

DRAFT

SUMMARY

Digest: The Act increases and adds taxes related to roads, cars, trucks and buses and says how revenue must be used. The Act would make the per-mile road usage charge mandatory over time. The Act would let a person pay a yearly fee instead of the per-mile road usage charge. The Act tells the Division of Audits to do performance audits of ODOT. (Flesch Readability Score: 71.0).

Directs the Division of Audits to conduct performance audits of the Department of Transportation. Alters the duties of the Joint Committee on Transportation and the Continuous Improvement Advisory Committee. Provides that the Governor shall appoint the Director of Transportation.

Increases and adds transportation-related fees and taxes. Provides uses of revenues.

Imposes a mandatory per-mile road usage charge for electric and hybrid vehicles and electric delivery vehicles. Allows an annual fee in lieu of the mandatory per-mile road usage charge.

Repeals mandatory toll program.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to transportation; creating new provisions; amending ORS 171.861,
3 184.620, 184.623, 184.659, 184.665, 319.020, 319.530, 319.883, 319.885, 319.910,
4 319.915, 319.920, 319.925, 319.930, 320.550, 366.506, 366.772, 366.805, 367.095,
5 377.841, 383.009, 801.041, 801.042, 803.090, 803.420, 803.422 and 803.445 and
6 section 6, chapter 491, Oregon Laws 2019; repealing ORS 319.890 and
7 383.150 and section 2, chapter 428, Oregon Laws 2019; prescribing an ef-
8 fective date; and providing for revenue raising that requires approval by
9 a three-fifths majority.

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

1 **ACCOUNTABILITY AND HIGHWAY COST ALLOCATION STUDY**

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

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

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

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

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

12 **SECTION 2. ORS 184.620 is amended to read:**

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

18 (2) The appointment of the director shall be subject to confirmation by
19 the Senate in the manner provided in ORS 184.623.

20 (3) The director may appoint:

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

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

29 (4) Subject to the approval of the [*commission*] **Oregon Transportation**
30 **Commission**, the director may organize and reorganize the department as
31 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 3.** 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 4. (1) The amendments to ORS 184.620 and 184.623 by**
27 **sections 2 and 3 of this 2025 special session Act apply to appointments**
28 **made on or after the effective date of this 2025 special session Act.**

29 **(2) The Director of Transportation who is serving on the effective**
30 **date of this 2025 special session Act continues to be governed by ORS**
31 **184.620 as in effect immediately before the effective date of this 2025**

1 **special session Act.**

2 **SECTION 5.** 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 Contin-**
14 **uous 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 expe-**
22 **rience 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 De-**
26 **partment of Transportation to allow increased investment in the transpor-**
27 **tation 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**
31 **quarterly to the commission [at least once per year] and to the Joint**

1 **Committee on Transportation** on the status of key performance measures
2 and what steps are being taken by the department to achieve the goals of the
3 key performance measures.

4 [(3)] (4) The [committee] **Continuous Improvement Advisory Commit-**
5 **tee** shall [periodically] report **quarterly** to the commission **and to the Joint**
6 **Committee on Transportation**. The reports must include recommendations
7 on ways the commission and the department may execute their duties more
8 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] **Continuous Improvement Advisory Committee**
16 shall meet [regularly] **at least once a month**, at times and places fixed by
17 the chairperson of the committee or a majority of 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 6. The amendments to ORS 184.665 by section 5 of this**
24 **2025 special session Act become operative on January 1, 2026.**

25 **SECTION 7.** ORS 171.861 is amended to read:

26 171.861. (1) **As used in this section, “major project” means a trans-**
27 **portation project that costs \$250 million or more to complete.**

28 (2) The Joint Committee on Transportation shall:

29 (a) Examine transportation related policy [and];

30 (b) **Review** transportation project expenditures;

31 (c) **Review the scope, schedule, changes and budget updates to ma-**

1 **for projects on a quarterly basis;**

2 **(d) Review requests for project scope expansion requests submitted**
3 **by a city or a county under section 8 of this 2025 special session Act;**
4 **and**

