient moneys to cover the administrative costs**  
17 **incurred by the Department of Transportation and the Department of**  
18 **Revenue related to the implementation of the tax imposed under ORS**  
19 **184.752 to 184.766 and 320.550.**

20 **“(3) The goal of the review described in subsection (1)(b) of this**  
21 **section is to include input by cities, counties and transit providers in**  
22 **Clackamas, Multnomah and Washington Counties to determine inter-**  
23 **agency partnership improvements and identify existing gaps and un-**  
24 **met needs in transit service.**

25 **“(4) The Department of Transportation shall submit a report in the**  
26 **manner provided by ORS 192.245, and may include recommendations**  
27 **for legislation, to the Joint Committee on Transportation no later**  
28 **than September 15, 2026.**

29 **“SECTION 57. Section 56 of this 2025 Act is repealed on January 2,**  
30 **2027.**

1                   **“VEHICLE PRIVILEGE AND USE TAXES**

2  
3       **“SECTION 58.** ORS 320.400 is amended to read:

4       “320.400. As used in ORS 320.400 to 320.490 [*and 803.203*]:

5       “(1)(a) ‘Bicycle’ means:

6       “(A) A vehicle that is designed to be operated on the ground on wheels  
7 for the transportation of humans and is propelled exclusively by human  
8 power; or

9       “(B) An electric assisted bicycle as defined in ORS 801.258.

10       “(b) ‘Bicycle’ does not include:

11       “(A) Carts;

12       “(B) Durable medical equipment;

13       “(C) In-line skates;

14       “(D) Roller skates;

15       “(E) Skateboards;

16       “(F) Stand-up scooters;

17       “(G) Strollers designed for the transportation of children;

18       “(H) Trailer cycles or other bicycle attachments; or

19       “(I) Wagons.

20       **“(2) ‘New’ means that a motor vehicle:**

21       **“(a) If equipped with an odometer, has 7,500 miles or less on the**  
22 **odometer; or**

23       **“(b) If not equipped with an odometer, has a manufacturer’s cer-**  
24 **tificate of origin or a manufacturer’s statement of origin.**

25       “[(2)(a)] **(3)(a)** ‘Retail sales price’ means the total price paid at retail for  
26 a taxable vehicle, exclusive of the amount of any excise, privilege or use tax,  
27 to a seller by a purchaser of the taxable vehicle.

28       “(b) ‘Retail sales price’ does not include the retail value of:

29       “(A) Modifications to a taxable vehicle that are necessary for a person  
30 with a disability to enter or drive or to otherwise operate or use the vehicle.

1 “(B) Customized industrial modifications to the chassis of a truck that  
2 has a gross vehicle weight rating of at least 10,000 pounds and not more than  
3 26,000 pounds.

4 “[3)] (4) ‘Seller’ means:

5 “(a) With respect to the privilege tax imposed under ORS 320.405 and the  
6 use tax imposed under ORS 320.410, a vehicle dealer.

7 “(b) With respect to the excise tax imposed under ORS 320.415, a person  
8 engaged in whole or in part in the business of selling bicycles.

9 “[4)] (5) ‘Taxable bicycle’ means a new bicycle that has a retail sales  
10 price of \$200 or more.

11 “[5)] (6) ‘Taxable motor vehicle’ means a **new or used** vehicle that:

12 “(a) Has a gross vehicle weight rating of 26,000 pounds or less; **and**

13 “[b)(A) *If equipped with an odometer, has 7,500 miles or less on the*  
14 *odometer; or]*

15 “[B) *If not equipped with an odometer, has a manufacturer’s certificate of*  
16 *origin or a manufacturer’s statement of origin; and]*

17 “[c)] (b) Is:

18 “(A) A vehicle as defined in ORS 744.850, other than an all-terrain vehicle  
19 or a trailer;

20 “(B) A camper as defined in ORS 801.180;

21 “(C) A commercial bus as defined in ORS 801.200;

22 “(D) A commercial motor vehicle as defined in ORS 801.208;

23 “(E) A commercial vehicle as defined in ORS 801.210;

24 “(F) A fixed load vehicle as defined in ORS 801.285;

25 “(G) A moped as defined in ORS 801.345;

26 “(H) A motor home as defined in ORS 801.350;

27 “(I) A motor truck as defined in ORS 801.355;

28 “(J) A tank vehicle as defined in ORS 801.522;

29 “(K) A trailer as defined in ORS 801.560 that is required to be registered  
30 in this state;



1 “(L) A truck tractor as defined in ORS 801.575; or

2 “(M) A worker transport bus as defined in ORS 801.610.

3 “[~~(6)~~] (7) ‘Taxable vehicle’ means a taxable bicycle or a taxable motor  
4 vehicle.

5 “[~~(7)~~] (8) ‘Transportation project taxes’ means the privilege tax imposed  
6 under ORS 320.405, the use tax imposed under ORS 320.410 and the excise tax  
7 imposed under ORS 320.415.

8 “(9) ‘Used’ means that a motor vehicle is not a new motor vehicle.

9 “[~~(8)(a)~~] (10)(a) ‘Vehicle dealer’ means:

10 “(A) A person engaged in business in this state that is required to obtain  
11 a vehicle dealer certificate under ORS 822.005; and

12 “(B) A person engaged in business in another state that would be subject  
13 to ORS 822.005 if the person engaged in business in this state.

14 “(b) Notwithstanding paragraph (a) of this subsection, a person is not a  
15 vehicle dealer for purposes of ORS 320.400 to 320.490 [~~and 803.203~~] to the  
16 extent the person:

17 “(A) Conducts an event that lasts less than seven consecutive days, for  
18 which the public is charged admission and at which otherwise taxable motor  
19 vehicles are sold at auction; or

20 “(B) Sells an otherwise taxable motor vehicle at auction at an event de-  
21 scribed in this paragraph.

22 “**SECTION 58a. The amendments to ORS 320.400 by section 58 of this**  
23 **2025 Act become operative on July 1, 2028.**

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

25 “320.405. (1) A tax is imposed on each vehicle dealer for the privilege of  
26 engaging in the business of selling taxable motor vehicles at retail in this  
27 state.

28 “(2)(a) The privilege tax shall be computed at the rate of [~~0.5~~] **2.25** percent  
29 of:

30 “(A) The retail sales price of [~~the~~] **a new** taxable motor vehicle.

1       “(B) The amount of the retail sales price of a used taxable motor  
2 vehicle that is greater than \$10,000.

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

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

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

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

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

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

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

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

20       “(2) The use tax shall be computed at the rate of [0.5] **2.25** percent of:

21       “(a) The retail sales price of [the] **a new** taxable motor vehicle.

22       “(b) **The amount of the retail sales price of a used taxable motor**  
23 **vehicle that is greater than \$10,000.**

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

26       “(4) The use tax shall be reduced, but not below zero, by the amount of  
27 any privilege, excise, sales or use tax imposed by any jurisdiction on the sale,  
28 or on the storage, use or other consumption, of the taxable motor vehicle.  
29 The reduction under this subsection shall be made only upon a showing by  
30 the purchaser that a privilege, excise, sales or 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  
3 or 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 **“SECTION 60a.** ORS 320.435 is amended to read:

8 “320.435. (1) The Department of Revenue shall deposit all revenue col-  
9 lected from the privilege tax imposed under ORS 320.405 and the use tax  
10 imposed under ORS 320.410 in a suspense account established under ORS  
11 293.445 for the purpose of receiving the revenue. The department may pay  
12 expenses for the administration and enforcement of the privilege and use  
13 taxes out of moneys received from the privilege and use taxes. Amounts  
14 necessary to pay administrative and enforcement expenses are continuously  
15 appropriated to the department from the suspense account.

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

20 “(a) Moneys attributable to the privilege tax shall be transferred as fol-  
21 lows:

22 **“(A) 38 percent to the Great Streets Fund established under section**  
23 **156 of this 2025 Act;**

24 **“(B) 38 percent to the Anchor Project Account established under**  
25 **section 120 of this 2025 Act;**

26 “[A)] (C) [*The greater of \$12 million or 45 percent of the gross amount of*  
27 *the moneys received from the privilege tax shall be transferred annually]* **10**  
28 **percent** to the Zero-Emission Incentive Fund established under ORS  
29 468.449;[.]

30 “[B)] (D) [*After the transfer required under subparagraph (A) of this*

paragraph, the balance of the moneys shall be transferred] **Eight percent** to the Connect Oregon Fund established under ORS 367.080[.]; **and**

**“(E) Six percent to the Railroad Fund established under ORS 824.014.**

**“(b) Moneys attributable to the use tax shall be transferred to the State Highway Fund[.] for distribution as follows:**

**“(A) Up to \$5 million to the Wildlife-Vehicle Collision Reduction Fund established under section 117 of this 2025 Act;**

**“(B) After \$5 million has been distributed under subparagraph (A) of this paragraph, up to \$25 million to the Safe Routes to Schools Fund established under ORS 184.740; and**

**“(C) After \$25 million has been distributed under subparagraph (B) of this paragraph, the balance to be distributed as moneys are distributed under section 110 of this 2025 Act.**

**“SECTION 60b. ORS 824.014 is amended to read:**

**“824.014. (1) The Railroad Fund is established separate and distinct from the General Fund. [*Interest earned, if any, shall inure to the benefit of the Railroad Fund.*] Interest earned by the Railroad Fund shall be credited to the fund.**

**“(2) All fees, penalties and other moneys collected by the Department of Transportation under ORS 824.010 and 824.012 shall be paid by the department into the State Treasury within 30 days after the collection thereof, and shall be [*placed*] credited by the State Treasurer to the [*credit of the*] Railroad Fund [*created by subsection (1) of this section. The fees, penalties and other moneys collected from railroads shall be used only for the purpose of paying the expenses of the department in performing the duties imposed by law upon the department in respect to railroads*].**

**“(3) The fund consists of:**

**“(a) Amounts deposited in the fund under ORS 320.435;**

**“(b) Fees, penalties and other moneys collected from railroads;**

1       “(c) Amounts appropriated or otherwise transferred to the fund by  
2       the Legislative Assembly; and

3       “(d) Other amounts deposited in the fund from any other source.

4       “(4) Moneys in the Railroad Fund are continuously appropriated to  
5       the Department of Transportation for the purposes of:

6       “(a) Carrying out programs or projects to support public transpor-  
7       tation by rail; and

8       “(b) Paying the expenses of the department in performing the duties  
9       imposed by law upon the department with respect to railroads.

10       “SECTION 61. The amendments to ORS 320.405, 320.410 and 320.435  
11       by sections 59 to 60a of this 2025 Act apply to sales of taxable motor  
12       vehicles that become final, and the storage, use or other consumption  
13       in this state of taxable motor vehicles that become taxable, on or after  
14       July 1, 2028.

15  
16                               **“VEHICLE FEES AND TAXES**

17  
18       “SECTION 62. ORS 803.420 is amended to read:

19       “803.420. (1) The vehicle registration fees imposed under this section shall  
20       be based on the classifications determined by the Department of Transpor-  
21       tation by rule. The department may classify a vehicle to ensure that regis-  
22       tration fees for the vehicle are the same as for other vehicles the department  
23       determines to be comparable.

24       “(2) Except as otherwise provided in this section, or unless the vehicle is  
25       registered quarterly, the fees described in this section are for an entire reg-  
26       istration period for the vehicle as described under ORS 803.415. For a vehicle  
27       registered for a quarterly registration period under ORS 803.415, the depart-  
28       ment shall apportion any fee under this section to reflect the number of  
29       quarters registered.

30       “(3) Vehicle registration fees are due when a vehicle is registered and

1 when the registered owner renews the registration.

2 “(4) In addition to the registration fees listed in this section, a county  
3 or a district may impose an additional registration fee as provided under  
4 ORS 801.041 and 801.042.

5 “(5) A rental or leasing company, as defined in ORS 221.275, that elects  
6 to initially register a vehicle for an annual or biennial registration period  
7 shall pay a fee of \$2 in addition to the vehicle registration fee provided under  
8 this section.

9 “(6) The registration fees for each year of the registration period for ve-  
10 hicles subject to biennial registration are as follows:

11 “(a) Passenger vehicles not otherwise provided for in this section or ORS  
12 821.320, [~~\$43~~] **\$75**.

13 “(b) Utility trailers or light trailers, as those terms are defined by rule  
14 by the department, [~~\$63~~] **\$75**.

15 “(c) Mopeds and motorcycles, [~~\$44~~] **\$75**.

16 “(d) Low-speed vehicles, [~~\$63~~] **\$75**.

17 “(e) Medium-speed electric vehicles, [~~\$63~~] **\$75**.

18 “(7) The registration fees for vehicles that are subject to biennial regis-  
19 tration and that are listed in this subsection are as follows:

20 “(a) State-owned vehicles registered under ORS 805.045 and undercover  
21 vehicles registered under ORS 805.060, \$10 upon registration or renewal.

22 “(b) Fixed load vehicles:

23 “(A) If a declaration of weight described under ORS 803.435 is submitted  
24 establishing the weight of the vehicle at 3,000 pounds or less, \$61.

25 “(B) If no declaration of weight is submitted or if the weight of the ve-  
26 hicles is in excess of 3,000 pounds, \$82.

27 “(c) Travel trailers, special use trailers, campers and motor homes, based  
28 on length as determined under ORS 803.425:

29 “(A) Trailers or campers that are 6 to 10 feet in length, [~~\$81~~] **\$125**.

30 “(B) Trailers or campers over 10 feet in length, [~~\$81~~] **\$125** plus \$7 a foot

1 for each foot of length over the first 10 feet.

2 “(C) Motor homes that are 6 to 14 feet in length, [~~\$86~~] **\$132**.

3 “(D) Motor homes over 14 feet in length, [~~\$126~~] **\$194** plus \$8 a foot for  
4 each foot of length over the first 10 feet.

5 “(8) The registration fee for trailers for hire that are equipped with  
6 pneumatic tires made of an elastic material and that are not travel trailers  
7 or trailers registered under permanent registration is \$30.

8 “(9) The registration fees for vehicles subject to ownership registration  
9 are as follows:

10 “(a) Government-owned vehicles registered under ORS 805.040, \$5.

11 “(b) Vehicles registered with special registration for disabled veterans  
12 under ORS 805.100 or for former prisoners of war under ORS 805.110, \$15.

13 “(c) School vehicles registered under ORS 805.050, \$5.

14 “(10) The registration fees for vehicles subject to permanent registration  
15 are as follows:

16 “(a) Antique vehicles registered under ORS 805.010, \$100.

17 “(b) Vehicles of special interest registered under ORS 805.020, \$100.

18 “(c) Racing activity vehicles registered under ORS 805.035, \$100.

19 “(d) Trailers, \$10.

20 “(e) State-owned vehicles registered under ORS 805.045 and undercover  
21 vehicles registered under ORS 805.060, \$10.

22 “(11) The registration fee for trailers registered as part of a fleet under  
23 an agreement reached pursuant to ORS 802.500 is the same fee as the fee for  
24 vehicles of the same type registered under other provisions of the Oregon  
25 Vehicle Code.

26 “(12) The registration fee for vehicles with proportional registration un-  
27 der ORS 826.009, or proportional fleet registration under ORS 826.011, is the  
28 same fee as the fee for vehicles of the same type under this section except  
29 that the fees shall be fixed on an apportioned basis as provided under the  
30 agreement established under ORS 826.007.

“(13) In addition to any other registration fees charged for registration of vehicles in fleets under ORS 805.120, the department may charge the following fees:

“(a) Service charge for each vehicle entered into a fleet, \$3.

“(b) Service charge for each vehicle in the fleet at the time of renewal, \$2.

“(14)(a) The registration fee for motor vehicles required to establish a registration weight under ORS 803.430 or 826.013, tow vehicles used to transport property for hire other than as described in ORS 822.210 and commercial buses is as provided in the following chart, based upon the weight submitted in the declaration of weight prepared under ORS 803.435 or 826.015:

“

---

Weight in Pounds			Fee
8,000	or	less	\$ 74
8,001	to	10,000	464
10,001	to	12,000	528
12,001	to	14,000	591
14,001	to	16,000	655
16,001	to	18,000	718
18,001	to	20,000	801
20,001	to	22,000	864
22,001	to	24,000	949
24,001	to	26,000	1,031
26,001	to	28,000	375
28,001	to	30,000	391
30,001	to	32,000	422
32,001	to	34,000	438
34,001	to	36,000	468
36,001	to	38,000	485



1	38,001	to	40,000	515
2	40,001	to	42,000	532
3	42,001	to	44,000	562
4	44,001	to	46,000	578
5	46,001	to	48,000	593
6	48,001	to	50,000	625
7	50,001	to	52,000	656
8	52,001	to	54,000	672
9	54,001	to	56,000	686
10	56,001	to	58,000	717
11	58,001	to	60,000	750
12	60,001	to	62,000	780
13	62,001	to	64,000	811
14	64,001	to	66,000	827
15	66,001	to	68,000	857
16	68,001	to	70,000	874
17	70,001	to	72,000	904
18	72,001	to	74,000	921
19	74,001	to	76,000	951
20	76,001	to	78,000	967
21	78,001	to	80,000	998
22	80,001	to	82,000	1,014
23	82,001	to	84,000	1,045
24	84,001	to	86,000	1,061
25	86,001	to	88,000	1,092
26	88,001	to	90,000	1,108
27	90,001	to	92,000	1,139
28	92,001	to	94,000	1,155
29	94,001	to	96,000	1,185
30	96,001	to	98,000	1,202

1	98,001	to	100,000	1,218
2	100,001	to	102,000	1,249
3	102,001	to	104,000	1,265
4	104,001	to	105,500	1,295

5 “

6 “(b)(A) The registration fee for motor vehicles with a registration weight  
7 of more than 8,000 pounds that are described in ORS 825.015, that are oper-  
8 ated by a charitable organization as defined in ORS 825.017 (13), is as pro-  
9 vided in the following chart:

10 “

11	Weight in Pounds			Fee
12	8,001	to	10,000	\$ 71
13	10,001	to	12,000	85
14	12,001	to	14,000	92
15	14,001	to	16,000	107
16	16,001	to	18,000	114
17	18,001	to	20,000	128
18	20,001	to	22,000	135
19	22,001	to	24,000	149
20	24,001	to	26,000	156
21	26,001	to	28,000	170
22	28,001	to	30,000	178
23	30,001	to	32,000	192
24	32,001	to	34,000	199
25	34,001	to	36,000	213
26	36,001	to	38,000	220
27	38,001	to	40,000	234
28	40,001	to	42,000	241
29	42,001	to	44,000	256
30	44,001	to	46,000	263

1	46,001	to	48,000	270
2	48,001	to	50,000	284
3	50,001	to	52,000	298
4	52,001	to	54,000	305
5	54,001	to	56,000	312
6	56,001	to	58,000	327
7	58,001	to	60,000	341
8	60,001	to	62,000	355
9	62,001	to	64,000	369
10	64,001	to	66,000	376
11	66,001	to	68,000	391
12	68,001	to	70,000	398
13	70,001	to	72,000	412
14	72,001	to	74,000	419
15	74,001	to	76,000	433
16	76,001	to	78,000	440
17	78,001	to	80,000	454
18	80,001	to	82,000	462
19	82,001	to	84,000	476
20	84,001	to	86,000	483
21	86,001	to	88,000	497
22	88,001	to	90,000	504
23	90,001	to	92,000	518
24	92,001	to	94,000	525
25	94,001	to	96,000	540
26	96,001	to	98,000	547
27	98,001	to	100,000	554
28	100,001	to	102,000	568
29	102,001	to	104,000	575
30	104,001	to	105,500	589

1 “

2 “(B) The registration fee for motor vehicles that are certified under ORS  
3 822.205, unless the motor vehicles are registered under paragraph (a) of this  
4 subsection, or that are used exclusively to transport manufactured struc-  
5 tures, is as provided in the following chart:

6 “

---

Weight in Pounds			Fee
8,000	or	less	\$ 63
8,001	to	10,000	145
10,001	to	12,000	173
12,001	to	14,000	187
14,001	to	16,000	217
16,001	to	18,000	231
18,001	to	20,000	260
20,001	to	22,000	274
22,001	to	24,000	304
24,001	to	26,000	318
26,001	to	28,000	346
28,001	to	30,000	362
30,001	to	32,000	391
32,001	to	34,000	405
34,001	to	36,000	435
36,001	to	38,000	449
38,001	to	40,000	477
40,001	to	42,000	491
42,001	to	44,000	521
44,001	to	46,000	535
46,001	to	48,000	550
48,001	to	50,000	578
50,001	to	52,000	608

1	52,001	to	54,000	622
2	54,001	to	56,000	636
3	56,001	to	58,000	665
4	58,001	to	60,000	694
5	60,001	to	62,000	723
6	62,001	to	64,000	753
7	64,001	to	66,000	767
8	66,001	to	68,000	795
9	68,001	to	70,000	809
10	70,001	to	72,000	839
11	72,001	to	74,000	853
12	74,001	to	76,000	882
13	76,001	to	78,000	896
14	78,001	to	80,000	926
15	80,001	to	82,000	940
16	82,001	to	84,000	968
17	84,001	to	86,000	983
18	86,001	to	88,000	1,012
19	88,001	to	90,000	1,027
20	90,001	to	92,000	1,055
21	92,001	to	94,000	1,071
22	94,001	to	96,000	1,099
23	96,001	to	98,000	1,113
24	98,001	to	100,000	1,127
25	100,001	to	102,000	1,157
26	102,001	to	104,000	1,172
27	104,001	to	105,500	1,200

28 “  


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29 “(C) The owner of a vehicle described in subparagraph (A) or (B) of this  
30 paragraph must certify at the time of initial registration, in a manner de-

1 terminated by the department by rule, that the motor vehicle will be used ex-  
2 clusively to transport manufactured structures or exclusively as described in  
3 ORS 822.210, unless the motor vehicle is registered under paragraph (a) of  
4 this subsection, or as described in ORS 825.015 or 825.017 (13). Registration  
5 of a vehicle described in subparagraph (A) or (B) of this paragraph is invalid  
6 if the vehicle is operated in any manner other than that described in the  
7 certification under this subparagraph.

