

B-Engrossed
House Bill 2281

Ordered by the Senate June 11
Including House Amendments dated April 15 and Senate Amendments
dated June 11

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Transportation and Economic Development)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Exempts certain persons from requirement to pay weight-mile or fuel taxes.

For purposes of per-mile road usage charge, makes issuance by Department of Transportation of emblem of exemption from motor vehicle fuel taxes permissive, removes exception to requirement that seller collect use fuel taxes on motor vehicle paying per-mile road usage charge and removes requirement that Department of Transportation round metered use of subject vehicle up to next whole mile.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to transportation; creating new provisions; amending ORS 319.665, 319.890, 319.920, 319.945
3 and 825.017; and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 319.945 is amended to read:

6 319.945. (1) [*Upon application on a form prescribed by*] The Department of Transportation[, *the*
7 *department shall*] **may** issue an emblem to the registered owner of a subject vehicle to show that the
8 use of fuel in the subject vehicle is exempt from taxation under ORS 319.510 to 319.880.

9 (2) An emblem issued under this section shall be displayed:

10 (a) In a conspicuous place on the subject vehicle; and

11 (b) Only upon the subject vehicle with respect to which it is issued.

12 **SECTION 2.** ORS 319.890 is amended to read:

13 319.890. (1) A person wishing to pay the per-mile road usage charge imposed under ORS 319.885
14 must apply to the Department of Transportation on a form prescribed by the department.

15 (2) The department shall approve a valid and complete application submitted under this section
16 if:

17 (a) The applicant is the registered owner or lessee of a motor vehicle;

18 (b) The motor vehicle is equipped with a method selected pursuant to ORS 319.900 for collecting
19 and reporting the metered use by the motor vehicle of the highways in Oregon;

20 (c) The motor vehicle has a gross vehicle weight rating of 10,000 pounds or less; and

21 (d) Approval does not cause the number of subject vehicles active in the road usage charge
22 program on the date of approval to exceed 5,000, of which no more than 1,500 may have a rating
23 of less than 17 miles per gallon and no more than 1,500 may have a rating of at least 17 miles per
24 gallon and less than 22 miles per gallon, such ratings to be determined pursuant to a method es-

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 established by the department.

2 (3) Approval of an application under this section subjects the applicant to the requirements of
3 ORS 319.920 until the person ends the person's voluntary participation in the road usage charge
4 program in the manner required under subsection (4) of this section.

5 (4) A person may end the person's voluntary participation in the road usage charge program at
6 any time by notifying the department, returning [*the*] **any** emblem issued under ORS 319.945 to the
7 department and paying any outstanding amount of road usage charge for metered use by the
8 person's subject vehicle.

9 **SECTION 3.** ORS 319.665, as amended by section 17, chapter 781, Oregon Laws 2013, is
10 amended to read:

11 319.665. (1) The seller of fuel for use in a motor vehicle shall collect the tax provided by ORS
12 319.530 at the time the fuel is sold, unless one of the following situations applies:

13 (a) The vehicle into which the seller delivers or places the fuel bears a valid permit or user's
14 emblem issued by the Department of Transportation.

15 (b) The fuel is dispensed at a nonretail facility, in which case the seller shall collect any tax
16 owed at the same time the seller collects the purchase price from the person to whom the fuel was
17 dispensed at the nonretail facility. A seller is not required to collect the tax under this paragraph
18 from a person who certifies to the seller that the use of the fuel is exempt from the tax imposed
19 under ORS 319.530.

20 (c) A cardlock card is used for purchase of the fuel at an attended portion of a retail facility
21 equipped with a cardlock card reader, in which case the cardlock card issuer licensed in this state
22 is responsible for collecting and remitting the tax unless the person making the purchase certifies
23 to the seller that the use of the fuel is exempt from the tax imposed under ORS 319.530.