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

10 **(3) The Joint Committee on Transportation shall provide general legisla-**
11 **tive oversight of the Department of Transportation and the Oregon De-**
12 **partment of Aviation.**

13 **SECTION 8. (1) As used in this section, “highway improvement**
14 **project” means a state highway project for which the Department of**
15 **Transportation may use federal transportation funds.**

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

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

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

31 **(b) The project costs \$25 million or more and the changes in scope**

1 **the city or county is requesting increase the project costs by five per-**
2 **cent or more.**

3 **SECTION 9. The Legislative Policy and Research Director shall en-**
4 **ter into a professional services contract for a performance audit of the**
5 **operations of the Department of Transportation, to include examina-**
6 **tion of:**

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

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

11 **SECTION 10. Section 9 of this 2025 special session Act is repealed**
12 **on January 2, 2027.**

13 **SECTION 11. ORS 366.506 is amended to read:**

14 366.506. (1) Once every two years, the Oregon Department of Administra-
15 tive Services shall conduct a highway cost allocation study. The purpose of
16 the study is to determine:

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

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

21 (2) Each study must include:

22 (a) An examination of the most recent study period for which actual data
23 are available for the purpose of determining the accuracy of the most re-
24 cently published study results; and

25 (b) An examination of the prospective study period based on projected
26 data for the purpose described in subsection (1) of this section **and that**
27 **incorporates the results of the examination described in paragraph (a)**
28 **of this subsection.**

29 (3) The department may use any study design the department determines
30 will best accomplish the purposes stated in subsection (1) of this section. In
31 designing the study, the department may make decisions that include, but

1 are not limited to, the methodology to be used for the study, what constitutes
2 a class of vehicle for purposes of collection of data under subsections (1) to
3 (5) of this section and the nature and scope of costs that will be included in
4 the study.

5 (4) The department may appoint a study review team to participate in the
6 study required by subsection (1) of this section. The team may perform any
7 functions assigned by the department, including, but not limited to, consult-
8 ing on the design of the study.

9 (5) A report on the results of the study shall be submitted to the legisla-
10 tive revenue committees and the Joint Committee on Transportation by
11 January 31 of each odd-numbered year.

12 (6) The Legislative Assembly shall use the report described in subsection
13 (5) of this section to determine whether adjustments to revenue sources de-
14 scribed in Article IX, section 3a (3), of the Oregon Constitution, are needed
15 in order to carry out the purposes of Article IX, section 3a (3), of the Oregon
16 Constitution. If such adjustments are needed, the Legislative Assembly shall
17 enact whatever measures are necessary to make the adjustments.

18 **SECTION 12.** ORS 366.506, as amended by section 11 of this 2025 special
19 session Act, is amended to read:

20 366.506. (1) Once every two years, the Oregon Department of Administra-
21 tive Services shall conduct a highway cost allocation study. The purpose of
22 the study is to determine:

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

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

27 (2) Each study must include:

28 (a) An examination of the most recent study period for which actual data
29 are available for the purpose of determining the accuracy of the most re-
30 cently published study results; and

31 (b) An examination of the prospective study period based on projected

1 data for the purpose described in subsection (1) of this section and that in-
2 corporates the results of the examination described in paragraph (a) of this
3 subsection.

4 (3) The department may use any study design the department determines
5 will best accomplish the purposes stated in subsection (1) of this section. In
6 designing the study, the department may make decisions that include, but
7 are not limited to, the methodology to be used for the study, what constitutes
8 a class of vehicle for purposes of collection of data under subsections (1) to
9 (5) of this section and the nature and scope of costs that will be included in
10 the study.

11 (4) The department may appoint a study review team to participate in the
12 study required by subsection (1) of this section. The team may perform any
13 functions assigned by the department, including, but not limited to, consult-
14 ing on the design of the study.

15 (5) A report on the results of the study shall be submitted to the legisla-
16 tive revenue committees and the Joint Committee on Transportation by
17 January 31 of each odd-numbered year.

