

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

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<b>Action:</b>	Do Pass as Amended, Be Printed Engrossed, and Be Referred to the Committee on Ways and Means by Prior Reference
<b>Vote:</b>	6 - 0 - 0
<b>Yeas:</b>	Edwards, Girod, Monroe, Starr, Thomsen, Beyer
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Patrick Brennan, Administrator
<b>Meeting Dates:</b>	4/8, 4/18

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**WHAT THE MEASURE DOES:** Establishes voluntary program for vehicle owners to pay per-mile road usage charge in lieu of motor fuel tax. Outlines qualifications and procedures for program. Specifies that moneys collected will be deposited into State Highway Fund and provides for distribution between state, counties and cities. Specifies that participants may utilize services from Department of Transportation, certified service provider or contractor for certified service provider. Designates making false statement on mileage report or refund application and tampering with vehicle mileage metering system as Class A violations. Specifies that participating vehicles will display emblem designed by Department to certify vehicle exempt from motor fuel taxes.

**ISSUES DISCUSSED:**

- Work of the Road User Fee Task Force
- Looming gap between cost of highway maintenance and modernization and gas tax revenues
- Need to find equitable way for alternative fuel vehicles to pay for road usage
- Hours of service for Driver and Motor Vehicle Services offices
- Recommendation that Joint Ways and Means take a look at office hours of service

**EFFECT OF COMMITTEE AMENDMENT:** Replaces the original measure.

**BACKGROUND:** The Road User Fee Task Force (RUFTF) was established by the 2001 Legislative Assembly through House Bill 3946 to study revenue options and recommend a replacement for the current road tax system, which consists of a combination of motor vehicle fuel taxes and weight-mile taxes. RUFTF was created out of concern that the gas tax is a declining revenue source over the long term, while road maintenance and modernization costs continue to rise. This problem is exacerbated by the introduction of high-mileage hybrid electric vehicles, as well as plug-in electric vehicles that use no gasoline and therefore currently pay no road usage charge. The Oregon Department of Transportation (ODOT) conducted a year-long pilot project to study a possible electronically collected mileage fee; the Department conducted a follow-up pilot project in 2012-13 to test the feasibility of an open technology platform alternative to the original pilot project, where drivers have the ability to select a third-party provider for in-vehicle technology, invoicing and payment.