8 “(c) Subject to paragraph (d) of this subsection, the registration fee for  
9 motor vehicles registered as farm vehicles under ORS 805.300 is as provided  
10 in the following chart, based upon the registration weight given in the dec-  
11 laration of weight submitted under ORS 803.435:

12 “

---

Weight in Pounds				Fee
8,000	or	less		\$ 50
8,001	to	10,000		65
10,001	to	12,000		75
12,001	to	14,000		97
14,001	to	16,000		108
16,001	to	18,000		129
18,001	to	20,000		141
20,001	to	22,000		162
22,001	to	24,000		172
24,001	to	26,000		195
26,001	to	28,000		204
28,001	to	30,000		226
30,001	to	32,000		237
32,001	to	34,000		258
34,001	to	36,000		270
36,001	to	38,000		291
38,001	to	40,000		302

1	40,001	to	42,000	324
2	42,001	to	44,000	334
3	44,001	to	46,000	356
4	46,001	to	48,000	366
5	48,001	to	50,000	388
6	50,001	to	52,000	399
7	52,001	to	54,000	409
8	54,001	to	56,000	432
9	56,001	to	58,000	453
10	58,001	to	60,000	463
11	60,001	to	62,000	474
12	62,001	to	64,000	496
13	64,001	to	66,000	517
14	66,001	to	68,000	528
15	68,001	to	70,000	540
16	70,001	to	72,000	561
17	72,001	to	74,000	571
18	74,001	to	76,000	594
19	76,001	to	78,000	604
20	78,001	to	80,000	625
21	80,001	to	82,000	636
22	82,001	to	84,000	657
23	84,001	to	86,000	669
24	86,001	to	88,000	690
25	88,001	to	90,000	700
26	90,001	to	92,000	723
27	92,001	to	94,000	733
28	94,001	to	96,000	754
29	96,001	to	98,000	765
30	98,001	to	100,000	787

1	100,001 to 102,000	798
2	102,001 to 104,000	819
3	104,001 to 105,500	831

4 “

5 “(d) For any vehicle that is registered under a quarterly registration pe-  
6 riod, the registration fee is a minimum of \$15 for each quarter registered plus  
7 an additional fee of \$2.

8 “(15) The registration and renewal fees for vehicles specified in this sub-  
9 section that are required to establish a registration weight under ORS  
10 803.430 or 826.013 are as follows:

11 “(a) State-owned vehicles registered under ORS 805.045, \$10.

12 “(b) Undercover vehicles registered under ORS 805.060, \$10.

13 **“SECTION 63.** ORS 803.090 is amended to read:

14 “803.090. (1) Except as provided in subsection (2) of this section, the fee  
15 to issue a certificate of title under ORS 803.045 or 803.140, to transfer title  
16 under ORS 803.092, to issue a duplicate or replacement certificate of title  
17 under ORS 803.065 or to issue a new title due to name or address change  
18 under ORS 803.220 is as follows:

19 **“(a) \$312; or**

20 **“[(a)] (b) For a salvage title, [\$27] \$44.**

21 **“[(b) For a vehicle title for trailers eligible for permanent registration under**  
22 **ORS 803.415 (1) and motor vehicles with a gross vehicle weight rating over**  
23 **26,000 pounds, excluding motor homes, \$90.]**

24 **“[(c) For a vehicle title for vehicles other than those vehicles described in**  
25 **paragraph (b) of this subsection, \$77.]**

26 “(2) If an application for a duplicate or replacement certificate of title is  
27 filed at the same time as an application for a transfer of title for the same  
28 vehicle, the applicant is required to pay only the transfer of title fee.

29 “(3) The fee for late presentation of certificate of title under ORS 803.105  
30 is \$25 from the 31st day after the transfer through the 60th day after the



1 transfer and \$50 thereafter.

2 “(4) The fees for title transactions involving a form of title other than a  
3 certificate shall be the amounts established by the Department of Transpor-  
4 tation by rule under ORS 803.012.

5 **“SECTION 64.** ORS 818.225 is amended to read:

6 “818.225. (1) As used in this section, ‘equivalent single-axle load’ means  
7 the relationship between actual or requested weight and an 18,000 pound  
8 single-axle load as determined by the American Association of State Highway  
9 and Transportation Officials Road Tests reported at the Proceedings Con-  
10 ference of 1962.

11 “(2)(a) In addition to any fee for a single-trip nondivisible load permit, a  
12 person who is issued the permit or who operates a vehicle in a manner that  
13 requires the permit is liable for payment of a road use assessment fee of [*ten*  
14 *and nine-tenths*] **twelve and seven-tenths** cents per equivalent single-axle  
15 load mile traveled.

16 “(b) If the road use assessment fee is not collected at the time of issuance  
17 of the permit, the department shall bill the permittee for the amount due.  
18 The account shall be considered delinquent if not paid within 60 days of  
19 billing.

20 “(c) The miles of travel authorized by a single-trip nondivisible load per-  
21 mit shall be exempt from taxation under ORS chapter 825.

22 “(3) The department may adopt rules:

23 “(a) To standardize the determination of equivalent single-axle load com-  
24 putation based on average highway conditions; and

25 “(b) To establish procedures for payment, collection and enforcement of  
26 the fees and assessments established by this chapter.

27 **“SECTION 65.** ORS 825.480 is amended to read:

28 “825.480. [(1)(a) *In lieu of other fees provided in ORS 825.474, carriers en-*  
29 *gaged in operating motor vehicles in the transportation of logs, poles, peeler*  
30 *cores or piling may pay annual fees for such operation computed at the rate*

1 *of \$11.60 for each 100 pounds of declared combined weight.]*

2 **“(1)(a) In lieu of other fees provided in ORS 825.474, carriers engaged**  
3 **in operating motor vehicles in the transportation of logs, poles, peeler**  
4 **cores or piling may pay annual fees for such operation computed at**  
5 **the following rate for each 100 pounds of declared combined weight:**

6 **“(A) For electric motor vehicles, \$12.21.**

7 **“(B) For vehicles other than electric motor vehicles, \$7.82.**

8 **“(b) Any carrier electing to pay fees under this method may, as to vehicles**  
9 **otherwise exempt from taxation, elect to be taxed on the mileage basis for**  
10 **movements of such empty vehicles over public highways whenever operations**  
11 **are for the purpose of repair, maintenance, servicing or moving from one**  
12 **exempt highway operation to another.**

13 **“(2) The annual fees provided in subsections (1)[, (4) and (5)] and (3) of**  
14 **this section may be paid on a monthly basis. Any carrier electing to pay fees**  
15 **under this method may not change an election during the same calendar year**  
16 **in which the election is made, but may be relieved from the payment due for**  
17 **any month during which a motor vehicle is not operated. A carrier electing**  
18 **to pay fees under this method shall report and pay these fees on or before**  
19 **the 10th of each month for the preceding month’s operations. A monthly re-**  
20 **port shall be made on all vehicles on the annual fee basis including any ve-**  
21 **hicle not operated for the month.**

22 *“(3)(a) In lieu of the fees provided in ORS 825.470 to 825.474, motor vehi-*  
23 *cles described in ORS 825.024 with a combined weight of less than 46,000*  
24 *pounds that are being operated under a permit issued under ORS 825.102 may*  
25 *pay annual fees for such operation computed at the rate of \$9.60 for each 100*  
26 *pounds of declared combined weight.]*

27 *“(b) The annual fees provided in this subsection shall be paid in advance*  
28 *but may be paid on a monthly basis on or before the first day of the month.*  
29 *A carrier may be relieved from the fees due for any month during which the*  
30 *motor vehicle is not operated for hire if a statement to that effect is filed with*

1 *the Department of Transportation on or before the fifth day of the first month*  
2 *for which relief is sought.]*

3 “[~~(4)(a)~~] **(3)** In lieu of other fees provided in ORS 825.474, carriers engaged  
4 in the operation of motor vehicles equipped with dump bodies and used in  
5 the transportation of sand, gravel, rock, dirt, debris, cinders, asphaltic con-  
6 crete mix, metallic ores and concentrates or raw nonmetallic products,  
7 whether crushed or otherwise, moving from mines, pits or quarries may pay  
8 annual fees for such operation computed at the **following** rate [*of \$11.50*] for  
9 each 100 pounds of declared combined weight[.]:

10 **“(a) For electric motor vehicles, \$19.75.**

11 **“(b) For vehicles other than electric motor vehicles, \$12.64.**

12 “[*(b) Any carrier electing to pay fees under this method may, as to vehicles*  
13 *otherwise exempt for taxation, elect to be taxed on the mileage basis for*  
14 *movements of such empty vehicles over public highways whenever operations*  
15 *are for the purpose of repair, maintenance, servicing or moving from one ex-*  
16 *empt highway operation to another.]*

17 “[*(5)(a) In lieu of other fees provided in ORS 825.474, carriers engaged in*  
18 *operating motor vehicles in the transportation of wood chips, sawdust,*  
19 *barkdust, hog fuel or shavings may pay annual fees for such operation com-*  
20 *puted at the rate of \$47 for each 100 pounds of declared combined weight.]*

21 “[*(b) Any carrier electing to pay under this method may, as to vehicles*  
22 *otherwise exempt from taxation, elect to be taxed on the mileage basis for*  
23 *movement of such empty vehicles over public highways whenever operations are*  
24 *for the purpose of repair, maintenance, service or moving from one exempt*  
25 *highway operation to another.]*

26 **“NOTE:** Sections 66 to 70 were deleted by amendment. Subsequent  
27 sections were not renumbered.

28 **“SECTION 71.** ORS 803.645 is amended to read:

29 “803.645. Fees for trip permits issued under ORS 803.600 are as follows:

30 “(1) For a heavy motor vehicle trip permit, \$43.

1 “(2) For a heavy trailer trip permit, \$10.

2 “(3) For a light vehicle trip permit, \$35.

3 “(4) For a recreational vehicle trip permit, [~~\$35~~] **\$50**.

4 “(5) For a registration weight trip permit, \$5.

5 “(6) For a registered vehicle trip permit, \$7.50.

6 “(7) For a 10-day trip permit issued under ORS 803.600 (2) by a person  
7 with a vehicle dealer certificate or a towing business certificate, \$15.

8 “**NOTE:** Section 71a was deleted by amendment. Subsequent sections were  
9 not renumbered.

10 “**SECTION 72.** ORS 825.141 is amended to read:

11 “825.141. In addition to any other requirements of this chapter, a carrier  
12 whose operating authority has been suspended shall pay a reinstatement fee  
13 of \$25 to the Department of Transportation before the operating authority  
14 may be reinstated[, *plus \$5 for each vehicle issued a weight identifier under*  
15 *ORS 825.450,*] and shall demonstrate operational activity at the time of  
16 reinstatement.

17 “**SECTION 73.** ORS 803.065 is amended to read:

18 “803.065. (1) The Department of Transportation may issue a duplicate or  
19 replacement certificate of title when all of the following occur:

20 “(a) The department is satisfied as to the loss, mutilation or destruction  
21 of a certificate of title or salvage title certificate.

22 “(b) The fee for issuance of a [*duplicate or replacement*] certificate of title  
23 or for a salvage title certificate established under ORS 803.090 is paid.

24 “(2) The department may accept an application for a duplicate or re-  
25 placement title certificate at the time of any transfer of a vehicle under ORS  
26 803.092. The following apply to this subsection:

27 “(a) The department shall only accept the application if, at the time of  
28 transfer, the title certificate is lost, mutilated or destroyed.

29 “(b) When the department accepts an application, the department may  
30 accept proof of transfer other than the certificate of title or may accept a

1 certificate of title that has not been completed along with other proof of  
2 transfer for purposes of transferring a vehicle under ORS 803.092. The de-  
3 partment may accept any proof of transfer under this paragraph that estab-  
4 lishes to the satisfaction of the department that the vehicle has been  
5 transferred including, but not limited to, statements of release of interest,  
6 bills of sale, assignments of interest or other similar proof.

7 “(c) If an application is made under this subsection, the fee for duplicate  
8 or replacement title certificate under ORS 803.090 shall be paid in addition  
9 to the transfer fee under ORS 803.090.

10 “(d) The department may include the form for application under this  
11 subsection as part of the form for transfer of a vehicle or may make the  
12 forms separate, as the department finds convenient.

13 “(e) The department is not required by this subsection to issue a duplicate  
14 or replacement title before transfer, but may withhold issuance of title until  
15 new title is issued upon completion of transfer.

16 “(f) The department may adopt rules to establish procedures and require-  
17 ments for effecting a transfer under ORS 803.092 when application is made  
18 under this subsection at the same time.

19 **“SECTION 74.** ORS 803.092 is amended to read:

20 “803.092. (1) Except as otherwise provided in this section, upon the  
21 transfer of any interest in a vehicle covered by an Oregon title the transferee  
22 shall submit an application for title to the Department of Transportation.  
23 Such application shall be submitted to the department within 30 days of the  
24 date of transfer of interest.

25 “(2) Notwithstanding subsection (1) of this section, application is not re-  
26 quired under this section when:

27 “(a) The change involves only a change in the security interest where the  
28 security interest holder or lessor is a financial institution, a financial hold-  
29 ing company or a bank holding company, as those terms are defined in ORS  
30 706.008, a licensee under ORS chapter 725, or any subsidiary or affiliate of

1 any of the foregoing and the transfer of the interest of the security interest  
2 holder or lessor:

3 “(A) Results from the merger, conversion, reorganization, consolidation  
4 or acquisition of the security interest holder or lessor;

5 “(B) Is to an entity that is a member of the same affiliated group as the  
6 security holder or lessor; or

7 “(C) Is made in connection with a transfer in bulk.

8 “(b) The vehicle is transferred to a vehicle dealer and the vehicle will  
9 become part of the dealer’s inventory for resale. Upon the transfer of a ve-  
10 hicle to a dealer, however, the dealer shall immediately notify the depart-  
11 ment of such transfer. This exemption from the requirement to apply for title  
12 does not apply if the department determines that application for title is  
13 necessary in order to comply with odometer disclosure requirements. If the  
14 department determines that application for title is not required, it may re-  
15 quire filing of documents under ORS 803.126.

16 “(c) The vehicle is to be titled in another jurisdiction.

17 “(d) The vehicle has been totaled, wrecked, dismantled, disassembled,  
18 substantially altered or destroyed, in which case the provisions of ORS  
19 819.010, 819.012, 819.014 or 822.135 relating to notice and surrender of title  
20 documents shall be complied with.

21 “(e) The transfer involves the creation or termination of a leasehold in-  
22 terest in a vehicle that is proportionally registered under ORS 826.009 or  
23 826.011, if the department is furnished with satisfactory proof of the lease.

24 “(3) Except as provided in subsection (2) of this section, the transferee  
25 shall:

26 “(a) Submit an application that meets requirements for title under ORS  
27 803.045 and 803.050 and any applicable rules of the department.

28 “(b) Submit the title transfer [*fees*] **fee** as required under ORS 803.090.

29 “(c) Comply with the provisions of ORS 803.065 and any applicable rules  
30 of the department under that statute and submit the duplicate or replacement

1 title fee as provided under ORS 803.090, if the transfer includes an applica-  
2 tion for duplicate or replacement title and transfer of title.

3 “(d) Submit an odometer disclosure containing information required by  
4 the department for the kind of transaction involved.

5 “(e) Submit any late presentation of certificate of title fee as provided  
6 under ORS 803.090 if such fee is required under ORS 803.105.

7 “(4) For purposes of this section:

8 “(a) ‘Affiliated group’ has the meaning given to the term in section  
9 1504(a) of the Internal Revenue Code of 1986, as amended (26 U.S.C. 1504(a)).

10 “(b) A ‘transfer in bulk’ is:

11 “(A) The sale or assignment of, the grant of a security interest in, or any  
12 other transfer of either a group of loans secured by vehicles, leases of vehi-  
13 cles or both or a participation or other interest in the group of loans;

14 “(B) The creation of asset-backed securities or other securing of assets  
15 involving the loans or leases; or

16 “(C) Any similar transaction involving the loans or leases.

17 **“SECTION 75.** ORS 803.092, as amended by section 3, chapter 428, Oregon  
18 Laws 2023, is amended to read:

19 “803.092. (1) Except as otherwise provided in this section, upon the  
20 transfer of any interest in a vehicle covered by an Oregon title the transferee  
21 shall submit an application for title to the Department of Transportation.  
22 Such application shall be submitted to the department within 30 days of the  
23 date of transfer of interest.

24 “(2) Notwithstanding subsection (1) of this section, application is not re-  
25 quired under this section when:

26 “(a) The change involves only a change in the security interest where the  
27 security interest holder or lessor is a financial institution, a financial hold-  
28 ing company or a bank holding company, as those terms are defined in ORS  
29 706.008, a licensee under ORS chapter 725, or any subsidiary or affiliate of  
30 any of the foregoing and the transfer of the interest of the security interest

holder or lessor:

“(A) Results from the merger, conversion, reorganization, consolidation or acquisition of the security interest holder or lessor;

“(B) Is to an entity that is a member of the same affiliated group as the security holder or lessor; or

“(C) Is made in connection with a transfer in bulk.

“(b) The vehicle is transferred to a vehicle dealer and the vehicle will become part of the dealer’s inventory for resale. Upon the transfer of a vehicle to a dealer, however, the dealer shall immediately notify the department of such transfer. This exemption from the requirement to apply for title does not apply if the department determines that application for title is necessary in order to comply with odometer disclosure requirements. If the department determines that application for title is not required, it may require filing of documents under ORS 803.126.

“(c) The vehicle is to be titled in another jurisdiction.

“(d) The vehicle has been totaled, wrecked, dismantled, disassembled, substantially altered or destroyed, in which case the provisions of ORS 819.010, 819.012, 819.014 or 822.135 relating to notice and surrender of title documents shall be complied with.

“(e) The transfer involves the creation or termination of a leasehold interest in a vehicle that is proportionally registered under ORS 826.009 or 826.011, if the department is furnished with satisfactory proof of the lease.

“(3) Except as provided in subsection (2) of this section, the transferee shall:

“(a) Submit an application that meets requirements for title under ORS 803.045 and 803.050 and any applicable rules of the department.

“(b) Submit the title transfer [*fees*] **fee** as required under ORS 803.090.

“(c) Comply with the provisions of ORS 803.065 and any applicable rules of the department under that statute and submit the duplicate or replacement title fee as provided under ORS 803.090, if the transfer includes an applica-



tion for duplicate or replacement title and transfer of title.

“(d) Submit an odometer disclosure containing information required by the department for the kind of transaction involved.

“(e) Submit any late presentation of certificate of title fee as provided under ORS 803.090 if such fee is required under ORS 803.105.

“(4)(a) If requested on the application for title, the department shall provide the primary security interest holder with an electronic title. If no request is made on the application, the department may issue a certificate of title.

“(b) When the primary security interest holder receives an electronic title, within 30 days of the release of the security interest the primary security interest holder shall electronically submit the release of interest to the department in the manner provided by the department by rule.

“(c) A duly certified copy of the department’s electronic record of the title reflecting the lien is admissible in any civil, criminal or administrative proceeding in this state as evidence of the existence of a lien.

“(d) The department shall adopt rules related to electronic application and the electronic release of liens and notice to lienholders.

“(5) For purposes of this section:

“(a) ‘Affiliated group’ has the meaning given to the term in section 1504(a) of the Internal Revenue Code of 1986, as amended (26 U.S.C. 1504(a)).