18 (6) The Legislative Assembly shall use the report described in subsection
19 (5) of this section to determine whether adjustments to revenue sources de-
20 scribed in Article IX, section 3a (3), of the Oregon Constitution, are needed
21 in order to carry out the purposes of Article IX, section 3a (3), of the Oregon
22 Constitution. If such adjustments are needed, the Legislative Assembly shall
23 enact whatever measures are necessary to make the adjustments.

24 **(7)(a) This subsection applies if:**

25 **(A) The highway cost allocation report indicates that the equity**
26 **ratio for the heavy vehicle class or the light vehicle class is at least**
27 **1.05; and**

28 **(B) The Legislative Assembly has not complied with subsection (6)**
29 **of this section within 120 days following the date on which the Joint**
30 **Committee on Transportation received the report submitted under**
31 **subsection (5) of this section.**

1 (b)(A) On or after September 1 of each odd-numbered year, the de-
2 partment shall adopt rules that adjust the fee rates per mile set forth
3 in ORS 825.476 and the fuel tax rates set forth in ORS 319.020 (1)(b) and
4 319.530 (1) as necessary so that neither the heavy vehicle class nor the
5 light vehicle class has an equity ratio that is greater than 1.049.

6 (B) Adjustments made pursuant to this paragraph shall maintain
7 revenue neutrality to the extent possible.

8 (C) Adjustments to the fuel tax rates shall be rounded to the near-
9 est 0.1 cents per gallon.

10 (8) The department shall repeal any rule adopted pursuant to sub-
11 section (7) of this section if the department determines that, after the
12 rule was adopted, the Legislative Assembly adjusted revenue sources
13 to carry out the purposes of Article IX, section 3a (3), of the Oregon
14 Constitution.

15 SECTION 13. The amendments to ORS 366.506 by section 12 of this
16 2025 special session Act become operative on January 1, 2030.

17 SECTION 14. (1) In consultation with the study review team de-
18 scribed in ORS 366.506, the Oregon Department of Administrative
19 Services shall undertake a review of the methodology for the highway
20 cost allocation study required under ORS 366.506.

21 (2) The department shall examine all aspects of the methodology for
22 the highway cost allocation study, including but not limited to the
23 following:

24 (a) The revenues and expenditures included in the highway cost al-
25 location study;

26 (b) How costs are allocated across different classes of vehicles;

27 (c) What constitutes a class of vehicle;

28 (d) The data used in the highway cost allocation study;

29 (e) The level of granularity to which cost responsibility is calculated
30 for potential rate changes; and

31 (f) Whether equity should be analyzed based on an estimate of the

1 **future biennium’s revenue and expenditures or a retrospective analysis**
2 **of past actual revenue and expenditures.**

3 **(3) The department may provide recommendations for updating the**
4 **methodology for the study, including any changes in statute needed**
5 **to improve the outcome of the study and ensure fairness and propor-**
6 **tionate revenue and costs for each class of vehicle.**

7 **(4) The department shall submit a report in the manner provided**
8 **by ORS 192.245, and may include recommendations for legislation, to**
9 **the Joint Committee on Transportation no later than June 30, 2026.**

10 **SECTION 15. Section 14 of this 2025 special session Act is repealed**
11 **on January 2, 2027.**

12

13 **FUEL TAXES AND REGISTRATION AND TITLE FEES**

14

15 **SECTION 16. ORS 319.020 is amended to read:**

16 319.020. (1) Subject to subsections (2) to (4) of this section, in addition to
17 the taxes otherwise provided for by law, every dealer engaging in the dealer’s
18 own name, or in the name of others, in the first sale, use or distribution of
19 motor vehicle fuel or aircraft fuel or withdrawal of motor vehicle fuel or
20 aircraft fuel for sale, use or distribution within areas in this state within
21 which the state lacks the power to tax the sale, use or distribution of motor
22 vehicle fuel or aircraft fuel, shall:

23 (a) Not later than the 25th day of each calendar month, render a state-
24 ment to the Department of Transportation of all motor vehicle fuel or air-
25 craft fuel sold, used, distributed or so withdrawn by the dealer in the State
26 of Oregon as well as all such fuel sold, used or distributed in this state by
27 a purchaser thereof upon which sale, use or distribution the dealer has as-
28 sumed liability for the applicable license tax during the preceding calendar
29 month. The dealer shall render the statement to the department in the man-
30 ner provided by the department by rule.