24 [*(d) Metered use by the vehicle is subject to the per-mile road usage charge imposed under ORS*
25 *319.885.*]

26 (2) If a cardlock card is used for purchase of fuel at an attended portion of a retail facility
27 equipped with a cardlock card reader, the seller at the retail facility may deduct fuel purchases
28 made with a cardlock card from the seller's retail transactions if the seller provides the department
29 with the following information:

30 (a) A monthly statement from a cardlock card issuer that details the cardlock card purchases
31 at the retail facility; and

32 (b) A listing of cardlock card issuers and gallons of fuel purchased at the retail facility by the
33 issuers' customers.

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

36 **SECTION 4.** ORS 319.920 is amended to read:

37 319.920. (1) On a date determined by the Department of Transportation under ORS 319.910, the
38 registered owner or lessee of a subject vehicle shall report the metered use by the subject
39 vehicle[, *rounded up to the next whole mile,*] and pay to the department the per-mile road usage
40 charge due under ORS 319.885 for the reporting period.

41 (2) Unless a registered owner or lessee presents evidence in a manner approved by the depart-
42 ment by rule that the subject vehicle has been driven outside this state, the department shall assume
43 that all metered use reported represents miles driven by the subject vehicle on the highways in
44 Oregon.

45 **SECTION 5.** Section 6 of this 2015 Act is added to and made a part of ORS chapter 825.

1 **SECTION 6. Notwithstanding ORS 319.020, 319.530 and 825.474, a person operating a motor**
2 **vehicle with a combined weight of 26,000 pounds or more is not required to pay the weight-**
3 **mile tax imposed under ORS 825.474 or fuel taxes imposed under ORS 319.020 and 319.530, if:**

4 **(1) The person is not operating as a for-hire carrier; and**

5 **(2) The person is operating the motor vehicle for the purpose of emissions research and**
6 **development and the United States Environmental Protection Agency has provided a testing**
7 **exemption from complying with federal emission requirements.**

8 **SECTION 7.** ORS 825.017 is amended to read:

9 825.017. Except as provided in ORS 825.026 and 825.030, this chapter does not apply to the per-
10 sons or vehicles described in this section. The exemption under this section applies to the following
11 persons and vehicles:

12 (1) Vehicles being used by, or under contract with, any school board, district or person respon-
13 sible for the administration of elementary or secondary school activities, and engaged exclusively
14 in transporting students or combinations of students and other persons to or from school, to or from
15 authorized school activities or other activities sponsored by the State Board of Higher Education,
16 or for purposes provided under ORS 332.427. This exemption shall not be affected by the charging
17 of a fee to cover the costs of the transportation.

18 (2) Vehicles being used in a taxicab operation if the vehicle:

19 (a) Is a passenger vehicle with a passenger seating capacity that does not exceed five;

20 (b) Carries passengers for hire where the destination and route traveled may be controlled by
21 a passenger and the fare is calculated on the basis of any combination of an initial fee, distance
22 traveled or waiting time; and

23 (c) Is transporting persons or property, or both, between points in Oregon.

24 (3) Vehicles being used for the transportation of property by private carrier by means of a single
25 vehicle or combination of vehicles with a combined weight that does not exceed 8,000 pounds.

26 (4) Vehicles being used in operating implements of husbandry.

27 (5) Vehicles being used as a hearse or ambulance.

28 (6) Vehicles being used over any private road or thoroughfare.

29 (7) Vehicles being used on any road, thoroughfare or property, other than a state highway,
30 county road or city street, for the removal of forest products as defined in ORS 321.005, or the
31 product of forest products converted to a form other than logs at or near the harvesting site, or
32 when used for the construction or maintenance of the road, thoroughfare or property, pursuant to
33 a written agreement or permit authorizing the use, construction or maintenance of the road,
34 thoroughfare or property, with:

35 (a) An agency of the United States;

36 (b) The State Board of Forestry;

37 (c) The State Forester; or

38 (d) A licensee of an agency named in this subsection.