“(b) A ‘transfer in bulk’ is:

“(A) The sale or assignment of, the grant of a security interest in, or any other transfer of either a group of loans secured by vehicles, leases of vehicles or both or a participation or other interest in the group of loans;

“(B) The creation of asset-backed securities or other securing of assets involving the loans or leases; or

“(C) Any similar transaction involving the loans or leases.

**“SECTION 76.** Section 18, chapter 30, Oregon Laws 2010, as amended by section 71L, chapter 750, Oregon Laws 2017, section 32, chapter 93, Oregon

Laws 2018, and section 11, chapter 491, Oregon Laws 2019, is amended to read:

**“Sec. 18.** The Department of Transportation shall report semiannually to the legislative committees on revenue if the Legislative Assembly is in session or, if the Legislative Assembly is not in session, to the Legislative Revenue Officer. The department’s report shall include:

“(1) An estimate of the amounts received in the previous two quarters from the increased taxes and fees established in ORS [803.091 and] 803.422 [and section 45, chapter 750, Oregon Laws 2017,] and the amendments to ORS 319.020, 319.530, 803.420, 803.645, 818.225, 818.270, 825.476, 825.480 and 826.023 by sections 34, 35, 40 to 43, 48, 49, 51, 52, 54, 63, 64, 66, 67 and 70, chapter 750, Oregon Laws 2017, and an estimate of the projected revenue in the current quarter and the next quarter from the increased taxes and fees established in ORS [803.091 and] 803.422 [and section 45, chapter 750, Oregon Laws 2017,] and the amendments to ORS 319.020, 319.530, 803.420, 803.645, 818.225, 818.270, 825.476, 825.480 and 826.023 by sections 34, 35, 40 to 43, 48, 49, 51, 52, 54, 63, 64, 66, 67 and 70, chapter 750, Oregon Laws 2017.

“(2) An estimate of the amounts received in the previous biennium to date from the increased taxes and fees established in ORS [803.091 and] 803.422 [and section 45, chapter 750, Oregon Laws 2017,] and the amendments to ORS 319.020, 319.530, 803.420, 803.645, 818.225, 818.270, 825.476, 825.480 and 826.023 by sections 34, 35, 40 to 43, 48, 49, 51, 52, 54, 63, 64, 66, 67 and 70, chapter 750, Oregon Laws 2017, and an estimate of the projected revenue in the remaining current biennium from the increased taxes and fees established in ORS [803.091 and] 803.422 [and section 45, chapter 750, Oregon Laws 2017,] and the amendments to ORS 319.020, 319.530, 803.420, 803.645, 818.225, 818.270, 825.476, 825.480 and 826.023 by sections 34, 35, 40 to 43, 48, 49, 51, 52, 54, 63, 64, 66, 67 and 70, chapter 750, Oregon Laws 2017.

“(3) Information about the expenditures and distributions made under ORS 367.095, including but not limited to:

1 “(a) Information about the department’s total funds as well as the funds  
2 raised separately by the increased taxes and fees established in ORS [803.091  
3 and] 803.422 [and section 45, chapter 750, Oregon Laws 2017,] and the  
4 amendments to ORS 319.020, 319.530, 803.420, 803.645, 818.225, 818.270, 825.476,  
5 825.480 and 826.023 by sections 34, 35, 40 to 43, 48, 49, 51, 52, 54, 63, 64, 66,  
6 67 and 70, chapter 750, Oregon Laws 2017, and expended as described in ORS  
7 367.095 (3).

8 “(b) Semiannual amounts that include all the actual and forecasted ex-  
9 penditures and distributions made under ORS 367.095 for each quarter of the  
10 current biennium and the forecasted expenditures and distributions for the  
11 following biennium.

12 **“SECTION 77. Section 45, chapter 750, Oregon Laws 2017, as**  
13 **amended by section 43, chapter 93, Oregon Laws 2018, section 1, chap-**  
14 **ter 250, Oregon Laws 2019, and section 7, chapter 491, Oregon Laws**  
15 **2019, is repealed.**

16 **“SECTION 78.** ORS 367.095 is amended to read:

17 “367.095. (1) The following amounts shall be distributed in the manner  
18 prescribed in this section:

19 “(a) The amount attributable to the increase in tax rates by [section 45,  
20 chapter 750, Oregon Laws 2017, and] the amendments to ORS 319.020 and  
21 319.530 by sections 40 to 43, chapter 750, Oregon Laws 2017.

22 “(b) The amount attributable to the vehicle registration [and title] fees  
23 imposed under ORS [803.091 and] 803.422.

24 “(c) The amount attributable to the increase in taxes and fees by the  
25 amendments to ORS 803.420, 803.645, 818.225, 825.476, 825.480 and 826.023 by  
26 sections 34, 35, 48, 49, 51, 52, 63, 64, 66, 67 and 70, chapter 750, Oregon Laws  
27 2017.

28 “(2) The amounts described in subsection (1) of this section shall be dis-  
29 tributed in the following order and for the following purposes:

30 “(a)(A) \$30 million per year shall be used to pay for:

1 “(i) The Interstate 5 Rose Quarter Project;

2 “(ii) The Interstate 205 Improvements: Stafford Road to Oregon Route 213  
3 Project;

4 “(iii) The Interstate 5 Boone Bridge and Seismic Improvement Project;  
5 and

6 “(iv) The implementation of the toll program established under ORS  
7 383.150.

8 “(B) The amount described in subparagraph (A) of this paragraph shall  
9 be used to pay for costs, including project costs on a current basis and pay-  
10 ing for debt service on bonds issued to finance the projects or toll program,  
11 only until the later of the date on which the projects or toll program is  
12 completed or on which all bonds issued to fund the projects or toll program  
13 have been repaid. Any remaining moneys shall be distributed as described in  
14 subsection (3) of this section.

15 “(b) \$15 million per year shall be deposited into the Safe Routes to  
16 Schools Fund for the purpose of providing Safe Routes to Schools matching  
17 grants under ORS 184.742. The remainder of the moneys shall be distributed  
18 as described in subsection (3) of this section.

19 “(3) The moneys described in subsection (1) of this section that remain  
20 after the allocation of moneys described in subsection (2) of this section shall  
21 be allocated as follows:

22 “(a) 50 percent to the Department of Transportation.

23 “(b) 30 percent to counties for distribution as provided in ORS 366.762.

24 “(c) 20 percent to cities for distribution as provided in ORS 366.800.

25 “(4) The moneys described in subsection (3)(a) of this section or equiv-  
26 alent amounts that become available to the Department of Transportation  
27 shall be allocated as follows:

28 “(a) \$10 million for safety.

29 “(b) Of the remaining balance:

30 “(A) Forty percent for bridges.

1 “(B) Thirty percent for seismic improvements related to highways and  
2 bridges.

3 “(C) Twenty-four percent for state highway pavement preservation and  
4 culverts.

5 “(D) Six percent for state highway maintenance and safety improvements.

6 **“SECTION 79. (1) The amendments to ORS 803.090, 803.420, 803.645  
7 and 825.141 by sections 62, 63, 71 and 72 of this 2025 Act apply to taxes  
8 and fees imposed on or after January 1, 2026.**

9 **“(2) The amendments to ORS 818.225 and 825.480 by sections 64 and  
10 65 of this 2025 Act apply to taxes and fees imposed on or after July 1,  
11 2028.**

12 **“(3) The amendments to ORS 803.090 by section 63 of this 2025 Act  
13 apply to titles issued or transferred on or after January 1, 2026.**

14 **“SECTION 80. The amendments to ORS 818.225 and 825.480 by  
15 sections 64 and 65 of this 2025 Act become operative on July 1, 2028.**

16 **“NOTE:** Sections 81 to 93 were deleted by amendment. Subsequent  
17 sections were not renumbered.

18  
19 **“CONFORMING AMENDMENTS**

20  
21 **“SECTION 94. ORS 320.445 is amended to read:**

22 **“320.445. (1) Except as otherwise provided in ORS 320.400 to 320.490 [and  
23 803.203], the use tax imposed under ORS 320.410 and the excise tax imposed  
24 under ORS 320.415 shall be collected at the point of sale and remitted by  
25 each seller that engages in the retail sale of taxable vehicles. Each tax is  
26 considered a tax upon the seller that is required to collect the tax, and the  
27 seller is considered a taxpayer.**

28 **“(2) Each seller of taxable vehicles that is liable for transportation  
29 project taxes shall file a return with the Department of Revenue, in the form  
30 and manner prescribed by the department, on or before the last day of Jan-**

1 uary, April, July and October of each year for the previous calendar quarter.  
2 The return shall show the amount of transportation project taxes due for  
3 retail sales made during the calendar quarter to which the return relates.

4 “(3) Each seller shall pay the applicable transportation project taxes to  
5 the department in the form and manner prescribed by the department, but  
6 not later than the date of submitting each quarterly return, without regard  
7 to extensions under subsection (5) of this section.

8 “(4) Sellers of taxable vehicles shall file the returns required under this  
9 section with respect to the privilege tax imposed under ORS 320.405 and the  
10 excise tax imposed under ORS 320.415 regardless of whether any taxes are  
11 owed.

12 “(5) The department may extend the time for making any return required  
13 under this section if a written request is filed with the department during  
14 or prior to the period for which the extension may be granted. The depart-  
15 ment may not grant an extension of more than 30 days.

16 “(6) Interest shall be added to delinquent tax amounts at the rate estab-  
17 lished under ORS 305.220 from the time the return to which the delinquent  
18 tax amounts relate was originally required to be filed to the time of payment.

19 “**NOTE:** Section 95 was deleted by amendment. Subsequent sections were  
20 not renumbered.

21 “**SECTION 96.** ORS 320.460 is amended to read:

22 “320.460. (1)(a) A seller of taxable vehicles shall keep receipts, invoices  
23 and other pertinent records related to retail sales of taxable vehicles in the  
24 form required by the Department of Revenue. Each record shall be preserved  
25 for five years from the time to which the record relates, or for as long as the  
26 seller retains the taxable vehicles to which the record relates, whichever is  
27 later.

28 “(b) During the retention period and at any time prior to the destruction  
29 of records, the department may give written notice to the seller not to de-  
30 stroy records described in the notice without written permission of the de-

1 department.

2 “(c) Notwithstanding any other provision of law, the department shall  
3 preserve reports and returns filed with the department for at least five years.

4 “(2) ORS 314.425 applies to the authority of the Department of Revenue  
5 to examine, or cause to be examined by an agent or representative designated  
6 by the department for the purpose, any books, papers, records or memoranda  
7 bearing upon the matter required to be included in any return required under  
8 ORS 320.400 to 320.490 [*and 803.203*] for the purpose of ascertaining the cor-  
9 rectness of the return or for the purpose of making an estimate of the taxable  
10 sales of the taxpayer.

11 **“SECTION 97.** ORS 320.465 is amended to read:

12 “320.465. (1) The Department of Revenue may, by order or subpoena to be  
13 served with the same force and effect and in the same manner as a subpoena  
14 is served in a civil action in the circuit court or the Oregon Tax Court, re-  
15 quire the production at any time and place the department designates of any  
16 books, papers, accounts or other information necessary to carry out ORS  
17 320.400 to 320.490 [*and 803.203*]. The department may require the attendance  
18 of any individual having knowledge in the premises, and may take testimony  
19 and require proof material for the information, with power to administer  
20 oaths to the individual.

21 “(2)(a) If an individual fails to comply with a subpoena or order of the  
22 department or to produce or permit the examination or inspection of any  
23 books, papers, records and equipment pertinent to an investigation or inquiry  
24 under ORS 320.400 to 320.490 [*and 803.203*], or to testify to any matter re-  
25 garding which the individual is lawfully interrogated, the department may  
26 apply to the Oregon Tax Court or to the circuit court of the county in which  
27 the individual resides or where the individual is for an order to the indi-  
28 vidual to attend and testify or otherwise comply with the demand or request  
29 of the department.

30 “(b) The department shall apply to the court by ex parte motion, upon

1 which the court shall make an order requiring the individual against whom  
2 the motion is directed to comply with the request or demand of the depart-  
3 ment within 10 days after the service of the order, or within the additional  
4 time granted by the court, or to justify the failure within that time. The  
5 order shall be served upon the individual to whom it is directed in the  
6 manner required by this state for service of process, which is required to  
7 confer jurisdiction upon the court.

8 “(3) Failure to obey any order issued by the court under this section is  
9 contempt of court.

10 “(4) The remedy provided by this section is in addition to other remedies,  
11 civil or criminal, existing under the tax laws or other laws of this state.

12 **“SECTION 98.** ORS 320.470 is amended to read:

13 “320.470. (1) Notwithstanding the confidentiality provisions of ORS  
14 320.475, the Department of Revenue may disclose information received under  
15 ORS 320.400 to 320.490 [*and 803.203*] to the Department of Transportation for  
16 the purposes of carrying out the provisions of ORS [*320.405, 320.410 and*  
17 *803.203*] **320.400 to 320.490.**

18 “(2) The Department of Transportation may disclose information obtained  
19 under ORS 320.410 and 803.203 to the Department of Revenue for the pur-  
20 poses of carrying out the provisions of ORS 320.400 to 320.490 [*and 803.203*].

21 “(3) [*Any*] **An** officer or employee of the Department of Transportation  
22 to whom information is disclosed under subsection (1) of this section is not  
23 required to execute a certificate under ORS 314.840 (3)(a).

24 “(4) Except as otherwise provided in ORS 320.400 to 320.490 [*and*  
25 *803.203*], a person aggrieved by an act or determination of the Department  
26 of Revenue or its authorized agent under ORS 320.400 to 320.490 [*and*  
27 *803.203*] may appeal, within 90 days after the act or determination, to the  
28 Oregon Tax Court in the manner provided in ORS 305.404 to 305.560. These  
29 appeal rights are the exclusive remedy available to determine the person’s  
30 liability for the transportation project taxes.



1       **“SECTION 99.** ORS 320.475 is amended to read:

2       “320.475. Except as otherwise provided in ORS 320.400 to 320.490 [*and*  
3   803.203] or where the context requires otherwise, the provisions of ORS  
4   chapters 305 and 314 as to the audit and examination of returns, periods of  
5   limitation, determinations of and notices of deficiencies, assessments, col-  
6   lections, liens, delinquencies, claims for refund and refunds, conferences,  
7   appeals to the Oregon Tax Court, stays of collection pending appeal,  
8   confidentiality of returns and the related penalties, and the related proce-  
9   dures, apply to the determinations of taxes, penalties and interest under ORS  
10   320.400 to 320.490 [*and 803.203*].

11       **“SECTION 100.** ORS 320.480 is amended to read:

12       “320.480. (1) The Department of Revenue shall administer and enforce  
13   ORS 320.400 to 320.490 [*and 803.203*].

14       “(2) The department may adopt or establish rules and procedures that the  
15   department considers necessary or appropriate for the implementation, ad-  
16   ministration and enforcement of ORS 320.400 to 320.490 [*and 803.203*] and  
17   that are consistent with ORS 320.400 to 320.490 [*and 803.203*].

18       “(3) The Department of Transportation shall enter into an agreement with  
19   the Department of Revenue for purposes of the implementation, adminis-  
20   tration and enforcement by the Department of Transportation of those pro-  
21   visions of ORS 803.203, and rules or procedures adopted or established by the  
22   Department of Revenue under this section, that the Department of Trans-  
23   portation and the Department of Revenue determine are necessary for the  
24   effective and efficient implementation, administration and enforcement of  
25   ORS 803.203.

26       **“NOTE:** Sections 101 and 102 were deleted by amendment. Subsequent  
27   sections were not renumbered.

28       **“SECTION 103.** ORS 803.045 is amended to read:

29       “803.045. (1) The Department of Transportation shall issue title for a ve-  
30   hicle if the applicant and the vehicle meet the following qualifications:

1       “(a) The applicant must satisfy the department that the applicant is the  
2 owner of the vehicle and is otherwise entitled to have title issued in the  
3 applicant’s name.

4       “(b) Except as otherwise provided in ORS 803.050 (2), the applicant must  
5 submit a completed and signed application for title described in ORS 803.050.

6       “(c) The applicant must pay the fee for issuance of a certificate of title  
7 under ORS 803.090 or the fee for issuance of title in another form, as estab-  
8 lished by the department by rule in accordance with ORS 803.012.

9       **“(d) The applicant must pay any amount of tax imposed under ORS**  
10 **320.410 that is due with respect to the transaction in which the motor**  
11 **vehicle for which title is sought was purchased.**

12       “[(d)] (e) If the vehicle is a reconstructed vehicle or an assembled vehicle,  
13 the applicant must provide the following information in addition to any  
14 other information required under this section:

15       “(A) The certificate of title last issued for the frame of the vehicle, a  
16 salvage title certificate issued for the vehicle or other evidence of ownership  
17 satisfactory to the department.

18       “(B) Bills of sale for major components used to build the vehicle.

19       “[(e)] (f) If the vehicle is covered by an Oregon title or salvage title cer-  
20 tificate, the applicant shall surrender the Oregon title or salvage title cer-  
21 tificate, submit an application as provided under ORS 803.065 or submit other  
22 evidence of ownership satisfactory to the department.

23       “[(f)] (g) Unless the department adopts rules to the contrary, if the vehi-  
24 cle is from another jurisdiction, the applicant shall surrender to the depart-  
25 ment with the application the certificate of title issued by the other  
26 jurisdiction, if such jurisdiction requires certificates of title. If such juris-  
27 diction does not require certificates of title, then the applicant shall sur-  
28 render the registration cards.

29       “[(g)] (h) If required by the department, the applicant must submit proof  
30 of ownership as described under ORS 803.205.

1       “[(h)] (i) Other than a racing activity vehicle as defined in ORS 801.404,  
2 if the department has reason to believe a vehicle was not certified by the  
3 original manufacturer as conforming to federal vehicle standards, the de-  
4 partment may require the applicant to provide proof satisfactory to the de-  
5 partment that the vehicle conforms to federal vehicle standards.

6       “[(i)] (j) Unless the vehicle is exempted from odometer disclosure re-  
7 quirements, the applicant shall submit an appropriate odometer disclosure  
8 form. The department shall determine what constitutes an appropriate form  
9 in any particular situation. The department may make exceptions by rule to  
10 the requirement for submission of an odometer disclosure form.

11       “(2) The department may not issue title for a vehicle:

12       “(a) Required by ORS 803.210 to be inspected unless the vehicle has been  
13 inspected as described in ORS 803.212 and the inspection fee paid under ORS  
14 803.215.

15       “(b) If the current vehicle title, certificate, ownership document or the  
16 vehicle record available through electronic record inquiry:

17       “(A) Has a junk status;

18       “(B) Is a junk title, junk certificate or similar ownership document issued  
19 by another jurisdiction; or

20       “(C) Has a junk or similar brand or notation.

21       “(c) As prescribed in ORS 803.591.

22       “(3) The department may adopt any rules it considers necessary for the  
23 administration of subsection (2)(a) and (b) of this section.

24       “**NOTE:** Sections 104 and 105 were deleted by amendment. Subsequent  
25 sections were not renumbered.

26       “**SECTION 106.** ORS 822.043 is amended to read:

27       “822.043. (1) As used in this section:

28       “(a) ‘Integrator’ has the meaning given that term in ORS 802.600.

29       “(b) ‘Vehicle dealer’ means a person issued a vehicle dealer certificate  
30 under ORS 822.020.

1 “(2) A vehicle dealer that the Department of Transportation has desig-  
2 nated to act as an agent of the department under ORS 802.031 may elect to  
3 prepare, submit, or prepare and submit documents necessary to:

4 “(a) Issue or transfer a certificate of title for a vehicle;

5 “(b) Register a vehicle or transfer registration of a vehicle;

6 “(c) Issue a registration plate;

7 “(d) Verify and clear a title;

8 “(e) Perfect, release or satisfy a lien or other security interest;

9 “(f) Comply with federal security requirements; or

10 “(g) Render any other services for the purpose of complying with state  
11 and federal laws related to the sale of a vehicle.

12 “(3) A vehicle dealer who prepares any documents described in subsection  
13 (2) of this section:

14 “(a) May charge a purchaser of a vehicle a document processing fee for  
15 the preparation of those documents.

16 “(b) May not charge a purchaser of a vehicle a document processing fee  
17 for the submission of any document or the issuance of a registration plate.

18 “(c) May charge a purchaser of a vehicle a document processing fee for  
19 performing any of the services described in subsection (2) of this section in  
20 connection with preparing the documents described in subsection (2) of this  
21 section.

22 “(4) A purchaser of a vehicle may negotiate the amount of the document  
23 processing fee with a vehicle dealer, but in no case shall the document pro-  
24 cessing fee charged by a vehicle dealer under this section exceed:

25 “(a) [~~\$250~~] **\$450**, if the vehicle dealer uses an integrator; or

26 “(b) [~~\$200~~] **\$350**, if the vehicle dealer does not use an integrator.