31 (b) Except as provided in ORS 319.270, pay a license tax computed on the

1 basis of [34] **46** cents per gallon on the first sale, use or distribution of such
2 motor vehicle fuel or aircraft fuel so sold, used, distributed or withdrawn as
3 shown by such statement in the manner and within the time provided in ORS
4 319.010 to 319.430.

5 (2) When aircraft fuel is sold, used or distributed by a dealer, the license
6 tax shall be computed on the basis of 11 cents per gallon of fuel so sold, used
7 or distributed, except that when aircraft fuel usable in aircraft operated by
8 turbine engines (turbo-prop or jet) is sold, used or distributed, the tax rate
9 shall be three cents per gallon.

10 (3) In lieu of claiming refund of the tax paid on motor vehicle fuel con-
11 sumed by such dealer in nonhighway use as provided in ORS 319.280, 319.290
12 and 319.320, or of any prior erroneous payment of license tax made to the
13 state by such dealer, the dealer may show such motor vehicle fuel as a credit
14 or deduction on the monthly statement and payment of tax.

15 (4) The license tax computed on the basis of the sale, use, distribution or
16 withdrawal of motor vehicle or aircraft fuel may not be imposed wherever
17 such tax is prohibited by the Constitution or laws of the United States with
18 respect to such tax.

19 **SECTION 17.** ORS 319.530 is amended to read:

20 319.530. (1) To compensate this state partially for the use of its highways,
21 an excise tax hereby is imposed at the rate of [34] **46** cents per gallon on the
22 use of fuel in a motor vehicle.

23 (2) Except as otherwise provided in subsections (3) to (6) of this section,
24 100 cubic feet of fuel used or sold in a gaseous state, measured at 14.73
25 pounds per square inch of pressure at 60 degrees Fahrenheit, is taxable at
26 the same rate as a gallon of liquid fuel.

27 (3) 123.57 cubic feet, or 5.66 pounds, of compressed natural gas used or
28 sold in a gaseous state is taxable at the same rate as one gasoline gallon.

29 (4) 1.353 gallons, or 5.75 pounds, of liquefied petroleum gas is taxable at
30 the same rate as one gasoline gallon.

31 (5) 1.71 gallons, or 6.059 pounds, of liquefied natural gas is taxable at the

1 same rate as one diesel gallon.

2 (6) One kilogram of hydrogen is taxable at the same rate as one gasoline
3 gallon.

4 **SECTION 18.** ORS 803.420 is amended to read:

5 803.420. (1) The vehicle registration fees imposed under this section shall
6 be based on the classifications determined by the Department of Transpor-
7 tation by rule. The department may classify a vehicle to ensure that regis-
8 tration fees for the vehicle are the same as for other vehicles the department
9 determines to be comparable.

10 (2) Except as otherwise provided in this section, or unless the vehicle is
11 registered quarterly, the fees described in this section are for an entire reg-
12 istration period for the vehicle as described under ORS 803.415. For a vehicle
13 registered for a quarterly registration period under ORS 803.415, the depart-
14 ment shall apportion any fee under this section to reflect the number of
15 quarters registered.

16 (3) Vehicle registration fees are due when a vehicle is registered and
17 when the registered owner renews the registration.

18 (4) In addition to the registration fees listed in this section, a county or
19 a district may impose an additional registration fee as provided under ORS
20 801.041 and 801.042.

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

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

27 (a) Passenger vehicles not otherwise provided for in this section or ORS
28 821.320, [~~\$43~~] **\$85**.

29 (b) Utility trailers or light trailers, as those terms are defined by rule by
30 the department, [~~\$63~~] **\$105**.

31 (c) Mopeds and motorcycles, [~~\$44~~] **\$86**.

1 (d) Low-speed vehicles, [~~\$63~~] **\$105.**

2 (e) Medium-speed electric vehicles, [~~\$63~~] **\$105.**

3 (7) The registration fees for vehicles that are subject to biennial registra-
4 tion and that are listed in this subsection are as follows:

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

7 (b) Fixed load vehicles:

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

10 (B) If no declaration of weight is submitted or if the weight of the vehi-
11 cles is in excess of 3,000 pounds, \$82.

