

## **HB 4126 STAFF MEASURE SUMMARY**

### **House Committee On Transportation**

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**Prepared By:** Patrick Brennan, LPRO Analyst

**Sub-Referral To:** Joint Committee On Ways and Means

**Meeting Dates:** 2/11, 2/16

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#### **WHAT THE MEASURE DOES:**

Directs the Department of Transportation to submit a biennial report to the Legislative Assembly recommending a rate for the per-mile road usage charge that would sustainably raise the revenue necessary to maintain the public highways in Oregon. Declares an emergency, effective on passage.

#### **FISCAL:**

#### **REVENUE:**

#### **ISSUES DISCUSSED:**

#### **EFFECT OF AMENDMENT:**

No amendment.

#### **BACKGROUND:**

The Legislative Assembly created the Road User Fee Task Force (RUFTF) in 2001 to develop a revenue collection system to fund Oregon's roads and highways that could replace the existing gasoline tax. Because motor fuel taxes had not kept pace with inflation, and because the mileage ratings of the vehicle fleet had steadily improved for two decades, revenues for maintaining and improving the state's road system had not kept pace with need. The RUFTF studied 28 different options, eventually determining that a new system should be designed that would assess costs to drivers based on the number of miles driven on public roads and highways in Oregon.

Two pilot programs were conducted in 2006-2007 and 2012-2013, during which technology and administration was tested and refined for the program. In 2013, the Legislative Assembly enacted Senate Bill 810, creating a permanent voluntary program, known as OReGO, in which up to 5,000 vehicles could pay 1.5 cents per mile in lieu of the gasoline tax. Drivers use onboard, connected technology to track miles traveled on Oregon public roads and are billed for costs accrued that exceed the amount of gas taxes paid.