27 “(5) If a vehicle dealer charges a document processing fee under sub-  
28 section (4)(a) of this section, of the amount collected \$35 shall be paid to the  
29 integrator.

30 “(6) Unless otherwise provided by rule, if a vehicle dealer uses an

1 integrator and charges a document processing fee greater than that charged  
2 for not using an integrator, the dealer must inform the purchaser of the ve-  
3 hicle of the option of using an integrator to prepare the documents. The  
4 purchaser may then elect whether or not to have the vehicle dealer use an  
5 integrator to prepare the documents.

6 “(7) If the purchaser of a vehicle pays a document processing fee, the ve-  
7 hicle dealer shall prepare and submit all documents to complete the trans-  
8 action as permitted by law.

9 “(8)(a) A vehicle dealer who collects the privilege tax imposed under ORS  
10 320.405 from the purchaser of a taxable motor vehicle may collect the privi-  
11 lege tax at the same time and in the same manner as the vehicle dealer  
12 collects document processing fees under this section. The amount of the  
13 privilege tax shall be in addition to and not in lieu of document processing  
14 fees collected under this section.

15 “(b) A vehicle dealer may exclude the amount of the privilege tax from  
16 the capitalized cost and offering price of a taxable motor vehicle as those  
17 terms are defined by the Department of Justice by rule.

18 **“SECTION 107.** ORS 317A.100, as amended by section 26, chapter 75,  
19 Oregon Laws 2024, is amended to read:

20 “317A.100. As used in ORS 317A.100 to 317A.158:

21 “(1)(a) ‘Commercial activity’ means:

22 “(A) The total amount realized by a person, arising from transactions and  
23 activity in the regular course of the person’s trade or business, without de-  
24 duction for expenses incurred by the trade or business;

25 “(B) If received by a financial institution:

26 “(i) If the reporting person for a financial institution is a holding com-  
27 pany, all items of income reported on the FR Y-9 filed by the holding com-  
28 pany;

29 “(ii) If the reporting person for a financial institution is a bank organ-  
30 ization, all items of income reported on the call report filed by the bank or-

ganization; and

“(iii) If the reporting person for a financial institution is a nonbank financial organization, all items of income reported in accordance with generally accepted accounting principles; and

“(C)(i) If received by an insurer, as reported on the statement of premiums accompanying the annual statement required under ORS 731.574 to be filed with the Director of the Department of Consumer and Business Services, all gross direct life insurance premiums, gross direct accident and health insurance premiums and gross direct property and casualty insurance premiums; and

“(ii) The gross amount of surplus lines premiums received on Oregon home state risks as shown in the report required by ORS 735.465.

“(b) ‘Commercial activity’ does not include:

“(A) Interest income except:

“(i) Interest on credit sales; or

“(ii) Interest income, including service charges, received by financial institutions;

“(B) Receipts from the sale, exchange or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code, without regard to the length of time the person held the asset;

“(C) If received by an insurer, federally reinsured premiums or income from transactions between a reciprocal insurer and its attorney in fact operating under ORS 731.142;

“(D) Receipts from hedging transactions, to the extent that the transactions are entered into primarily to protect a financial position, including transactions intended to manage the risk of exposure to foreign currency fluctuations that affect assets, liabilities, profits, losses, equity or investments in foreign operations, risk of exposure to interest rate fluctuations or risk of commodity price fluctuations;

“(E) Proceeds received attributable to the repayment, maturity or re-

1    demption of the principal of a loan, bond, mutual fund, certificate of deposit  
2    or marketable instrument;

3       “(F) The principal amount received under a repurchase agreement or on  
4    account of any transaction properly characterized as a loan to the person;

5       “(G) Contributions received by a trust, plan or other arrangement, any  
6    of which is described in section 501(a) of the Internal Revenue Code, or to  
7    which title 26, subtitle A, chapter 1, subchapter (D) of the Internal Revenue  
8    Code applies;

9       “(H) Compensation, whether current or deferred, and whether in cash or  
10   in kind, received or to be received by an employee, a former employee or the  
11   employee’s legal successor for services rendered to or for an employer, in-  
12   cluding reimbursements received by or for an individual for medical or edu-  
13   cation expenses, health insurance premiums or employee expenses or on  
14   account of a dependent care spending account, legal services plan, any cafe-  
15   teria plan described in section 125 of the Internal Revenue Code or any  
16   similar employee reimbursement;

17       “(I) Proceeds received from the issuance of the taxpayer’s own stock,  
18   options, warrants, puts or calls, or from the sale of the taxpayer’s treasury  
19   stock;

20       “(J) Proceeds received on the account of payments from insurance poli-  
21   cies, including crop insurance policies, owned by the taxpayer, except those  
22   proceeds received for the loss of commercial activity;

23       “(K) Gifts or charitable contributions received, membership dues received  
24   by trade, professional, homeowners’ or condominium associations, payments  
25   received for educational courses, meetings or meals, or similar payments to  
26   a trade, professional or other similar association, and fundraising receipts  
27   received by any person when any excess receipts are donated or used exclu-  
28   sively for charitable purposes;

29       “(L) Damages received as the result of litigation in excess of amounts  
30   that, if received without litigation, would be treated as commercial activity;

1 “(M) Property, money and other amounts received or acquired by an agent  
2 on behalf of another in excess of the agent’s commission, fee or other  
3 remuneration;

4 “(N) Tax refunds from any tax program, other tax benefit recoveries and  
5 reimbursements for the tax imposed under ORS 317A.100 to 317A.158 made  
6 by entities that are part of the same unitary group as provided under ORS  
7 317A.106, and reimbursements made by entities that are not members of a  
8 unitary group that are required to be made for economic parity among mul-  
9 tiple owners of an entity whose tax obligation under ORS 317A.100 to  
10 317A.158 is required to be reported and paid entirely by one owner, as pro-  
11 vided in ORS 317A.106;

12 “(O) Pension reversions;

13 “(P) Contributions to capital;

14 “(Q) Receipts from the sale, transfer, exchange or other disposition of  
15 motor vehicle fuel or any other product used for the propulsion of motor  
16 vehicles;

17 “(R) In the case of receipts from the sale of cigarettes or tobacco products  
18 by a wholesale dealer, retail dealer, distributor, manufacturer or seller, an  
19 amount equal to the federal and state excise taxes paid by any person on or  
20 for such cigarettes or tobacco products under subtitle E of the Internal  
21 Revenue Code or ORS chapter 323;

22 “(S) In the case of receipts from the sale of malt beverages or wine, as  
23 defined in ORS 471.001, cider, as defined in ORS 471.023 or distilled liquor,  
24 as defined in ORS 471.001, by a person holding a license issued under ORS  
25 chapter 471, an amount equal to the federal and state excise taxes paid by  
26 any person on or for such malt beverages, wine or distilled liquor under  
27 subtitle E of the Internal Revenue Code or ORS chapter 471 or 473, and any  
28 amount paid to the Oregon Liquor and Cannabis Commission for sales of  
29 distilled spirits by an agent appointed under ORS 471.750;

30 “(T) In the case of receipts from the sale of marijuana items, as defined



1 in ORS 475C.009, by a person holding a license issued under ORS 475C.005  
2 to 475C.525, an amount equal to the federal and state excise taxes paid by  
3 any person on or for such marijuana items under subtitle E of the Internal  
4 Revenue Code or ORS 475C.670 to 475C.734 and any local retail taxes au-  
5 thorized under ORS 475C.453;

6 “(U) Local taxes collected by a restaurant or other food establishment on  
7 sales of meals, prepared food or beverages;

8 “(V) Tips or gratuities collected by a restaurant or other food establish-  
9 ment and passed on to employees;

10 “(W) Receipts realized by a vehicle dealer certified under ORS 822.020 or  
11 a person described in ORS 320.400 [(8)(a)(B)] **(10)(a)(B)** from the sale or other  
12 transfer of a motor vehicle, as defined in ORS 801.360, to another vehicle  
13 dealer for the purpose of resale by the transferee vehicle dealer, but only if  
14 the sale or other transfer was based upon the transferee’s need to meet a  
15 specific customer’s preference for a motor vehicle or is an exchange of new  
16 vehicles between franchised motor vehicle dealerships;

17 “(X) Registration fees or taxes collected by a vehicle dealer certified un-  
18 der ORS 822.020 or a person described in ORS 320.400 [(8)(a)(B)] **(10)(a)(B)**  
19 at the sale or other transfer of a motor vehicle, as defined in ORS 801.360,  
20 that are owed to a third party by the purchaser of the motor vehicle and  
21 passed to the third party by the dealer;

22 “(Y) Receipts from a financial institution for services provided to the fi-  
23 nancial institution in connection with the issuance, processing, servicing and  
24 management of loans or credit accounts, if the financial institution and the  
25 recipient of the receipts have at least 50 percent of their ownership interests  
26 owned or controlled, directly or constructively through related interests, by  
27 common owners;

28 “(Z) In the case of amounts retained as commissions by a holder of a li-  
29 cense under ORS chapter 462, an amount equal to the amounts specified un-  
30 der ORS chapter 462 that must be paid to or collected by the Department of

1 Revenue as a tax and the amounts specified under ORS chapter 462 to be  
2 used as purse money;

3 “(AA) Receipts of residential care facilities as defined in ORS 443.400 or  
4 in-home care agencies as defined in ORS 443.305, to the extent that the re-  
5 cepts are derived from or received as compensation for providing services  
6 to a medical assistance or Medicare recipient;

7 “(BB) Dividends received;

8 “(CC) Distributive income received from a pass-through entity;

9 “(DD) Receipts from sales to a wholesaler in this state, if the seller re-  
10 ceives certification at the time of sale from the wholesaler that the whole-  
11 saler will sell the purchased property outside this state;

12 “(EE) Receipts from the wholesale or retail sale of groceries, including  
13 receipts of a person that owns groceries at the time of sale and compensation  
14 of any consignee engaged in effecting the sale of groceries on behalf the  
15 owner of the groceries, but only to the extent that the compensation relates  
16 to grocery sales;

17 “(FF) Receipts from transactions among members of a unitary group;

18 “(GG) Moneys, including public purpose charge moneys collected under  
19 ORS 757.612 and moneys collected to plan for and pursue cost-effective en-  
20 ergy efficiency resources under ORS 757.054, that are collected from cus-  
21 tomers, passed to a utility and approved by the Public Utility Commission  
22 and that support energy conservation, renewable resource acquisition and  
23 low-income assistance programs;

24 “(HH) Moneys collected by a utility from customers for the payment of  
25 loans through on-bill financing;

26 “(II) Surcharges collected under ORS 757.736;

27 “(JJ) Moneys passed to a utility by the Bonneville Power Administration  
28 for the purpose of effectuating the Regional Power Act Exchange credits or  
29 pursuant to any settlement associated with the exchange credit;

30 “(KK) Moneys collected or recovered, by entities listed in ORS 756.310,

1 cable operators as defined in 47 U.S.C. 522(5), telecommunications carriers  
2 as defined in 47 U.S.C. 153(51) and providers of information services as de-  
3 fined in 47 U.S.C. 153(24), for fees payable under ORS 756.310, right-of-way  
4 fees, franchise fees, privilege taxes, federal taxes and local taxes;

5 “(LL) Charges paid to the Residential Service Protection Fund required  
6 by chapter 290, Oregon Laws 1987;

7 “(MM) Universal service surcharge moneys collected or recovered and  
8 paid into the universal service fund established in ORS 759.425;

9 “(NN) Moneys collected for public purpose funding as described in ORS  
10 759.430;

11 “(OO) Moneys collected or recovered and paid into the federal universal  
12 service fund as determined by the Federal Communications Commission;

13 “(PP) In the case of a seller or provider of telecommunications services,  
14 the amount of tax imposed under ORS 403.200 for access to the emergency  
15 communications system that is collected from subscribers or consumers;

16 “(QQ) In the case of a transient lodging tax collector, the amount of tax  
17 imposed under ORS 320.305 and of any local transient lodging tax imposed  
18 upon the occupancy of transit lodging;

19 “(RR) In the case of a seller of bicycles, the amount of tax imposed under  
20 ORS 320.415 upon retail sales of bicycles;

21 “(SS) In the case of a qualified heavy equipment provider, the amount of  
22 tax imposed under ORS 307.872 upon the rental price of heavy equipment;

23 “(TT) Farmer sales to an agricultural cooperative in this state that is a  
24 cooperative organization described in section 1381 of the Internal Revenue  
25 Code;

26 “(UU) Revenue received by a business entity that is mandated by contract  
27 or subcontract to be distributed to another person or entity if the revenue  
28 constitutes sales commissions that are paid to a person who is not an em-  
29 ployee of the business entity, including, without limitation, a split-fee real  
30 estate commission;

1 “(VV) Receipts from the sale of fluid milk by dairy farmers that are not  
2 members of an agricultural cooperative; and

3 “(WW)(i) Cost paid by a dealer for items of precious metal.

4 “(ii) As used in this subparagraph, ‘item of precious metal’ means an item  
5 of gold, silver, platinum, rhodium or palladium that has been put through a  
6 process of smelting or refining and that is in a state or condition that its  
7 value depends on its contents and not its form.

8 “(2) ‘Cost inputs’ means:

9 “(a) The cost of goods sold as calculated in arriving at federal taxable  
10 income under the Internal Revenue Code; or

11 “(b) In the case of a taxpayer that is engaged in a farming operation, as  
12 defined in ORS 317A.102, and that does not report cost of goods sold for  
13 federal tax purposes, the taxpayer’s operating expenses excluding labor costs.

14 “(3) ‘Doing business’ means engaging in any activity, whether legal or  
15 illegal, that is conducted for, or results in, the receipt of commercial activity  
16 at any time during a calendar year.

17 “(4) ‘Excluded person’ means any of the following:

18 “(a) Organizations described in sections 501(c) and 501(j) of the Internal  
19 Revenue Code, unless the exemption is denied under section 501(h), (i) or (m)  
20 or under section 502, 503 or 505 of the Internal Revenue Code.

21 “(b) Organizations described in section 501(d) of the Internal Revenue  
22 Code, unless the exemption is denied under section 502 or 503 of the Internal  
23 Revenue Code.

24 “(c) Organizations described in section 501(e) of the Internal Revenue  
25 Code.

26 “(d) Organizations described in section 501(f) of the Internal Revenue  
27 Code.

28 “(e) Charitable risk pools described in section 501(n) of the Internal Rev-  
29 enue Code.

30 “(f) Organizations described in section 521 of the Internal Revenue Code.

1 “(g) Qualified state tuition programs described in section 529 of the  
2 Internal Revenue Code.

3 “(h) Foreign or alien insurance companies, but only with respect to the  
4 underwriting profit derived from writing wet marine and transportation in-  
5 surance subject to tax under ORS 731.824 and 731.828 or if an insurance  
6 company is subject to the retaliatory tax under ORS 731.854 and 731.859.

7 “(i) Governmental entities.

8 “(j) Any person with commercial activity that does not exceed \$750,000 for  
9 the tax year, other than a person that is part of a unitary group as provided  
10 in ORS 317A.106 with commercial activity in excess of \$750,000.

11 “(k) Hospitals subject to assessment under ORS 414.855, long term care  
12 facilities subject to assessment under ORS 409.801 or any entity subject to  
13 assessment under ORS 414.880 or section 3 or 5, chapter 538, Oregon Laws  
14 2017.

15 “(L) Manufactured dwelling park nonprofit cooperatives organized under  
16 ORS chapter 62.

17 “(5) ‘Financial institution’ has the meaning given that term in ORS  
18 314.610, except that ‘financial institution’ does not include a credit union.

19 “(6)(a) ‘FR Y-9’ means the consolidated or parent-only financial state-  
20 ments that a holding company is required to file with the Federal Reserve  
21 Board pursuant to 12 U.S.C. 1844.

22 “(b) In the case of a holding company required to file both consolidated  
23 and parent-only financial statements, ‘FR Y-9’ means the consolidated finan-  
24 cial statements that the holding company is required to file.

25 “(7) ‘Governmental entity’ means:

26 “(a) The United States and any of its unincorporated agencies and in-  
27 strumentalities.

28 “(b) Any incorporated agency or instrumentality of the United States  
29 wholly owned by the United States or by a corporation wholly owned by the  
30 United States.

1 “(c) The State of Oregon and any of its unincorporated agencies and in-  
2 strumentalities.

3 “(d) Any county, city, district or other political subdivision of the state.

4 “(e) A special government body as defined in ORS 174.117.

5 “(f) A federally recognized Indian tribe.

6 “(8) ‘Groceries’ means food as defined in 7 U.S.C. 2012(k), but does not  
7 include cannabinoid edibles or marijuana seeds.

8 “(9)(a) ‘Hedging transaction’ means a hedging transaction as defined in  
9 section 1221 of the Internal Revenue Code or a transaction accorded hedge  
10 accounting treatment under Financial Accounting Standards Board State-  
11 ment No. 133.

12 “(b) ‘Hedging transaction’ does not include a transaction in which an  
13 actual transfer of title of real or tangible property to another entity occurs.

14 “(10) ‘Insurer’ has the meaning given that term in ORS 317.010.

15 “(11) ‘Internal Revenue Code,’ except where the Legislative Assembly has  
16 provided otherwise, refers to the laws of the United States or to the Internal  
17 Revenue Code as they are amended and in effect on December 31, 2023.

18 “(12) ‘Labor costs’ means total compensation of all employees, not to in-  
19 clude compensation paid to any single employee in excess of \$500,000.

20 “(13)(a) ‘Motor vehicle fuel or any other product used for the propulsion  
21 of motor vehicles’ means:

22 “(A) Motor vehicle fuel as defined in ORS 319.010; and

23 “(B) Fuel the use of which in a motor vehicle is subject to taxation under  
24 ORS 319.530.

25 “(b) ‘Motor vehicle fuel or any other product used for the propulsion of  
26 motor vehicles’ does not mean:

27 “(A) Electricity; or

28 “(B) Electric batteries or any other mechanical or physical component or  
29 accessory of a motor vehicle.

30 “(14) ‘Person’ includes individuals, combinations of individuals of any

1 form, receivers, assignees, trustees in bankruptcy, firms, companies, joint-  
2 stock companies, business trusts, estates, partnerships, limited liability  
3 partnerships, limited liability companies, associations, joint ventures, clubs,  
4 societies, entities organized as for-profit corporations under ORS chapter 60,  
5 C corporations, S corporations, qualified subchapter S subsidiaries, qualified  
6 subchapter S trusts, trusts, entities that are disregarded for federal income  
7 tax purposes and any other entities.

8 “(15) ‘Retailer’ means a person doing business by selling tangible personal  
9 property to a purchaser for a purpose other than:

10 “(a) Resale by the purchaser of the property as tangible personal property  
11 in the regular course of business;

12 “(b) Incorporation by the purchaser of the property in the course of reg-  
13 ular business as an ingredient or component of real or personal property; or

14 “(c) Consumption by the purchaser of the property in the production for  
15 sale of a new article of tangible personal property.

16 “(16) ‘Taxable commercial activity’ means commercial activity sourced to  
17 this state under ORS 317A.128, less any subtraction pursuant to ORS  
18 317A.119.

19 “(17)(a) ‘Taxpayer’ means any person or unitary group required to regis-  
20 ter, file or pay tax under ORS 317A.100 to 317A.158.

21 “(b) ‘Taxpayer’ does not include excluded persons, except to the extent  
22 that a tax-exempt entity has unrelated business income as described in the  
23 Internal Revenue Code.

24 “(18) ‘Tax year’ means, except as otherwise provided in ORS 317A.103, a  
25 taxpayer’s annual accounting period used for federal income tax purposes  
26 under section 441 of the Internal Revenue Code.

27 “(19)(a) ‘Unitary business’ means a business enterprise in which there  
28 exists directly or indirectly between the members or parts of the enterprise  
29 a sharing or exchange of value as demonstrated by:

30 “(A) Centralized management or a common executive force;

1 “(B) Centralized administrative services or functions resulting in econo-  
2 mies of scale; or

3 “(C) Flow of goods, capital resources or services demonstrating functional  
4 integration.

5 “(b) ‘Unitary business’ may include a business enterprise the activities  
6 of which:

7 “(A) Are in the same general line of business, such as manufacturing,  
8 wholesaling or retailing; or

9 “(B) Constitute steps in a vertically integrated process, such as the steps  
10 involved in the production of natural resources, which might include explo-  
11 ration, mining, refining and marketing.

12 “(20) ‘Unitary group’ means a group of persons with more than 50 percent  
13 common ownership, either direct or indirect, that is engaged in business ac-  
14 tivities that constitute a unitary business.

15 “(21) ‘Wholesaler’ means a person primarily doing business by merchant  
16 distribution of tangible personal property to retailers or to other whole-  
17 salers.

18 **“SECTION 108.** ORS 366.505 is amended to read:

19 “366.505. (1) The State Highway Fund shall consist of:

20 “(a) All moneys and revenues derived under and by virtue of the sale of  
21 bonds, the sale of which is authorized by law and the proceeds thereof to be  
22 dedicated to highway purposes.