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

14 (A) Trailers or campers that are 6 to 10 feet in length, \$81.

15 (B) Trailers or campers over 10 feet in length, \$81 plus \$7 a foot for each
16 foot of length over the first 10 feet.

17 (C) Motor homes that are 6 to 14 feet in length, \$86.

18 (D) Motor homes over 14 feet in length, \$126 plus \$8 a foot for each foot
19 of length over the first 10 feet.

20 (8) The registration fee for trailers for hire that are equipped with pneu-
21 matic tires made of an elastic material and that are not travel trailers or
22 trailers registered under permanent registration is \$30.

23 (9) The registration fees for vehicles subject to ownership registration are
24 as follows:

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

26 (b) Vehicles registered with special registration for disabled veterans un-
27 der ORS 805.100 or for former prisoners of war under ORS 805.110, \$15.

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

29 (10) The registration fees for vehicles subject to permanent registration
30 are as follows:

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

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

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

3 (d) Trailers, \$10.

4 (e) State-owned vehicles registered under ORS 805.045 and undercover
5 vehicles registered under ORS 805.060, \$10.

6 (11) The registration fee for trailers registered as part of a fleet under
7 an agreement reached pursuant to ORS 802.500 is the same fee as the fee for
8 vehicles of the same type registered under other provisions of the Oregon
9 Vehicle Code.

10 (12) The registration fee for vehicles with proportional registration under
11 ORS 826.009, or proportional fleet registration under ORS 826.011, is the
12 same fee as the fee for vehicles of the same type under this section except
13 that the fees shall be fixed on an apportioned basis as provided under the
14 agreement established under ORS 826.007.

15 (13) In addition to any other registration fees charged for registration of
16 vehicles in fleets under ORS 805.120, the department may charge the follow-
17 ing fees:

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

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

20 (14)(a) The registration fee for motor vehicles required to establish a
21 registration weight under ORS 803.430 or 826.013, tow vehicles used to
22 transport property for hire other than as described in ORS 822.210 and com-
23 mercial buses is as provided in the following chart, based upon the weight
24 submitted in the declaration of weight prepared under ORS 803.435 or
25 826.015:

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

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1	14,001	to	16,000	655
2	16,001	to	18,000	718
3	18,001	to	20,000	801
4	20,001	to	22,000	864
5	22,001	to	24,000	949
6	24,001	to	26,000	1,031
7	26,001	to	28,000	375
8	28,001	to	30,000	391
9	30,001	to	32,000	422
10	32,001	to	34,000	438
11	34,001	to	36,000	468
12	36,001	to	38,000	485
13	38,001	to	40,000	515
14	40,001	to	42,000	532
15	42,001	to	44,000	562
16	44,001	to	46,000	578
17	46,001	to	48,000	593
18	48,001	to	50,000	625
19	50,001	to	52,000	656
20	52,001	to	54,000	672
21	54,001	to	56,000	686
22	56,001	to	58,000	717
23	58,001	to	60,000	750
24	60,001	to	62,000	780
25	62,001	to	64,000	811
26	64,001	to	66,000	827
27	66,001	to	68,000	857
28	68,001	to	70,000	874
29	70,001	to	72,000	904
30	72,001	to	74,000	921
31	74,001	to	76,000	951

1	76,001	to	78,000	967
2	78,001	to	80,000	998
3	80,001	to	82,000	1,014
4	82,001	to	84,000	1,045
5	84,001	to	86,000	1,061
6	86,001	to	88,000	1,092
7	88,001	to	90,000	1,108
8	90,001	to	92,000	1,139
9	92,001	to	94,000	1,155
10	94,001	to	96,000	1,185
11	96,001	to	98,000	1,202
12	98,001	to	100,000	1,218
13	100,001	to	102,000	1,249
14	102,001	to	104,000	1,265
15	104,001	to	105,500	1,295