39 (8) Vehicles being used on any county road for the removal of forest products as defined in ORS
40 321.005, or the products of forest products converted to a form other than logs at or near the har-
41 vesting site, if:

42 (a) The use is pursuant to a written agreement entered into with the State Board of Forestry,
43 the State Forester or an agency of the United States, authorizing the owner of the motor vehicle
44 to use the road and requiring the owner to pay for or to perform the construction or maintenance
45 of the county road, including any operator of a motor vehicle retained to transport logs, poles and

1 piling for the owners who are exempt under this section;

2 (b) The board, officer or agency that entered into the agreement or granted the permit, by con-
3 tract with the county court or board of county commissioners, has assumed the responsibility for the
4 construction or maintenance of the county road; and

5 (c) Copies of the agreements or permits required by this subsection are filed with the Director
6 of Transportation.

7 (9) Vehicles being used in the transportation of persons for hire if the operation:

8 (a) Is performed by a nonprofit entity;

9 (b) Is not in competition with a regular route full-service scheduled carrier of persons that is
10 subject to the provisions of this chapter or a service provided by a mass transit district formed un-
11 der ORS chapter 267;

12 (c) Is performed by use of vehicles operating in compliance with ORS 820.020 to 820.070; and

13 (d) Is approved by the Department of Transportation as complying with paragraphs (a) to (c) of
14 this subsection.

15 (10) Vehicles being used in transporting persons with disabilities, with or without their super-
16 visors or assistants, to or from rehabilitation facilities or child care services if the motor vehicle is
17 a passenger motor vehicle with a seating capacity of not more than 12 passengers. The exemption
18 provided by this subsection applies only when the motor vehicle is operated by or under contract
19 with any person responsible for the administration of rehabilitation facilities as defined in ORS
20 344.710 to 344.730 or child care services provided by a facility licensed under ORS 329A.030 and
21 329A.250 to 329A.450.

22 (11) Vehicles owned or operated by the United States or by any governmental jurisdiction within
23 the United States except when owned or operated as a carrier of property for hire.

24 (12) Vehicles owned or operated by a mass transit district created under ORS chapter 267.

25 (13) Vehicles owned or operated by, or under contract with, a person responsible for the con-
26 struction or reconstruction of a highway under contract with the Department of Transportation or
27 with an agency of the United States when operated within the immediate construction project as
28 described in the governmental agency contract during the construction period.

29 (14) Vehicles owned or operated by, or under contract with, a charitable organization when ex-
30 clusively engaged in performing transportation, either one way or round trip, necessary to the op-
31 eration of the charitable organization. As used in this subsection, "charitable organization" means
32 an organization that has no capital stock and no provision for making dividends or profits, but de-
33 rives its funds principally from public and private charity and holds them in trust for the promotion
34 of the welfare of others and not for profit. Any organization claiming an exemption under this sub-
35 section shall file an affidavit with the department stating that it is organized and operated in ac-
36 cordance with the requirements of this subsection.

37 *[(15) Vehicles with a maximum speed that does not exceed 35 miles per hour that are designed for*
38 *off-road use and that are operated on the public highways in any one calendar year a number of miles*
39 *that does not exceed 15 percent of the total number of miles the vehicle is operated for that calendar*
40 *year.]*

41 *[(16)]* **(15)** Passenger vehicles with a passenger seating capacity that does not exceed five when
42 used in the transportation of new telephone books.

43 *[(17)]* **(16)** A vehicle that is used in a limousine service operation in which the destination and
44 route traveled may be controlled by the passenger and the fare is calculated on the basis of any
45 combination of initial fee, distance traveled and waiting time if the vehicle:

- 1 (a) Is a passenger vehicle with a passenger seating capacity that does not exceed eight;
2 (b) Carries passengers for hire between points in Oregon; and
3 (c) Operates on an irregular route basis.

4 [(18)] (17) Fire trucks and rescue vehicles that are designated as emergency vehicles by the
5 Department of Transportation under ORS 801.260, while involved in emergency and related oper-
6 ations.

7 [(19)] (18) A person who provides services related to the packing or loading of household goods
8 if the person does not:

- 9 (a) Provide or operate a motor vehicle for the movement of the household goods; and
10 (b) Act as an agent for any person who does provide or operate a motor vehicle for the move-
11 ment of the household goods.

12 **SECTION 8. This 2015 Act takes effect on the 91st day after the date on which the 2015**
13 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.**

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