23 “(b) All moneys and revenues accruing from the licensing of motor vehi-  
24 cles, operators and chauffeurs.

25 “(c) Moneys and revenues derived from any tax levied upon gasoline,  
26 distillate, liberty fuel or other volatile and inflammable liquid fuels, except  
27 moneys and revenues described in ORS 184.642 (2)(a) that become part of the  
28 Department of Transportation Operating Fund.

29 “(d) Moneys and revenues derived from the road usage charges imposed  
30 under ORS 319.885.



1 “(e) Moneys and revenues derived from the use tax imposed under ORS  
2 320.410.

3 “(f) Moneys and revenues derived from the privilege tax imposed  
4 under ORS 320.405 that are transferred by law to the fund.

5 “[f)] (g) Moneys and revenues derived from or made available by the  
6 federal government for road construction, maintenance or betterment pur-  
7 poses.

8 “[g)] (h) All moneys and revenues received from all other sources which  
9 by law are allocated or dedicated for highway purposes.

10 “(2) The State Highway Fund shall be deemed and held as a trust fund,  
11 separate and distinct from the General Fund, and may be used only for the  
12 purposes authorized by law and is continually appropriated for such pur-  
13 poses.

14 “(3) Moneys in the State Highway Fund may be invested as provided in  
15 ORS 293.701 to 293.857. All interest earnings on any of the funds designated  
16 in subsection (1) of this section shall be placed to the credit of the highway  
17 fund.

18 **“SECTION 109. (1) The amendments to ORS 822.043 by section 106  
19 of this 2025 Act become operative on January 1, 2026.**

20 **“(2) The amendments to ORS 317A.100, 320.445, 320.460, 320.465,  
21 320.470, 320.475, 320.480, 366.505 and 803.045 by sections 94, 96 to 100, 103,  
22 107 and 108 of this 2025 Act become operative on July 1, 2028.**

## 23 24 **“USE OF REVENUES**

25  
26 **“SECTION 110. (1) The following amounts shall be distributed in the  
27 manner prescribed in this section:**

28 **“(a) The amount attributable to the increase in tax rates by the  
29 amendments to ORS 319.020 and 319.530 by sections 45 and 49 of this  
30 2025 Act.**

1       “(b) The amount attributable to the increase in taxes and fees by  
2 the amendments to ORS 803.420 and 803.090 by sections 62 and 63 of this  
3 2025 Act, except for the amount paid to the State Parks and Recreation  
4 Department Fund under ORS 366.512.

5       “(c) Moneys from the use tax imposed under ORS 320.410 that are  
6 transferred to the fund under ORS 320.435.

7       “(2) Each year, the moneys described in subsection (1) of this sec-  
8 tion shall be allocated as follows:

9       “(a) 50 percent to the Department of Transportation.

10       “(b) 30 percent to counties as follows:

11       “(A) The greater of \$3.5 million or 1.37 percent of the 30 percent for  
12 distribution to small counties as provided in ORS 366.772 (3); and

13       “(B) The remainder of the amount after the distribution described  
14 in subparagraph (A) of this paragraph, to counties as provided in ORS  
15 366.762.

16       “(c) 20 percent to cities for distribution as provided in ORS 366.800.

17       “SECTION 111. Section 110 of this 2025 Act is amended to read:

18       “**Sec. 110.** (1) The following amounts shall be distributed in the manner  
19 prescribed in this section:

20       “(a) The amount attributable to the increase in tax rates by the amend-  
21 ments to ORS 319.020 and 319.530 by sections 45 and 49 of this 2025 Act.

22       “(b) The amount attributable to the increase in taxes and fees by the  
23 amendments to ORS 803.420 [*and*], 803.090, **818.225, 825.474, 825.476 and**  
24 **825.480** by sections **2, 8 and** 62 [*and* 63] **to 65** of this 2025 Act, except for the  
25 amount paid to the State Parks and Recreation Department Fund under ORS  
26 366.512.

27       “(c) Moneys from the use tax imposed under ORS 320.410 that are trans-  
28 ferred to the fund under ORS 320.435.

29       “(2) Each year, the moneys described in subsection (1) of this section shall  
30 be allocated as follows:

1 “(a) 50 percent to the Department of Transportation.

2 “(b) 30 percent to counties as follows:

3 “(A) The greater of \$3.5 million or 1.37 percent of the 30 percent for dis-  
4 tribution to small counties as provided in ORS 366.772 (3); and

5 “(B) The remainder of the amount after the distribution described in  
6 subparagraph (A) of this paragraph, to counties as provided in ORS 366.762.

7 “(c) 20 percent to cities for distribution as provided in ORS 366.800.

8 **“SECTION 112. The amendments to section 110 of this 2025 Act by**  
9 **section 111 of this 2025 Act become operative on July 1, 2028.**

10 **“NOTE:** Sections 113 to 116 were deleted by amendment. Subsequent  
11 sections were not renumbered.

12 **“SECTION 117. (1) The Wildlife-Vehicle Collision Reduction Fund is**  
13 **established in the State Treasury, separate and distinct from the State**  
14 **Highway Fund. Interest earned by the Wildlife-Vehicle Collision Re-**  
15 **duction Fund shall be credited to the fund.**

16 **“(2) The Wildlife-Vehicle Collision Reduction Fund shall consist of:**

17 **“(a) Moneys from the use tax imposed under ORS 320.410 that are**  
18 **transferred to the fund under ORS 320.435;**

19 **“(b) Amounts appropriated or otherwise transferred to the fund by**  
20 **the Legislative Assembly; and**

21 **“(c) Other amounts deposited in the fund from any other source.**

22 **“(3) Moneys in the Wildlife-Vehicle Collision Reduction Fund are**  
23 **continuously appropriated to the Department of Transportation for the**  
24 **purposes of carrying out the program established under ORS 366.161.**

25 **“NOTE:** Section 118 was deleted by amendment. Subsequent sections were  
26 not renumbered.

27 **“SECTION 119. ORS 184.740 is amended to read:**

28 **“184.740. (1) The Safe Routes to Schools Fund is established separate and**  
29 **distinct from the General Fund. Interest earned by the Safe Routes to**  
30 **Schools Fund shall be credited to the fund. Moneys in the fund are contin-**

1 uously appropriated to the Department of Transportation to implement a safe  
2 routes to schools program as described in ORS 184.741 and to fund projects  
3 described in ORS 184.742.

4 “(2)(a) The department may apply for, accept, receive and disburse gifts,  
5 grants, donations and other moneys from the federal government or from any  
6 other source to carry out a safe routes to schools program. Moneys received  
7 by the department under this subsection shall be deposited in the Safe Routes  
8 to Schools Fund.

9 **“(b) Moneys in the fund include moneys from the use tax imposed**  
10 **under ORS 320.410 that are transferred to the fund under ORS 320.435.**

11 “(3) The department, in consultation with the Transportation Safety  
12 Committee, may award grants from the Safe Routes to Schools Fund to ap-  
13 plicants who comply with criteria adopted by the department under ORS  
14 184.741 or who qualify under ORS 184.742.

15 **“SECTION 120. (1) The Anchor Project Account is established**  
16 **within the State Highway Fund. Moneys in the account are contin-**  
17 **uously appropriated to the Department of Transportation. Interest on**  
18 **the account is credited to the State Highway Fund.**

19 **“(2) The account consists of:**

20 **“(a) Moneys from the privilege tax imposed under ORS 320.405 that**  
21 **are transferred by law to the account;**

22 **“(b) Amounts appropriated or otherwise transferred to the account**  
23 **by the Legislative Assembly; and**

24 **“(c) Other amounts deposited in the account from any other source.**

25 **“(3) The funds in the account shall be used to pay for costs, in-**  
26 **cluding project costs, on a current basis and to pay for debt service**  
27 **on bonds issued to finance transportation projects in the following**  
28 **order of priority:**

29 **“(a) The Interstate 5 Rose Quarter Project;**

30 **“(b) The Abernethy Bridge Project; and**

1       “(c) The Oregon Transportation Commission shall determine the  
2 order of completion for the following projects or project phases with  
3 the remaining funds:

4       “(A) The Interstate 205 Freeway Widening Project;

5       “(B) The Newberg-Dundee Bypass Project; and

6       “(C) The State Highway 22 and Center Street Bridge seismic retrofit  
7 in the City of Salem.

8       “(4) When the commission determines that a project listed in sub-  
9 section (3)(c) of this section is completed, the commission shall real-  
10 locate any amount remaining from the allocation made under this  
11 section to the next project or project phase on the list.

12       “(5) Once the commission determines that all projects listed in  
13 subsection (3)(c) of this section are completed, \$125 million each year  
14 shall be allocated as follows:

15       “(a) 50 percent to the Department of Transportation.

16       “(b) 30 percent to counties as follows:

17       “(A) The greater of \$3.5 million or 1.37 percent of the 30 percent for  
18 distribution to small counties as provided in ORS 366.772 (3); and

19       “(B) The remainder of the amount after the distribution described  
20 in subparagraph (A) of this paragraph, to counties as provided in ORS  
21 366.762.

22       “(c) 20 percent to cities for distribution as provided in ORS 366.800.

23       “NOTE: Section 120a was deleted by amendment.

24       “SECTION 121. ORS 366.772 is amended to read:

25       “366.772. (1) Not later than July 31 in each calendar year, the sum of  
26 \$5,500,000 shall be withdrawn from the appropriation specified in ORS 366.762  
27 and the sum of \$250,000 shall be withdrawn from moneys available to the  
28 Department of Transportation from the State Highway Fund. The sums  
29 withdrawn shall be transferred to a separate account to be administered by  
30 the Department of Transportation.

“(2) Not later than July 31 in each calendar year, the sum of \$5,750,000 shall be withdrawn from the separate account described in subsection (1) of this section and distributed to counties as follows:

“(a) An amount of \$750,000 shall be distributed to the following counties in the following amounts:

“(A) Harney County..... \$ 271,909

“(B) Malheur County..... \$ 187,947

“(C) Morrow County..... \$ 108,073

“(D) Gilliam County..... \$ 94,036

“(E) Sherman County ..... \$ 79,700

“(F) Wheeler County ..... \$ 8,335

“(b) An amount of \$5,000,000 shall be distributed proportionally to counties with fewer than 200,000 registered vehicles based on a ratio of road miles maintained by each county to registered vehicles.

**“(3) Not later than July 31 in each calendar year, moneys received under section 110 of this 2025 Act shall be distributed proportionally to counties with fewer than 200,000 registered vehicles based on a ratio of road miles maintained by each county to registered vehicles.**

“[(3)] (4) Moneys allocated as provided in this section may be used only for maintenance, repair and improvement of existing roads that are:

“(a) Not a part of the state highway system;

“(b) Within counties with fewer than 200,000 registered vehicles; and

“(c) Inadequate for the capacity the roads serve or are in a condition detrimental to safety.

“[(4)] (5) All moneys in the account shall be allotted each year.

**“SECTION 122.** ORS 366.805 is amended to read:

“366.805. (1) Except as provided in subsection (2) of this section, the appropriation specified in ORS 366.800 shall be allocated to the cities as provided in this subsection. The moneys subject to allocation under this subsection shall be distributed by the Department of Transportation accord-

ing to the following:

“(a) The moneys shall be distributed to all the cities.

“(b) Each city shall receive such share of the moneys as its population bears to the total population of the cities.

“(2) Each year, the sum of [\$2,500,000] **\$3,000,000** shall be withdrawn from the appropriation specified in ORS 366.800 and [\$2,500,000] **\$3,000,000** shall be withdrawn from moneys available to the Department of Transportation from the State Highway Fund. The sums withdrawn shall be transferred to a separate account to be administered by the Department of Transportation. The following apply to the account described in this subsection:

“(a) Money from the account shall be used only on roads:

“(A) That are not a part of the state highway system, with the exception of project elements that are required to comply with federal or state law;

“(B) That are within, **or under the jurisdiction of**, cities with populations of 5,000 or fewer persons; and

“(C) That are inadequate for the capacity the roads serve or are in a condition detrimental to safety.

“(b) To the extent moneys are available to fund whole projects, all moneys in the account shall be allocated each year.

“(c) Subject to paragraph (d) of this subsection, the department shall determine annual allocation after considering applications, including project budgets, submitted by the cities to the department.

“(d) The department may enter into agreements with cities upon the advice and counsel of the small city advisory committee to determine allocation based on those applications.

“(3) The Director of Transportation shall establish a small city advisory committee. The small city advisory committee shall review department recommendations and approve applications submitted by small cities to the director. In consultation with the League of Oregon Cities, the director shall appoint to the small city advisory committee one representative of a small

city in each of the five regions of this state.

“(4) For purposes of this section:

“(a) Region one consists of Clackamas, Hood River, Multnomah and Washington Counties.

“(b) Region two consists of Benton, Clatsop, Columbia, Lane, Lincoln, Linn, Marion, Polk, Tillamook and Yamhill Counties.

“(c) Region three consists of Coos, Curry, Douglas, Jackson and Josephine Counties.

“(d) Region four consists of Crook, Deschutes, Gilliam, Jefferson, Klamath, Lake, Sherman, Wasco and Wheeler Counties.

“(e) Region five consists of Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union and Wallowa Counties.

#### **“ROAD USAGE CHARGE**

**“SECTION 123. Section 124 of this 2025 Act is added to and made a part of ORS 319.883 to 319.946.**

**“SECTION 124. The recording, reporting and payment provisions of ORS 319.883 to 319.946 do not apply to a registered owner or lessee voluntarily participating in the per-mile road usage charge program for reporting periods beginning on or after July 1, 2031, until such reporting period, if any, for which the registered owner or lessee is required to participate in the per-mile road usage charge program under ORS 319.883, as amended by sections 127 and 129 of this 2025 Act.**

**“SECTION 125. Section 124 of this 2025 Act is repealed on January 2, 2037.**

**“SECTION 126. ORS 319.890 and section 2, chapter 428, Oregon Laws 2019, are repealed on July 1, 2031.**

**“SECTION 127. ORS 319.883 is amended to read:**

**“319.883. As used in ORS 319.883 to 319.946:**



1       “(1) ‘Delivery vehicle’ means a motor vehicle that:

2       “(a) Has a gross vehicle weight rating greater than 8,000 pounds and  
3       not more than 26,000 pounds;

4       “(b) Is operated by a person required to be licensed under ORS  
5       825.100;

6       “(c) Is used for the delivery of e-commerce property from a fulfill-  
7       ment center to addresses in Oregon; and

8       “(d) Uses any source of motive power.

9       “(2) ‘E-commerce property’ means tangible personal property pur-  
10      chased through electronic commerce.

11      “(3)(a) ‘Electric delivery vehicle’ means a delivery vehicle that uses  
12      electricity as its only source of motive power.

13      “(b) ‘Electric delivery vehicle’ does not include any delivery vehicle  
14      that is used exclusively to deliver medical goods or supplies.

15      “(4) ‘Electric vehicle’ means a motor vehicle that uses only elec-  
16      tricity as its source of motive power.

17      “(5) ‘Electronic commerce’ means engaging in commercial or retail  
18      transactions predominantly over the Internet or a computer network,  
19      using the Internet as a platform for transacting business or facilitat-  
20      ing the use of the Internet by other persons for transacting business,  
21      and may be further defined by the Department of Transportation by  
22      rule.

23      “(6) ‘Fleet of delivery vehicles’ or ‘fleet’ means 10 or more delivery  
24      vehicles owned or operated by a person for the purpose of:

25      “(a) Delivering e-commerce property sold or otherwise transferred  
26      in the course of the person’s own business; or

27      “(b) Delivering, for consideration under an agreement with another  
28      person, e-commerce property sold or otherwise transferred in the  
29      course of the other person’s business.

30      “[(1)] (7) ‘Fuel taxes’ means motor vehicle fuel taxes imposed under ORS

1 319.010 to 319.430 and taxes imposed on the use of fuel in a motor vehicle  
2 under ORS 319.510 to 319.880.

3 “[2)] (8) ‘Highway’ has the meaning given that term in ORS 801.305.

4 **“(9) ‘Hybrid electric vehicle’ means a motor vehicle that:**

5 **“(a) Is powered by an internal combustion engine in combination**  
6 **with one or more electric motors that use energy stored in batteries;**  
7 **and**

8 **“(b) Is not recharged from an external electric power source.**

9 “[3)] (10) ‘Lessee’ means a person that leases a motor vehicle that is re-  
10 quired to be registered in Oregon.

11 “[4)(a)] (11)(a) ‘Motor vehicle’ has the meaning given that term in ORS  
12 801.360.

13 **“(b) ‘Motor vehicle’ does not mean a motor vehicle designed to travel with**  
14 **fewer than four wheels in contact with the ground.**

15 **“(12) ‘Motor vehicle rental company’ means a person whose primary**  
16 **business is renting motor vehicles to consumers under rental agree-**  
17 **ments for terms of 90 days or less.**

18 **“(13) ‘Plug-in hybrid electric vehicle’ means a motor vehicle that:**

19 **“(a) Is powered by an electric motor that uses batteries as well as**  
20 **motor vehicle fuel as defined in ORS 319.010 to power an internal**  
21 **combustion engine or other source of propulsion;**

22 **“(b) Is equipped with an onboard charger; and**

23 **“(c) Is rechargeable from a connection to an external electric power**  
24 **source.**

25 “[5)] (14) ‘Registered owner’ means a person, other than a vehicle dealer  
26 that holds a certificate issued under ORS 822.020, that is required to register  
27 a motor vehicle in Oregon.

28 “[6)] (15) ‘Subject vehicle’ means a motor vehicle that: *[is the subject*  
29 *of an application approved pursuant to ORS 319.890.]*

30 **“(a) Is or will be classified as a passenger vehicle by the Department**

1 of Transportation and that is:

2 “(A) For reporting periods beginning on or after July 1, 2026, an  
3 electric vehicle that is not a new electric vehicle;

4 “(B) For reporting periods beginning on or after January 1, 2027:

5 “(i) A motor vehicle described in subparagraph (A) of this para-  
6 graph; or

7 “(ii) A new electric vehicle;

8 “(C) For reporting periods beginning on or after July 1, 2027:

9 “(i) A motor vehicle described in subparagraph (A) or (B) of this  
10 paragraph; or

11 “(ii) A hybrid electric vehicle or a plug-in hybrid electric vehicle;

12 or

13 “(D) For reporting periods beginning before July 1, 2031:

14 “(i) A motor vehicle described in subparagraph (A), (B) or (C) of  
15 this paragraph; or

16 “(ii) The subject of an application approved pursuant to ORS  
17 319.890; or

18 “(b) For reporting periods beginning on or after July 1, 2028, is an  
19 electric delivery vehicle.

20 “(16) ‘Taxpayer’ means:

21 “(a) The registered owner of a subject vehicle;

22 “(b) The lessee of a subject vehicle; or

23 “(c) The owner or operator of an electric delivery vehicle.

24 “[7] (17) ‘Vehicle dealer’ means a person engaged in business in this  
25 state that is required to obtain a vehicle dealer certificate under ORS  
26 822.005.

27 **“SECTION 128. The amendments to ORS 319.883 by section 127 of  
28 this 2025 Act become operative on July 1, 2026.**

29 **“SECTION 129. ORS 319.883, as amended by section 127 of this 2025 Act,  
30 is amended to read:**

1 “319.883. As used in ORS 319.883 to 319.946:

2 “(1) ‘Delivery vehicle’ means a motor vehicle that:

3 “(a) Has a gross vehicle weight rating greater than 8,000 pounds and not  
4 more than 26,000 pounds;

5 “(b) Is operated by a person required to be licensed under ORS 825.100;

6 “(c) Is used for the delivery of e-commerce property from a fulfillment  
7 center to addresses in Oregon; and

8 “(d) Uses any source of motive power.

9 “(2) ‘E-commerce property’ means tangible personal property purchased  
10 through electronic commerce.

11 “(3)(a) ‘Electric delivery vehicle’ means a delivery vehicle that uses elec-  
12 tricity as its only source of motive power.

13 “(b) ‘Electric delivery vehicle’ does not include any delivery vehicle that  
14 is used exclusively to deliver medical goods or supplies.

15 “(4) ‘Electric vehicle’ means a motor vehicle that uses only electricity as  
16 its source of motive power.

17 “(5) ‘Electronic commerce’ means engaging in commercial or retail trans-  
18 actions predominantly over the Internet or a computer network, using the  
19 Internet as a platform for transacting business or facilitating the use of the  
20 Internet by other persons for transacting business, and may be further de-  
21 fined by the Department of Transportation by rule.

22 “(6) ‘Fleet of delivery vehicles’ or ‘fleet’ means 10 or more delivery vehi-  
23 cles owned or operated by a person for the purpose of:

24 “(a) Delivering e-commerce property sold or otherwise transferred in the  
25 course of the person’s own business; or

26 “(b) Delivering, for consideration under an agreement with another per-  
27 son, e-commerce property sold or otherwise transferred in the course of the  
28 other person’s business.

29 “(7) ‘Fuel taxes’ means motor vehicle fuel taxes imposed under ORS  
30 319.010 to 319.430 and taxes imposed on the use of fuel in a motor vehicle

1 under ORS 319.510 to 319.880.

2 “(8) ‘Highway’ has the meaning given that term in ORS 801.305.

3 “(9) ‘Hybrid electric vehicle’ means a motor vehicle that:

4 “(a) Is powered by an internal combustion engine in combination with one  
5 or more electric motors that use energy stored in batteries; and

6 “(b) Is not recharged from an external electric power source.

7 “(10) ‘Lessee’ means a person that leases a motor vehicle that is required  
8 to be registered in Oregon.

9 “(11)(a) ‘Motor vehicle’ has the meaning given that term in ORS 801.360.

10 “(b) ‘Motor vehicle’ does not mean a motor vehicle designed to travel with  
11 fewer than four wheels in contact with the ground.

12 “(12) ‘Motor vehicle rental company’ means a person whose primary  
13 business is renting motor vehicles to consumers under rental agreements for  
14 terms of 90 days or less.

15 “(13) ‘Plug-in hybrid electric vehicle’ means a motor vehicle that:

16 “(a) Is powered by an electric motor that uses batteries as well as motor  
17 vehicle fuel as defined in ORS 319.010 to power an internal combustion en-  
18 gine or other source of propulsion;

19 “(b) Is equipped with an onboard charger; and

20 “(c) Is rechargeable from a connection to an external electric power  
21 source.

22 “(14) ‘Registered owner’ means a person, other than a vehicle dealer that  
23 holds a certificate issued under ORS 822.020, that is required to register a  
24 motor vehicle in Oregon.

25 “(15) ‘Subject vehicle’ means a motor vehicle that:

26 “(a) Is or will be classified as a passenger vehicle by the Department of  
27 Transportation and that is:

28 “(A) *[For reporting periods beginning on or after July 1, 2026,]* An electric  
29 vehicle *[that is not a new electric vehicle]*; **or**

30 “[B] *For reporting periods beginning on or after January 1, 2027:]*

1       “[(i) A motor vehicle described in subparagraph (A) of this paragraph; or]

2       “[(ii) A new electric vehicle;]

3       “[(C) For reporting periods beginning on or after July 1, 2027:]

4       “[(i) A motor vehicle described in subparagraph (A) or (B) of this para-  
5 graph; or]

6       “[(ii)] (B) A hybrid electric vehicle or a plug-in hybrid electric vehicle;

7       **or**

8       “[(D) For reporting periods beginning before July 1, 2031:]

9       “[(i) A motor vehicle described in subparagraph (A), (B) or (C) of this  
10 paragraph; or]

11       “[(ii) The subject of an application approved pursuant to ORS 319.890; or]

12       “(b) [For reporting periods beginning on or after July 1, 2028,] Is an elec-  
13 tric delivery vehicle.

14       “(16) ‘Taxpayer’ means:

15       “(a) The registered owner of a subject vehicle;

16       “(b) The lessee of a subject vehicle; or

17       “(c) The owner or operator of an electric delivery vehicle.

18       “(17) ‘Vehicle dealer’ means a person engaged in business in this state  
19 that is required to obtain a vehicle dealer certificate under ORS 822.005.

20       **“SECTION 130. The amendments to ORS 319.883 by section 129 of**  
21 **this 2025 Act become operative on July 1, 2031.**

22       **“SECTION 131.** ORS 319.885 is amended to read:

23       “319.885. (1)(a) Except as provided in paragraph (b) of this subsection, the  
24 registered owner of a subject vehicle shall pay a per-mile road usage charge  
25 for metered use by the subject vehicle of the highways in Oregon.

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

29       “(2)(a) **Except as provided in paragraph (b) of this subsection,** the  
30 rate of the per-mile road usage charge is five percent of the rate of the per-

1 gallon license tax provided in ORS 319.020 [(1)(b)] (3) in effect at the time  
2 the charge becomes due.

3 **“(b)(A) Instead of paying the per-mile rate under paragraph (a) of**  
4 **this subsection, a registered owner or lessee may elect to pay a flat**  
5 **annual fee of \$340.**

6 **“(B) The Department of Transportation shall increase the amount**  
7 **of the flat annual fee annually by the percentage by which the per-**  
8 **gallon license tax provided in ORS 319.020 increases for the same pe-**  
9 **riod of time.**

10 **“(3) A subject vehicle is not subject to the additional amount of**  
11 **registration fees imposed under ORS 803.422.**

12 **“SECTION 132. The amendments to ORS 319.885 by section 131 of**  
13 **this 2025 Act become operative on July 1, 2026.**

14 **“SECTION 133. ORS 319.885, as amended by section 131 of this 2025 Act,**  
15 **is amended to read:**

16 **“319.885. (1)(a) Except as provided in paragraph (b) or (c) of this sub-**  
17 **section, the registered owner of a subject vehicle shall pay a per-mile road**  
18 **usage charge for metered use by the subject vehicle of the highways in**  
19 **Oregon.**

20 **“(b) During the term of a lease, the lessee of a subject vehicle shall pay**  
21 **the per-mile road usage charge for metered use by the subject vehicle of the**  
22 **highways in Oregon.**

23 **“(c) The owner or operator of a fleet of delivery vehicles shall pay**  
24 **the total amount of the per-mile road usage charge for metered use**  
25 **of the highways in Oregon by all electric delivery vehicles in the owner**  
26 **or operator’s fleet.**

27 **“(2)(a) Except as provided in [paragraph (b)] paragraphs (b) and (c) of**  
28 **this subsection, the rate of the per-mile road usage charge is five percent of**  
29 **the rate of the per-gallon license tax provided in ORS 319.020 (3) in effect**  
30 **at the time the charge becomes due.**

1 “(b)(A) Instead of paying the per-mile rate under paragraph (a) of this  
2 subsection, a registered owner or lessee may elect to pay a flat annual fee  
3 of \$340.

4 “(B) The Department of Transportation shall increase the amount of the  
5 flat annual fee annually by the percentage by which the per-gallon license  
6 tax provided in ORS 319.020 increases for the same period of time.

7 “(c) **For an electric delivery vehicle, the rate of the per-mile road**  
8 **usage charge is 10 percent of the rate of the per-gallon license tax**  
9 **provided in ORS 319.020 (3) in effect at the time the charge becomes**  
10 **due.**

11 “(3) A subject vehicle is not subject to the additional amount of regis-  
12 tration fees imposed under ORS 803.422.

13 “**SECTION 134. The amendments to ORS 319.885 by section 133 of**  
14 **this 2025 Act become operative on July 1, 2028.**

15 “**SECTION 134a. Section 134b of this 2025 Act is added to and made**  
16 **a part of ORS 319.883 to 319.946.**

17 “**SECTION 134b. An agreement between a motor vehicle rental**  
18 **company and a consumer for the rental of a subject vehicle may not**  
19 **contain a surcharge for the per-mile road usage charge imposed under**  
20 **ORS 319.885 that exceeds a reasonable estimate of the company’s costs**  
21 **in paying the charge with respect to the subject vehicle.**

22 “**SECTION 135. ORS 319.910 is amended to read:**

23 “319.910. (1) The Department of Transportation shall establish by rule  
24 reporting periods for the road usage charges imposed under ORS 319.885.

25 “(2) Reporting periods established under this section may vary according  
26 to the facts and circumstances applicable to classes of [*registered owners,*  
27 *lessees*] **taxpayers** and subject vehicles.

28 “(3) In establishing reporting periods, the department shall consider:

29 “(a) The effort required by [*registered owners or lessees*] **taxpayers** to re-  
30 port metered use and to pay the per-mile road usage charge;



1 “(b) The amount of the per-mile road usage charge owed;

2 “(c) The cost to the [*registered owner or lessee*] **taxpayer** of reporting  
3 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 136.** ORS 319.915 is amended to read:

7 “319.915. (1) As used in this section:

8 “(a) ‘Certified service provider’ means an entity that has entered into an  
9 agreement with the Department of Transportation under ORS 367.806 for re-  
10 porting metered use by a subject vehicle or for administrative services re-  
11 lated to the collection of per-mile road usage charges and authorized  
12 employees of the entity.

13 “(b) ‘Personally identifiable information’ means any information that  
14 identifies or describes a person, including, but not limited to, the person’s  
15 travel pattern data, per-mile road usage charge account number, address,  
16 telephone number, electronic mail address, driver license or identification  
17 card number, registration plate number, **information related to a permit**  
18 **issued under section 150 of this 2025 Act**, photograph, recorded images,  
19 bank account information and credit card number.

20 “(c) ‘VIN summary report’ means a monthly report by the department or  
21 a certified service provider that includes a summary of all vehicle identifi-  
22 cation numbers of subject vehicles and associated total metered use during  
23 the month. The report may not include location information.

24 “(2) Except as provided in subsections (3) and (4) of this section, per-  
25 sonally identifiable information used for reporting metered use or for ad-  
26 ministrative services related to the collection of the per-mile road usage  
27 charge imposed under ORS 319.885 is confidential within the meaning of ORS  
28 192.355 (9)(a) and is a public record exempt from disclosure under ORS  
29 192.311 to 192.478.

30 “(3)(a) The department, a certified service provider or a contractor for a

1 certified service provider may not disclose personally identifiable informa-  
2 tion used or developed for reporting metered use by a subject vehicle or for  
3 administrative services related to the collection of per-mile road usage  
4 charges to any person except:

5 “(A) The [*registered owner or lessee*] **taxpayer**;

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

8 “(C) Employees of the department;

9 “(D) A certified service provider;

10 “(E) A contractor for a certified service provider, but only to the extent  
11 the contractor provides services directly related to the certified service  
12 provider’s agreement with the department;

13 “(F) An entity expressly approved **by the taxpayer** to receive the infor-  
14 mation [*by the registered owner or lessee of the subject vehicle*]; or

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

19 “(b) Disclosure under paragraph (a) of this subsection is limited to per-  
20 sonally identifiable information necessary to the respective recipient’s func-  
21 tion under ORS 319.883 to 319.946.

22 “(4)(a) Not later than 30 days after completion of payment processing,  
23 dispute resolution for a single reporting period or a noncompliance investi-  
24 gation, whichever is latest, the department and certified service providers  
25 shall destroy records of the location and daily metered use of subject vehi-  
26 cles.

27 “(b) Notwithstanding paragraph (a) of this subsection:

28 “(A) For purposes of traffic management and research, the department and  
29 certified service providers may retain, aggregate and use information in the  
30 records after removing personally identifiable information.

1 “(B) A certified service provider may retain the records if the [*registered*  
2 *owner or lessee*] **taxpayer** consents to the retention. Consent under this  
3 subparagraph does not entitle the department to obtain or use the records  
4 or the information contained in the records.

5 “(C) Monthly summaries of metered use by subject vehicles may be re-  
6 tained in VIN summary reports by the department and certified service pro-  
7 viders.

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

11 **“SECTION 136a.** ORS 319.915, as amended by section 136 of this 2025  
12 Act, is amended to read:

13 “319.915. (1) As used in this section:

14 “(a) ‘Certified service provider’ means an entity that has entered into an  
15 agreement with the Department of Transportation under ORS 367.806 for re-  
16 porting metered use by a subject vehicle or for administrative services re-  
17 lated to the collection of per-mile road usage charges and authorized  
18 employees of the entity.

19 “(b) ‘Personally identifiable information’ means any information that  
20 identifies or describes a person, including, but not limited to, the person’s  
21 travel pattern data, per-mile road usage charge account number, address,  
22 telephone number, electronic mail address, driver license or identification  
23 card number, registration plate number, information related to a permit is-  
24 sued under section 150 of this 2025 Act, photograph, recorded images, bank  
25 account information and credit card number.

26 “(c) ‘VIN summary report’ means a monthly report by the department or  
27 a certified service provider that includes a summary of all vehicle identifi-  
28 cation numbers of subject vehicles and associated total metered use during  
29 the month. The report may not include location information.

30 “(2) Except as provided in subsections (3) and (4) of this section, per-

1 sonally identifiable information used for reporting metered use or for ad-  
2 ministrative services related to the collection of the per-mile road usage  
3 charge imposed under ORS 319.885 is confidential within the meaning of ORS  
4 192.355 (9)(a) and is a public record exempt from disclosure under ORS  
5 192.311 to 192.478.

6 “(3)(a) The department, a certified service provider or a contractor for a  
7 certified service provider may not disclose personally identifiable informa-  
8 tion used or developed for reporting metered use by a subject vehicle or for  
9 administrative services related to the collection of per-mile road usage  
10 charges to any person except:

11 “(A) The taxpayer;

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

14 “(C) Employees of the department;

15 “(D) A certified service provider;

16 “(E) A contractor for a certified service provider, but only to the extent  
17 the contractor provides services directly related to the certified service  
18 provider’s agreement with the department;

19 “(F) An entity expressly approved by the taxpayer to receive the infor-  
20 mation; or

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

25 “(b) Disclosure under paragraph (a) of this subsection is limited to per-  
26 sonally identifiable information necessary to the respective recipient’s func-  
27 tion under ORS 319.883 to 319.946.

28 “(4)(a) Not later than 30 days after completion of payment processing,  
29 dispute resolution for a single reporting period or a noncompliance investi-  
30 gation, whichever is latest, the department and certified service providers

1 shall destroy records of the location and daily metered use of subject vehi-  
2 cles.

3 “(b) Notwithstanding paragraph (a) of this subsection:

4 “(A) For purposes of traffic management and research, the department and  
5 certified service providers may retain, aggregate and use information in the  
6 records after removing personally identifiable information.

7 “(B) A certified service provider may retain the records if the taxpayer  
8 consents to the retention. Consent under this subparagraph does not entitle  
9 the department to obtain or use the records or the information contained in  
10 the records.

11 “(C) Monthly summaries of metered use by subject vehicles may be re-  
12 tained in VIN summary reports by the department and certified service pro-  
13 viders.

14 “[*(5) The department, in any agreement with a certified service provider,*  
15 *shall provide for penalties if the certified service provider violates this*  
16 *section.*.]

17 “**(5) In any agreement with a certified service provider, the depart-**  
18 **ment:**

19 “**(a) May not agree to the certified service provider retaining for**  
20 **administrative costs more than 10 percent of any per-mile road usage**  
21 **charges the certified service provider collects under the agreement;**  
22 **and**

23 “**(b) Shall provide for penalties if the certified service provider vio-**  
24 **lates this section.**

25 “**SECTION 137.** ORS 319.920 is amended to read:

26 “319.920. (1) On a date determined by the Department of Transportation  
27 under ORS 319.910, [*the registered owner or lessee of a subject vehicle*] **a**  
28 **taxpayer** shall report the metered use by the **taxpayer’s** subject vehicle and  
29 pay to the department the per-mile road usage charge due under ORS 319.885  
30 for the reporting period.

1 “(2) Unless a [*registered owner or lessee*] **taxpayer** presents evidence in  
2 a manner approved by the department by rule that the subject vehicle has  
3 been driven outside this state, the department shall assume that all metered  
4 use reported represents miles driven by the subject vehicle on the highways  
5 in Oregon.

6 **“SECTION 138.** ORS 319.925 is amended to read:

7 “319.925. (1) The Department of Transportation shall provide a refund to  
8 a [*registered owner or lessee*] **taxpayer** that has overpaid the per-mile road  
9 usage charge imposed under ORS 319.885.

10 “(2) The department may provide by rule that the refund under this sec-  
11 tion be granted as a credit against future per-mile road usage charges in-  
12 curred by the [*registered owner or lessee*] **taxpayer**.

13 **“SECTION 139.** ORS 319.930 is amended to read:

14 “319.930. (1) A [*registered owner or lessee*] **taxpayer** that has paid the  
15 per-mile road usage charge imposed under ORS 319.885 may apply to the  
16 Department of Transportation for a refund for metered use of a road,  
17 thoroughfare or property in private ownership.

18 “(2) An application for a refund under this section must be submitted to  
19 the department within 15 months after the date on which the per-mile road  
20 usage charge for which a refund is claimed is paid.

21 “(3) The application required under this section shall be in a form pre-  
22 scribed by the department by rule and must include a signed statement by  
23 the applicant indicating the number of miles for which the refund is claimed.

24 “(4) The department may require the applicant for a refund under this  
25 section to furnish any information the department considers necessary for  
26 processing the application.

27 **“SECTION 140.** ORS 803.422 is amended to read:

28 “803.422. (1) As used in this section[,]:

29 **“(a) ‘Electric vehicle’ means a motor vehicle that uses electricity**  
30 **as its only source of motive power.**

1       “(b) ‘Miles per gallon’ or ‘MPG’ means the distance traveled in a vehicle  
2 powered by one gallon of fuel.

3       “(2) The Department of Transportation shall determine the combined  
4 MPG ratings for each motor vehicle pursuant to a method determined by the  
5 department.

6       “(3) Except as provided in ORS **319.885 and** 319.890 (3), in addition to the  
7 registration fees prescribed under ORS 803.420 (6)(a), there shall be paid for  
8 each year of the registration period, an additional amount as follows:

9       “[(a) *For vehicles that have a rating of 0-19 MPG, \$20.*]

10       “[(b)] (a) For vehicles that have a **combined** rating of 20-39 MPG, [\$25]  
11 **\$5.**

12       “[(c)] (b) For vehicles that have a **combined** rating of 40 MPG or greater,  
13 [\$35] **\$15.**

14       “[(d)] (c) For electric vehicles, [\$115] **\$95.**

15       “**SECTION 141. The amendments to ORS 803.422 by section 140 of**  
16 **this 2025 Act become operative on January 1, 2026.**

17       “**SECTION 142.** ORS 803.422, as amended by section 140 of this 2025 Act,  
18 is amended to read:

19       “803.422. (1) As used in this section,[:]

20       “[(a) *‘Electric vehicle’ means a motor vehicle that uses electricity as its only*  
21 *source of motive power.*]

22       “[(b)] ‘miles per gallon’ or ‘MPG’ means the distance traveled in a vehicle  
23 powered by one gallon of fuel.

24       “(2) The Department of Transportation shall determine the combined  
25 MPG ratings for each motor vehicle pursuant to a method determined by the  
26 department.

27       “(3) Except as provided in ORS 319.885 [*and 319.890 (3)*], in addition to the  
28 registration fees prescribed under ORS 803.420 (6)(a), there shall be paid for  
29 each year of the registration period, an additional amount as follows:

30       “(a) For vehicles that have a combined rating of 20-39 MPG, \$5.

1 “(b) For vehicles that have a combined rating of 40 MPG or greater, \$15.

2 “[*(c) For electric vehicles, \$95.*]

3 **“SECTION 143. The amendments to ORS 803.422 by section 142 of**  
4 **this 2025 Act become operative on July 1, 2031.**

5 **“SECTION 144.** ORS 803.445 is amended to read:

6 “803.445. (1) The governing body of a county may impose registration fees  
7 for vehicles as provided in ORS 801.041.

8 “(2) The governing body of a district may impose registration fees for  
9 vehicles as provided in ORS 801.042.

10 “(3) The Department of Transportation shall provide by rule for the ad-  
11 ministration of laws authorizing county and district registration fees and for  
12 the collection of those fees.

13 “(4) Any registration fee imposed under this section shall be imposed in  
14 a manner consistent with ORS 803.420.

15 “(5) A county or district may not impose a vehicle registration fee that  
16 would by itself, or in combination with any other vehicle registration fee  
17 imposed under this section, exceed the sum of the fee imposed under ORS  
18 803.420 (6)(a) and the fee applicable to the registered vehicle under ORS  
19 803.422. The owner of any vehicle subject to multiple fees under this section  
20 shall be allowed a credit or credits with respect to one or more of such fees  
21 so that the total of such fees does not exceed the sum of the fee imposed  
22 under ORS 803.420 (6)(a) and the fee applicable to the registered vehicle un-  
23 der ORS 803.422.

24 **“(6) A subject vehicle exempt under ORS 319.885 (3) from the fees**  
25 **applicable under ORS 803.422 shall remain liable for any amount of**  
26 **vehicle registration fee imposed by a county or a district under this**  
27 **section that would be required if the exemption did not exist. As used**  
28 **in this subsection, ‘subject vehicle’ has the meaning given that term**  
29 **in ORS 319.883.**

30 **“SECTION 145.** ORS 801.041 is amended to read:



1       “801.041. The following apply to the authority granted to counties by ORS  
2       801.040 to establish registration fees for vehicles:

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

17      “(2) The authority granted by this section allows the establishment of  
18      registration fees in addition to those described in ORS 803.420 and 803.422.  
19      There is no authority under this section to affect registration periods, qual-  
20      ifications, cards, plates, requirements or any other provision relating to ve-  
21      hicle registration under the vehicle code.

22      “(3) Except as otherwise provided for in this subsection, when registration  
23      fees are imposed under this section, they must be imposed on all vehicle  
24      classes. Registration fees as provided under this section may not be imposed  
25      on the following:

26      “(a) Snowmobiles and Class I all-terrain vehicles.

27      “(b) Fixed load vehicles.

28      “(c) Vehicles registered under ORS 805.100 to disabled veterans.

29      “(d) Vehicles registered as antique vehicles under ORS 805.010.

30      “(e) Vehicles registered as vehicles of special interest under ORS 805.020.

1 “(f) Government-owned or operated vehicles registered under ORS 805.040  
2 or 805.045.

3 “(g) School buses or school activity vehicles registered under ORS 805.050.

4 “(h) Law enforcement undercover vehicles registered under ORS 805.060.

5 “(i) Vehicles registered on a proportional basis for interstate operation.

6 “(j) Vehicles with a registration weight of 26,001 pounds or more de-  
7 scribed in ORS 803.420 (14)(a) or (b).

8 “(k) Vehicles registered as farm vehicles under the provisions of ORS  
9 805.300.

10 “(L) Travel trailers, campers and motor homes.

11 “(m) Vehicles registered to an employment address as provided in ORS  
12 802.250 when the eligible public employee or household member’s residence  
13 address is not within the county of the employment address. The department  
14 may adopt rules it considers necessary for the administration of this para-  
15 graph.

16 “(n) Vehicles registered under ORS 805.110 to former prisoners of war.

17 “(4)(a) Any registration fee imposed by a county must be a fixed amount  
18 not to exceed, with respect to any vehicle class, the sum of the registration  
19 fee established under ORS 803.420 (6)(a) and the fee applicable to the regis-  
20 tered vehicle under ORS 803.422. For vehicles on which a flat fee is imposed  
21 under ORS 803.420, the fee must be a whole dollar amount.

22 **“(b) A subject vehicle exempt under ORS 319.885 (3) from the fees**  
23 **applicable under ORS 803.422 shall remain liable for any amount of**  
24 **vehicle registration fee imposed by a county under this section that**  
25 **would be required if the exemption did not exist. As used in this sub-**  
26 **section, ‘subject vehicle’ has the meaning given that term in ORS**  
27 **319.883.**

28 “(5) Moneys from registration fees established under this section must be  
29 paid to the county establishing the registration fees as provided in ORS  
30 802.110.

1 “(6) Except as provided in ORS 801.044, or unless a different distribution  
2 is agreed upon by the county and the cities within the jurisdiction of the  
3 county, the county ordinance shall provide for payment of at least 40 percent  
4 of the moneys from registration fees established under this section to cities  
5 within the county.

6 “(7) The moneys for the cities and the county shall be used for any pur-  
7 pose for which moneys from registration fees may be used, including the  
8 payment of debt service and costs related to bonds or other obligations is-  
9 sued for such purposes.

10 “(8) Two or more counties may act jointly to impose a registration fee  
11 under this section. The ordinance of each county acting jointly with another  
12 under this subsection must provide for the distribution of moneys collected  
13 through a joint registration fee.

14 **“SECTION 146.** ORS 801.042 is amended to read:

15 “801.042. The following apply to the authority granted to a district by  
16 ORS 801.040 to establish registration fees for vehicles:

17 “(1) Before the governing body of a district can impose a registration fee  
18 under this section, it must submit the proposal to the electors of the district  
19 for their approval and, if the proposal is approved, enter into an intergov-  
20 ernmental agreement under ORS 190.010 with the governing bodies of all  
21 counties, other districts and cities with populations of over 300,000 that  
22 overlap the district. The intergovernmental agreement must state the regis-  
23 tration fees and, if necessary, how the revenue from the fees shall be appor-  
24 tioned among counties and the districts. Before the governing body of a  
25 county can enter into such an intergovernmental agreement, the county shall  
26 consult with the cities in its jurisdiction.

27 “(2) If a district raises revenues from a registration fee for purposes re-  
28 lated to highways, roads, streets and roadside rest areas, the governing body  
29 of that district shall establish a Regional Arterial Fund and shall deposit in  
30 the Regional Arterial Fund all such registration fees.

1       “(3) Interest received on moneys credited to the Regional Arterial Fund  
2 shall accrue to and become a part of the Regional Arterial Fund.

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

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

21       “(6) The authority granted by this section allows the establishment of  
22 registration fees in addition to those described in ORS 803.420 and 803.422.  
23 There is no authority under this section to affect registration periods, qual-  
24 ifications, cards, plates, requirements or any other provision relating to ve-  
25 hicle registration under the vehicle code.

26       “(7) Except as otherwise provided for in this subsection, when registration  
27 fees are imposed under this section, the fees must be imposed on all vehicle  
28 classes. Registration fees as provided under this section may not be imposed  
29 on the following:

30       “(a) Snowmobiles and Class I all-terrain vehicles.

1 “(b) Fixed load vehicles.

2 “(c) Vehicles registered under ORS 805.100 to disabled veterans.

3 “(d) Vehicles registered as antique vehicles under ORS 805.010.

4 “(e) Vehicles registered as vehicles of special interest under ORS 805.020.

5 “(f) Government-owned or operated vehicles registered under ORS 805.040  
6 or 805.045.

7 “(g) School buses or school activity vehicles registered under ORS 805.050.

8 “(h) Law enforcement undercover vehicles registered under ORS 805.060.

9 “(i) Vehicles registered on a proportional basis for interstate operation.

10 “(j) Vehicles with a registration weight of 26,001 pounds or more de-  
11 scribed in ORS 803.420 (14)(a) or (b).

12 “(k) Vehicles registered as farm vehicles under the provisions of ORS  
13 805.300.

14 “(L) Travel trailers, campers and motor homes.

15 “(m) Vehicles registered to an employment address as provided in ORS  
16 802.250 when the eligible public employee or household member’s residence  
17 address is not within the county of the employment address. The department  
18 may adopt rules it considers necessary for the administration of this para-  
19 graph.

20 “(n) Vehicles registered under ORS 805.110 to former prisoners of war.

21 “(8) Any registration fee imposed by the governing body of a district must  
22 be a fixed amount not to exceed, with respect to any vehicle class, the reg-  
23 istration fee established under ORS 803.420 (6)(a) and the fee applicable to  
24 the registered vehicle under ORS 803.422. For vehicles on which a flat fee  
25 is imposed under ORS 803.420, the fee must be a whole dollar amount.

26 **“(9) A subject vehicle exempt under ORS 319.885 (3) from the fees**  
27 **applicable under ORS 803.422 shall remain liable for any amount of**  
28 **vehicle registration fee imposed by a district under this section that**  
29 **would be required if the exemption did not exist. As used in this sub-**  
30 **section, ‘subject vehicle’ has the meaning given that term in ORS**

1 **319.883.**

2 **“SECTION 147.** Section 6, chapter 491, Oregon Laws 2019, is amended to  
3 read:

4 **“Sec. 6. (1)** Notwithstanding ORS 803.445 (5), a metropolitan service dis-  
5 trict established under ORS chapter 268 may impose a vehicle registration  
6 fee that does not exceed the sum of the fee imposed under ORS 803.420 (6)(a)  
7 and the fee applicable to the registered vehicle under ORS 803.422, if the  
8 vehicle registration fee is approved by the electors of the district before  
9 December 31, 2022.

10 **“(2) A subject vehicle exempt under ORS 319.885 (3) from the fees**  
11 **applicable under ORS 803.422 shall remain liable for any amount of**  
12 **vehicle registration fee imposed by a district under this section that**  
13 **would be required if the exemption did not exist. As used in this sec-**  
14 **tion, ‘subject vehicle’ has the meaning given that term in ORS 319.883.**

15 **“SECTION 148.** ORS 803.091 is repealed.

16 **“SECTION 149.** Section 150 of this 2025 Act is added to and made a  
17 part of ORS 319.883 to 319.946.

18 **“SECTION 150. (1)** As used in this section, ‘permit tag’ means a tag  
19 or sticker or other form of identification that the Department of  
20 Transportation considers appropriate for the purpose of showing com-  
21 pliance with this section.

22 **“(2) The owner or operator of a fleet of delivery vehicles shall ob-**  
23 **tain a per-mile road usage permit from the department.**

24 **“(3) The following apply to per-mile road usage permits issued under**  
25 **this section:**

26 **“(a) Permits issued or renewed under this section may be annual**  
27 **or biennial as determined by the department by rule.**

28 **“(b) The department shall assign an identification to a fleet of de-**  
29 **livery vehicles and, upon payment of appropriate fees, issue permit**  
30 **tags to the fleet owners or operators. The department may establish**

1 the use of any appropriate form of identification under this paragraph  
2 that the department considers convenient.

3 “(c) The permit tag issued under this section shall be displayed on  
4 any delivery vehicle to which it has been assigned by the department.

5 “(d) Application for a per-mile road usage permit under this section  
6 shall be in the manner determined by the department by rule.

7 “(e) An owner or operator of a fleet shall maintain records and  
8 provide information to the department as required by the department  
9 by rule and allow the department to audit the records of the owner  
10 or operator and conduct inspections at any reasonable time to deter-  
11 mine compliance with this section and payment of the per-mile road  
12 usage charge under ORS 319.885.

13 “(f) Delivery vehicles shall be added to a fleet and transferred from  
14 the fleet according to procedures established by the department by  
15 rule.

16 “(g) The delivery vehicles in the fleet shall be marked in compliance  
17 with any requirement for vehicle markings the department determines  
18 to be necessary for identification of the vehicles.

19 “(h) The per-mile road usage permit fee for a delivery vehicle in a  
20 fleet that is subject to this section is \$20.

21 “(i) The department may schedule the time for payment of per-mile  
22 road usage permit fees in any manner convenient to the department  
23 or to the fleet owner or operator.

24 “(j) An owner or operator of a fleet shall comply with any rules the  
25 department adopts for the permitting of fleets of delivery vehicles  
26 under this section.

27 “(k) The department shall establish procedures for the reporting of  
28 odometer disclosures for the delivery vehicles in a fleet on a quarterly  
29 basis. The reports shall provide any information the department de-  
30 termines by rule to be necessary for the administration of the per-mile

1 road usage charge.

2 “(4) The department shall adopt rules necessary for the adminis-  
3 tration of this section. The rules may include any provisions that in-  
4 crease the convenience of the administration or of the permitting  
5 process under this section.

6 “**SECTION 151.** ORS 319.940 is amended to read:

7 “319.940. (1) A person may not intentionally make a false statement in a  
8 report or refund application or when supplying other information required  
9 under ORS 319.920 or 319.930 **or section 150 of this 2025 Act.**

10 “(2) A person may not intentionally apply for, receive or attempt to re-  
11 ceive a refund under ORS 319.925 or 319.930 to which the person is not en-  
12 titled.

13 “(3) A person may not intentionally aid or assist another person to violate  
14 any provision of ORS 319.920, 319.925 or 319.930 **or section 150 of this 2025**  
15 **Act.**

16 “(4) A person who violates any provision of this section commits a Class  
17 A violation.

18 “**SECTION 152.** ORS 815.425 is amended to read:

19 “815.425. (1) A person commits the offense of failure to submit an  
20 odometer disclosure if the person is required by ORS 803.102, 803.370, 805.120  
21 or 815.415 **or section 150 of this 2025 Act** to submit an odometer disclosure  
22 and the person fails to submit the required odometer disclosure.

23 “(2) The offense described in this section, failure to submit an odometer  
24 disclosure, is a Class C misdemeanor.

25 “**SECTION 153.** (1) **The amendments to ORS 319.910, 319.920, 319.925,**  
26 **319.930, 801.041, 801.042 and 803.445 and section 6, chapter 491, Oregon**  
27 **Laws 2019, by sections 135 and 137 to 139 and 144 to 147 of this 2025 Act**  
28 **become operative on July 1, 2026.**

29 “(2) **Section 150 of this 2025 Act and the amendments to ORS 319.915,**  
30 **319.940 and 815.425 by sections 136, 151 and 152 of this 2025 Act become**



1 **operative on July 1, 2028.**

2 **“(3) The amendments to ORS 319.915 by section 136a of this 2025 Act**  
3 **become operative on July 1, 2029.**

4  
5 **“GREAT STREETS PROGRAM AND GENERAL CHANGES**

6  
7 **“SECTION 154.** Section 1, chapter 323, Oregon Laws 2023, is amended to  
8 read:

9 **“Sec. 1.** (1) The [*Jurisdictional Transfer*] **Great Streets** Advisory Com-  
10 mittee is established within the Department of Transportation.

11 **“(2)** The committee consists of 11 members appointed by the Governor.  
12 The members of the committee shall include:

13 **“(a)** Two members who are transportation engineers;

14 **“(b)** Two members who represent cities and who have experience working  
15 on transportation projects;

16 **“(c)** One member who represents a county and who has experience work-  
17 ing on transportation projects;

18 **“(d)** One member who represents a regional government and who has ex-  
19 perience working on transportation projects;

20 **“(e)** One member who represents road users;

21 **“(f)** One member who represents law enforcement;

22 **“(g)** One member who represents transit users;

23 **“(h)** One member who represents the advisory committee on bicycle traffic  
24 established in ORS 366.112; and

25 **“(i)** One member who represents the Transportation Safety Committee  
26 established in ORS 802.300.

27 **“(3)** The Governor shall appoint members to the [*Jurisdictional Transfer*]  
28 **Great Streets** Advisory Committee so that there is at least one member of  
29 the committee from each congressional district in this state.

30 **“(4)** The [*Jurisdictional Transfer*] **Great Streets** Advisory Committee

1 shall, from the jurisdictional transfer applications submitted under section  
2 **3, chapter 323, Oregon Laws 2023** [*of this 2023 Act*]:

3 “(a) Review the applications; and

4 “(b) Develop a list of three jurisdictional transfers to recommend for  
5 **grant funding under section 157 of this 2025 Act.**

6 “(5) The committee shall actively solicit reviews and comments from the  
7 Oregon Transportation Commission in the development of the list described  
8 in subsection (4)(b) of this section. The committee shall also shall take into  
9 consideration the following:

10 “(a) The difference between the applicant’s and the department’s stan-  
11 dards of maintenance;

12 “(b) The amount of deferred maintenance;

13 “(c) A description of how the highway is used in the community;

14 “(d) The climate impact of a transfer and subsequent upgrades the appli-  
15 cant could provide;

16 “(e) The potential positive impacts on historically underserved groups;

17 “(f) The increase in multimodal transportation options provided by a  
18 transfer;

19 “(g) A description of the safety issues that exist; and

20 “(h) A transfer readiness assessment that may include:

21 “(A) The interest of the community;

22 “(B) Funding capacity of the applicant for the transfer and maintenance  
23 in the future; and

24 “(C) The existing condition of the highway and its current state of  
25 maintenance.

26 “(6) No later than September 15 of each [*even-numbered*] year, the [*Juris-*  
27 *dictional Transfer*] **Great Streets** Advisory Committee shall submit a report  
28 to the Joint Committee on Transportation, in the manner provided in ORS  
29 192.245, **and to the Oregon Transportation Commission**, that includes:

30 “(a) The list of jurisdictional transfers recommended for funding under

1 subsection (4)(b) of this section[.];

2 **“(b) The list of final projects identified under section 157 of this 2025**  
3 **Act; and**

4 **“(c) The status of progress on the projects identified under section**  
5 **157 of this 2025 Act.**

6 “(7) The term of office of each member of the [*Jurisdictional Transfer*]  
7 **Great Streets** Advisory Committee is four years, but a member serves at the  
8 pleasure of the Governor. Before the expiration of the term of a member, the  
9 Governor shall appoint a successor whose term begins on January 1 next  
10 following. A member is eligible for reappointment. However, a member of the  
11 committee may not serve more than two terms. If there is a vacancy for any  
12 cause, the Governor shall make an appointment to become immediately ef-  
13 fective for the unexpired term. When a vacancy occurs in an appointment  
14 made from a congressional district, the successor shall be appointed from the  
15 congressional district for which the vacancy exists.

16 “(8) A majority of the members of the committee constitutes a quorum for  
17 the transaction of business.

18 “(9) Official action by the committee requires the approval of a majority  
19 of the members of the committee.

20 “(10) The committee shall elect one of its members to serve as chair-  
21 person.

22 “(11) The committee shall meet at times and places specified by the call  
23 of the chairperson or of a majority of the members of the committee, pro-  
24 vided that the committee meets at least four times a year.

25 “(12) The committee may adopt rules necessary for the operation of the  
26 committee.

27 “(13) The Department of Transportation shall provide assistance and  
28 space for meetings as requested by the chair of the committee.

29 “(14) Qualified members, as defined in ORS 292.495, of the advisory com-  
30 mittee are entitled to compensation for actual and necessary travel or other

1 expenses incurred in the performance of their official duties as specified for  
2 qualified members of boards or commissions in ORS 292.495 (4).

3 **“SECTION 155.** Section 3, chapter 323, Oregon Laws 2023, is amended to  
4 read:

5 **“Sec. 3.** (1) The Department of Transportation shall adopt rules specify-  
6 ing the process by which a city or county may apply for inclusion on the list  
7 of jurisdictional transfers recommended for funding and submitted to the  
8 Joint Committee on Transportation under section 1, **chapter 323, Oregon**  
9 **Laws 2023** [*of this 2023 Act*].

10 “(2) An application under this section must be on a form prescribed by  
11 the department and must include the following:

12 “(a) The name of the city or county;

13 “(b) A description of the portion of the highway to be transferred;

14 “(c) A desired timeline for the transfer;

15 “(d) The scope of the transfer;

16 “(e) A description of which body assumes liability during and after the  
17 transfer;

18 “(f) The cost to update the segment of highway transferred to a state of  
19 good repair; and

20 “(g) Any other information necessary or helpful to the [*Jurisdictional*  
21 *Transfer*] **Great Streets** Advisory Committee established in section 1,  
22 **chapter 323, Oregon Laws 2023**, [*of this 2023 Act*] in making its recom-  
23 mendations to the Joint Committee on Transportation.

24 “(3) A jurisdictional transfer applicant must submit:

25 “(a) Plans to provide at least 20 percent of the moneys required for the  
26 jurisdictional transfer; and

27 “(b) A community vision plan that describes the applicant’s plan for  
28 managing and improving the highway.

29 **“SECTION 156.** (1) **The Great Streets Fund is established in the**  
30 **State Treasury, separate and distinct from the General Fund.**

1 Earnings on moneys in the Great Streets Fund shall be deposited into  
2 the fund. Moneys in the fund are continuously appropriated to the  
3 Department of Transportation for the purposes described in this sec-  
4 tion and in section 1, chapter 323, Oregon Laws 2023.

5 “(2) The fund consists of the following:

6 “(a) Moneys appropriated to the fund by the Legislative Assembly.

7 “(b) Moneys from the privilege tax imposed under ORS 320.405 that  
8 are transferred by law to the fund.

9 “(c) Earnings on moneys in the fund.

10 “(d) Moneys from any other source.

11 “(3) The department shall use moneys in the Great Streets Fund to  
12 fund projects identified under section 157 of this 2025 Act.

13 “SECTION 157. (1) The Department of Transportation may use  
14 moneys in the Great Streets Fund, established under section 156 of this  
15 2025 Act, to pay for projects identified by the Great Streets Advisory  
16 Committee under section 1 (4), chapter 323, Oregon Laws 2023.

17 “(2) The department, in consultation with the Great Streets Advi-  
18 sory Committee, shall make the final selection of projects to be paid  
19 for with moneys in the Great Streets Fund. The department shall pri-  
20 oritize projects that:

21 “(a) Support jurisdictional transfers;

22 “(b) Benefit facilities with:

23 “(A) Above-average risk and rates of traffic injury or death;

24 “(B) Limited transportation options; or

25 “(C) A history of known safety concerns for vulnerable road users;

26 “(c) Improve safety, access and mobility for all highway users;

27 “(d) Combine infrastructure elements such as sidewalks, curb  
28 ramps, crosswalks, lighting and bike lanes into coordinated projects  
29 that promote efficient and complete highways;

30 “(e) Reduce vehicle miles traveled and greenhouse gas emissions;

1 **or**

2 **“(f) Support multimodal connectivity and regional mobility.**

3 **“SECTION 158.** ORS 802.348 is amended to read:

4 “802.348. (1) The Department of Transportation shall ensure that the  
5 membership of advisory committees to the department reflects the racial and  
6 ethnic and ability composition of this state as determined by the most recent  
7 American Community Survey from the United States Census Bureau.

8 “(2) Subsection (1) of this section applies to all advisory committees to  
9 the department, including but not limited to:

10 “(a) The Continuous Improvement Advisory Committee established in ORS  
11 184.665.

12 “(b) The Freight Advisory Committee established in ORS 366.212.

13 “(c) The Road User Fee Task Force established in ORS 184.843.

14 “(d) Any stakeholder forum established under ORS 366.215.

15 “(e) The advisory committee on vehicle dealer regulation established in  
16 ORS 802.370.

17 “(f) The advisory committee on bicycle traffic established in ORS 366.112.

18 “(g) The Transportation Safety Committee established in ORS 802.300.

19 “[*h*] *The Jurisdictional Transfer Advisory Committee established in sec-*  
20 *tion 1, chapter 323, Oregon Laws 2023.*]

21 **“SECTION 159. Sections 6 and 7, chapter 323, Oregon Laws 2023, are**  
22 **repealed.**

23 **“SECTION 160.** ORS 366.215 is amended to read:

24 “366.215. (1) **Except as provided in subsection (2) of this section,** the  
25 Oregon Transportation Commission may select, establish, adopt, lay out, lo-  
26 cate, alter, relocate, change and realign primary and secondary state high-  
27 ways.

28 **“(2) Unless safety or access considerations require otherwise, the**  
29 **commission may not construct a new motor vehicle travel lane that**  
30 **is less than 12 feet wide when:**

1       “(a) The travel lane is on a portion of an identified freight route  
2 on a state highway; and

3       “(b) The portion of state highway described in paragraph (a) of this  
4 subsection is located outside of an urban growth boundary, as defined  
5 in ORS 197.015.

6       “[(2)] (3) Except as provided in subsection [(3)] (4) of this section, the  
7 commission may not permanently reduce the vehicle-carrying capacity of an  
8 identified freight route when altering, relocating, changing or realigning a  
9 state highway unless safety or access considerations require the reduction.

10       “[(3)] (4) A local government, as defined in ORS 174.116, may apply to the  
11 commission for an exemption from the prohibition in subsection [(2)] (3) of  
12 this section. The commission shall grant the exemption if it finds that the  
13 exemption is in the best interest of the state and that freight movement is  
14 not unreasonably impeded by the exemption.

15       “**SECTION 161. Sections 162 to 164 of this 2025 Act are added to and**  
16 **made a part of the Oregon Vehicle Code.**

17       “**SECTION 162. Abandoned recreational vehicle disposal fees.** (1) In  
18 addition to the registration fees required under ORS 803.420 (7), a per-  
19 son must pay the abandoned recreational vehicle disposal fee for reg-  
20 istering campers, travel trailers and motor homes each biennial  
21 registration period. The additional fee is \$25 for each year of the reg-  
22 istration period.

23       “(2) In addition to the recreational vehicle trip permit fees pre-  
24 scribed under ORS 803.645, a person must pay the abandoned recre-  
25 ational vehicle disposal fee of \$40.

26       “(3) Notwithstanding ORS 366.512, the registration fees and recre-  
27 ational vehicle trip permit fees charged and collected under this sec-  
28 tion must be deposited into the Abandoned Recreational Vehicle  
29 Account established under section 163 of this 2025 Act.

30       “(4) Each biennium, beginning July 1, 2027, the Department of

1 Transportation shall adjust the dollar amounts set forth in this section  
2 by the cumulative change in the Consumer Price Index for All Urban  
3 Consumers, West Region (All Items), as published by the Bureau of  
4 Labor Statistics of the United States Department of Labor, or its  
5 successor index, since the previous adjustment. The adjustments per-  
6 formed under this subsection shall be rounded to the nearest whole  
7 dollar.

8 “(5) The adjusted fees under subsection (4) of this section take ef-  
9 fect on January 1 and apply for the following two years.

10 “(6) The Department of Transportation may adopt rules necessary  
11 to implement this section.

12 “SECTION 163. Abandoned Recreational Vehicle Account. (1) The  
13 Abandoned Recreational Vehicle Account is established in the General  
14 Fund. Interest earned by the account shall be credited to the account.

15 “(2) The account shall consist of:

16 “(a) Moneys paid into the account under section 162 of this 2025 Act;

17 “(b) Moneys appropriated to the account by the Legislative Assem-  
18 bly; and

19 “(c) Other amounts deposited in the account from any source.

20 “(3) Moneys in the account are continuously appropriated to the  
21 Department of Transportation to pay the expenses incurred under  
22 section 164 of this 2025 Act. Before awarding reimbursements, the de-  
23 partment may withhold an amount not to exceed five percent of the  
24 total amount appropriated or otherwise transferred or credited to the  
25 fund to pay for the administrative and operational expenses of the  
26 department under section 164 of this 2025 Act.

27 “(4) Moneys in the Abandoned Recreational Vehicle Account that  
28 are derived from any revenues under Article IX, section 3a, of the  
29 Oregon Constitution, may be used only for purposes permitted by Ar-  
30 ticle IX, section 3a, of the Oregon Constitution.



1       **“SECTION 164. Reimbursement of costs of disposing of abandoned**  
2 **recreational vehicle.** (1) As used in this section and sections 162 and  
3 **163 of this 2025 Act:**

4       **“(a) ‘Costs of disposing of a vehicle’ includes the reasonable costs**  
5 **of:**

6       **“(A) Hooking up for tow, towing, impounding, immobilizing, trans-**  
7 **porting, storing, appraising, dismantling, recycling or disposing of an**  
8 **abandoned recreational vehicle;**

9       **“(B) Providing cleaning services necessary for the recycling or dis-**  
10 **posing of an abandoned recreational vehicle, including pest removal,**  
11 **drug abatement, asbestos removal or other environmental or hazard-**  
12 **ous waste cleanup service; and**

13       **“(C) Any other action associated with the removal or disposal of**  
14 **an abandoned recreational vehicle specified by the Department of**  
15 **Transportation by rule.**

16       **“(b) ‘Person’ includes a person as defined in ORS 174.100 and a**  
17 **public body as defined in ORS 174.109.**

18       **“(2) A person that tows, stores or dismantles an abandoned recre-**  
19 **ational vehicle at the request of a local government, special district**  
20 **or state agency may request from the department reimbursement of**  
21 **the person’s unrecovered costs of disposing of a vehicle. The request**  
22 **must be received by the department no later than 60 days following the**  
23 **date that an abandoned recreational vehicle is towed.**

24       **“(3) The department may use funds available from the Abandoned**  
25 **Recreational Vehicle Account established in section 163 of this 2025**  
26 **Act to reimburse a person for up to 100 percent of the requested costs**  
27 **of disposing of a vehicle.**

28       **“(4) A person may not receive reimbursement for the costs of dis-**  
29 **posing of a vehicle if, as determined by a court, local ordinance or**  
30 **agency rule:**

1       “(a) The person is liable for those costs;

2       “(b) The costs of disposing of the vehicle are unreasonable or un-  
3 lawful; or

4       “(c) The towing or disposal was unlawful.

5       “(5) After consultation with cities and counties, the department  
6 may establish a process for requesting reimbursement, set maximum  
7 reimbursement rates, distribute aid across the state, aid in the recov-  
8 ery of account expenses or otherwise administer this section.

9       “SECTION 165. Sections 162 to 164 of this 2025 Act are repealed on  
10 January 2, 2036.

11       “SECTION 166. Any balance in the Abandoned Recreational Vehicle  
12 Account that is unexpended and unobligated on the date of repeal of  
13 sections 162 to 164 of this 2025 Act by section 165 of this 2025 Act, and  
14 all moneys that would have been deposited in the Abandoned Recre-  
15 ational Vehicle Account had sections 162 to 164 of this 2025 Act re-  
16 mained in effect, shall be transferred to and deposited in the State  
17 Highway Fund, and are appropriated for expenditure in the manner  
18 of other moneys in the State Highway Fund.

19       “SECTION 167. Section 168 of this 2025 Act is added to and made a  
20 part of the Oregon Vehicle Code.

21       “SECTION 168. (1) Each biennium, beginning July 1, 2027, the De-  
22 partment of Transportation shall adjust the dollar amounts set forth  
23 in ORS 803.420 (7)(c)(A), (B), (C) and (D) and ORS 803.645 (4) by the  
24 cumulative change in the Consumer Price Index for All Urban Con-  
25 sumers, West Region (All Items), as published by the Bureau of Labor  
26 Statistics of the United States Department of Labor, or its successor  
27 index, since the previous adjustment. The adjustments performed un-  
28 der this subsection shall be rounded to the nearest whole dollar.

29       “(2) The adjusted fees under subsection (1) of this section take ef-  
30 fect on January 1 and apply for the following two years.

1       **“(3) The Department of Transportation may adopt rules necessary**  
2       **to implement this section.**

3       **“SECTION 169. Section 162 of this 2025 Act applies to fees imposed**  
4       **on or after the effective date of this 2025 Act.**

5       **“SECTION 170. ORS 184.751 is amended to read:**

6       “184.751. (1) The Statewide Transportation Improvement Fund is estab-  
7       lished in the State Treasury, separate and distinct from the General Fund.  
8       Interest earned by the Statewide Transportation Improvement Fund shall be  
9       credited to the fund. Moneys in the fund are continuously appropriated to  
10      the Department of Transportation to finance investments and improvements  
11      or to maintain existing public transportation services, except that the mon-  
12      eys may not be used for **new** light rail capital expenses but may be used for  
13      **capital expenses of maintaining existing light rail and for** light rail  
14      operation expenses.

15      “(2) The Statewide Transportation Improvement Fund consists of:

16      “(a) All moneys received from the tax imposed under ORS 320.550;

17      “(b) Moneys appropriated or otherwise transferred to the fund by the  
18      Legislative Assembly;

19      “(c) Moneys transferred to the fund under ORS 184.642, 323.455 or 323.457  
20      (1)(d) and (2)(b);

21      “(d) Distribution repayments, if any; and

22      “(e) Other moneys deposited in the fund from any source.

23      “(3) Unless approved by the department, the moneys in the Statewide  
24      Transportation Improvement Fund may not be used to supplant local and  
25      regional agency moneys currently directed to public transportation service  
26      providers.

27      **“SECTION 171. ORS 184.621 is amended to read:**

28      “184.621. (1) The Oregon Transportation Commission shall work with  
29      stakeholders to review and update the criteria used to select projects within  
30      the Statewide Transportation Improvement Program. When revising the

project selection criteria the commission shall consider whether the project:

“(1) (a) Improves the state highway system or major access routes to the state highway system on the local road system to relieve congestion by expanding capacity, enhancing operations or otherwise improving travel times within high-congestion corridors.

“(2) (b) Enhances the safety of the traveling public by decreasing traffic crash rates, promoting the efficient movement of people and goods and preserving the public investment in the transportation system.

“(3) (c) Supports improvements necessary for Oregon’s economic growth and competitiveness, accessibility to industries and economic development.

“(4) (d) Provides the greatest benefit in relation to project costs as analyzed under ORS 184.659.

“(5) (e) Fosters livable communities by demonstrating that the investment does not undermine sustainable urban development.

“(6) (f) Enhances the value of transportation projects through designs and development that reflect environmental stewardship and community sensitivity.

“(7) (g) Is consistent with the state’s greenhouse gas emissions reduction goals and reduces Oregon’s dependence on foreign oil.

“(8) (h) To the extent practicable, ensures that the state’s transportation infrastructure is resilient in the event of a natural disaster.

“(9) (i) Is located near operations conducted for mining aggregate or processing aggregate as described in ORS 215.213 (2)(d) or 215.283 (2)(b).

**“(2) When revising the project selection criteria the commission may consider whether the project:**

**“(a) Reduces the overall demand for motor vehicle travel on the highways.**

**“(b) Is located in an area where the receiving city or county has made a good faith effort to invest in maintaining, preserving and operating the highways under their jurisdiction to an extent that satis-**

1 **fies the commission.**

2 **“SECTION 172. The Legislative Revenue Officer, in consultation**  
3 **with the Department of Transportation, counties and cities, shall**  
4 **study how to simplify and streamline all the different methods of dis-**  
5 **tributing the fees imposed and taxes collected under ORS 319.020,**  
6 **319.530, 803.090, 803.420, 818.225, 825.476 and 825.480. The department**  
7 **shall submit a report in the manner provided by ORS 192.245, and may**  
8 **include recommendations for legislation, to the Joint Committee on**  
9 **Transportation no later than September 15, 2026.**

10 **“SECTION 173. Section 172 of this 2025 Act is repealed on January**  
11 **2, 2027.**

12 **“SECTION 174. ORS 184.642 is amended to read:**

13 **“184.642. (1) The Department of Transportation Operating Fund is estab-**  
14 **lished in the State Treasury separate and distinct from the General Fund and**  
15 **separate and distinct from the State Highway Fund. Except as otherwise**  
16 **provided in subsection (3)(e) of this section, moneys in the Department of**  
17 **Transportation Operating Fund are continuously appropriated to the De-**  
18 **partment of Transportation to pay expenses of the department that are in-**  
19 **curred in the performance of functions the department is statutorily required**  
20 **or authorized to perform and that may not constitutionally be paid from**  
21 **revenues described in section 3a, Article IX of the Oregon Constitution.**

22 **“(2) The operating fund shall consist of the following:**

23 **“(a) Taxes paid on motor vehicle fuels or on the use of fuel in a motor**  
24 **vehicle for which a person is entitled to a refund under a provision described**  
25 **in this paragraph but for which no refund is claimed, in amounts determined**  
26 **under ORS 184.643. This paragraph applies to refund entitlements described**  
27 **in ORS 319.280 (1)(a) and (e), 319.320 (1)(a) and 319.831 (1)(b).**

28 **“(b) Fees collected under ORS 822.700 for issuance or renewal of:**

29 **“(A) Dismantler certificates;**

30 **“(B) Vehicle dealer certificates;**

1 “(C) Show licenses;

2 “(D) Vehicle transporter certificates;

3 “(E) Driver training instructor certificates;

4 “(F) Commercial driver training school certificates; and

5 “(G) Vehicle appraiser certificates.

6 “(c) Late fees collected under ORS 822.700.

7 “(d) Fees collected under ORS 822.705.

8 “(e) Moneys from civil penalties imposed under ORS 822.009.

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

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

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

17 “(i) Interest and other earnings on moneys in the operating fund.

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

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

22 “(A) May not constitutionally be paid from revenues described in section  
23 3a, Article IX of the Oregon Constitution;

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

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

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

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

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

5 “(e) Moneys collected under ORS 807.410 from fees for identification cards  
6 shall be used first to pay the expenses of the department for performing the  
7 functions of the department relating to identification cards. After paying the  
8 expenses related to identification cards, the department shall transfer the  
9 remaining moneys collected under ORS 807.410 to the Statewide Transporta-  
10 tion Improvement Fund established in ORS 184.751.

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

14 “(g) Moneys from interest and other earnings on moneys in the operating  
15 fund may be used for any purpose for which other moneys in the fund may  
16 be used.

17 **“(h) Each year the department shall transfer \$2 million from reve-**  
18 **nuues under subsection (2)(a) of this section into the Multimodal Active**  
19 **Transportation Fund established under ORS 367.091.**

20 **“SECTION 175.** ORS 367.091 is amended to read:

21 “367.091. (1) As used in this section and ORS 367.093:

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

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

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

30 “(2) The Multimodal Active Transportation Fund is established in the

1 State Treasury, separate and distinct from the General Fund. Earnings on  
2 moneys in the Multimodal Active Transportation Fund shall be deposited  
3 into the fund. Moneys in the fund are continuously appropriated to the De-  
4 partment of Transportation for the purposes described in subsection (3) of  
5 this section and in ORS 367.093. The fund consists of the following:

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

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

8 **“(c) Moneys transferred to the fund under ORS 184.642.**

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

10 “[~~(d)~~] (e) Earnings on moneys in the fund.

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

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

14 **“SECTION 176. (1) As used in this section:**

15 **“(a) ‘Capacity expansion project’ means construction or recon-**  
16 **struction of a highway, including interchanges, but excluding auxiliary**  
17 **lanes with a length of less than 2,500 feet, that adds highway traffic**  
18 **capacity.**

19 **“(b) ‘Highway’ has the meaning given that term in ORS 366.005.**

20 **“(c) ‘Qualified entity’ has the meaning given that term in ORS**  
21 **184.752.**

22 **“(d) ‘Vehicle miles traveled’ means the total annual miles of motor**  
23 **vehicle travel in Oregon.**

24 **“(2) The Department of Transportation shall:**

25 **“(a) Conduct a study regarding:**

26 **“(A) The feasibility and costs of requiring all qualified entities who**  
27 **receive moneys from the Statewide Transportation Improvement Fund**  
28 **to provide free transit services to youth who are 22 years of age or**  
29 **younger.**

30 **“(B) The development of a policy that would require the department**



1 to consider the net change in vehicle miles traveled for all new federal  
2 and state capacity expansion projects. In conducting the study de-  
3 scribed in this subparagraph, the department shall consider compara-  
4 ble policies from other states or jurisdictions, possible modeling  
5 methods that would evaluate changes to vehicle miles traveled as a  
6 result of capacity expansion projects and additional methods that  
7 would result in no net increase to vehicle miles traveled.

8 “(b) Collaborate with cities and counties to study and develop a plan  
9 to:

10 “(A) Improve interagency partnerships and service; and

11 “(B) Address transit gaps and unmet needs in each region of this  
12 state.

13 “(3) The department shall submit a report in the manner provided  
14 by ORS 192.245, and may include recommendations for legislation, to  
15 the Joint Committee on Transportation no later than September 15,  
16 2026.

17 “SECTION 177. Section 176 of this 2025 Act is repealed on January  
18 2, 2027.

19 “SECTION 178. The Department of Transportation shall study the  
20 expansion of the Westside Express Service from the City of Beaverton  
21 to the City of Wilsonville, as well as to the cities of Salem and Eugene.  
22 The department shall submit a report in the manner provided by ORS  
23 192.245, and may include recommendations for legislation, to the Joint  
24 Committee on Transportation no later than September 15, 2026.

25 “SECTION 179. Section 178 of this 2025 Act is repealed on January  
26 2, 2027.

27 “SECTION 180. ORS 821.320 is amended to read:

28 “821.320. The following fees are established relating to snowmobiles:

29 “(1) Registration under ORS 821.080, [\$10] **\$30.**

30 “(2) Renewal of registration under ORS 821.080, [\$10] **\$30.**

1 “(3) Issuance of out-of-state permit under ORS 821.130, \$7.

2 **“SECTION 181. (1) The Department of Transportation shall study**  
3 **how to:**

4 **“(a) Increase the number of electric vehicle charging stations that**  
5 **are available across this state for all types of motor vehicles that are**  
6 **powered by electricity, including motor vehicles weighing more than**  
7 **26,000 pounds; and**

8 **“(b) Encourage the purchase of electric motor vehicles through re-**  
9 **bates or other financial incentives.**

10 **“(2) The department shall submit a report in the manner provided**  
11 **by ORS 192.245, and may include recommendations for legislation, to**  
12 **the interim committees of the Legislative Assembly related to trans-**  
13 **portation no later than September 15, 2026.**

14 **“SECTION 182. Section 181 of this 2025 Act is repealed on January**  
15 **2, 2027.**

16 **“SECTION 183. (1) The Legislative Policy and Research Director**  
17 **shall contract with a qualified vendor with subject matter expertise in**  
18 **rail transportation to conduct a study of and prepare a report about**  
19 **the impact of governance reform options for passenger rail and transit**  
20 **operations in this state.**

21 **“(2) The study and report must:**

22 **“(a) Engage statewide stakeholders, including private freight rail-**  
23 **roads, short line railroads, transit agencies and rail and transit advo-**  
24 **cate organizations, to explore the viability, impacts and expected costs**  
25 **of either establishing a separate department of rail and transit outside**  
26 **of the Department of Transportation or of creating an internal divi-**  
27 **sion within the Department of Transportation for rail and transit.**

28 **“(b) Compare these options to rail and transit governance in other**  
29 **states, including Virginia’s Passenger Rail Authority.**

30 **“(3) The study and report may include additional recommendations**

1 for governance reform, contextual information or suggestions that the  
2 vendor determines are helpful or warranted.

3 “(4) The vendor shall submit a draft report to the Legislative Policy  
4 and Research Director no later than September 1, 2026.

5 “(5) The director shall review the draft report, confer with the  
6 vendor if necessary and finalize the report. The director shall submit  
7 the final report in the manner provided by ORS 192.245 to the interim  
8 committees of the Legislative Assembly related to transportation no  
9 later than September 15, 2026.

10 “(6) The Department of Transportation shall provide the vendor  
11 with any assistance required by the vendor that the vendor determines  
12 is necessary to complete the report in the manner described in this  
13 section.

14  
15 “CAPTIONS

16  
17 “SECTION 184. The unit and section captions used in this 2025 Act  
18 are provided only for the convenience of the reader and do not become  
19 part of the statutory law of this state or express any legislative intent  
20 in the enactment of this 2025 Act.”.