16

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

21

22	Weight in Pounds			Fee
23	8,001	to	10,000	\$ 71
24	10,001	to	12,000	85
25	12,001	to	14,000	92
26	14,001	to	16,000	107
27	16,001	to	18,000	114
28	18,001	to	20,000	128
29	20,001	to	22,000	135
30	22,001	to	24,000	149
31	24,001	to	26,000	156

LC 1 7/31/25

1	26,001	to	28,000	170
2	28,001	to	30,000	178
3	30,001	to	32,000	192
4	32,001	to	34,000	199
5	34,001	to	36,000	213
6	36,001	to	38,000	220
7	38,001	to	40,000	234
8	40,001	to	42,000	241
9	42,001	to	44,000	256
10	44,001	to	46,000	263
11	46,001	to	48,000	270
12	48,001	to	50,000	284
13	50,001	to	52,000	298
14	52,001	to	54,000	305
15	54,001	to	56,000	312
16	56,001	to	58,000	327
17	58,001	to	60,000	341
18	60,001	to	62,000	355
19	62,001	to	64,000	369
20	64,001	to	66,000	376
21	66,001	to	68,000	391
22	68,001	to	70,000	398
23	70,001	to	72,000	412
24	72,001	to	74,000	419
25	74,001	to	76,000	433
26	76,001	to	78,000	440
27	78,001	to	80,000	454
28	80,001	to	82,000	462
29	82,001	to	84,000	476
30	84,001	to	86,000	483
31	86,001	to	88,000	497

1	88,001	to	90,000	504
2	90,001	to	92,000	518
3	92,001	to	94,000	525
4	94,001	to	96,000	540
5	96,001	to	98,000	547
6	98,001	to	100,000	554
7	100,001	to	102,000	568
8	102,001	to	104,000	575
9	104,001	to	105,500	589

10

11 (B) The registration fee for motor vehicles that are certified under ORS
 12 822.205, unless the motor vehicles are registered under paragraph (a) of this
 13 subsection, or that are used exclusively to transport manufactured struc-
 14 tures, is as provided in the following chart:

15

16	Weight in Pounds			Fee
17	8,000	or	less	\$ 63
18	8,001	to	10,000	145
19	10,001	to	12,000	173
20	12,001	to	14,000	187
21	14,001	to	16,000	217
22	16,001	to	18,000	231
23	18,001	to	20,000	260
24	20,001	to	22,000	274
25	22,001	to	24,000	304
26	24,001	to	26,000	318
27	26,001	to	28,000	346
28	28,001	to	30,000	362
29	30,001	to	32,000	391
30	32,001	to	34,000	405
31	34,001	to	36,000	435

LC 1 7/31/25

1	36,001	to	38,000	449
2	38,001	to	40,000	477
3	40,001	to	42,000	491
4	42,001	to	44,000	521
5	44,001	to	46,000	535
6	46,001	to	48,000	550
7	48,001	to	50,000	578
8	50,001	to	52,000	608
9	52,001	to	54,000	622
10	54,001	to	56,000	636
11	56,001	to	58,000	665
12	58,001	to	60,000	694
13	60,001	to	62,000	723
14	62,001	to	64,000	753
15	64,001	to	66,000	767
16	66,001	to	68,000	795
17	68,001	to	70,000	809
18	70,001	to	72,000	839
19	72,001	to	74,000	853
20	74,001	to	76,000	882
21	76,001	to	78,000	896
22	78,001	to	80,000	926
23	80,001	to	82,000	940
24	82,001	to	84,000	968
25	84,001	to	86,000	983
26	86,001	to	88,000	1,012
27	88,001	to	90,000	1,027
28	90,001	to	92,000	1,055
29	92,001	to	94,000	1,071
30	94,001	to	96,000	1,099
31	96,001	to	98,000	1,113

1	98,001	to	100,000	1,127
2	100,001	to	102,000	1,157
3	102,001	to	104,000	1,172
4	104,001	to	105,500	1,200

5

6 (C) The owner of a vehicle described in subparagraph (A) or (B) of this
7 paragraph must certify at the time of initial registration, in a manner de-
8 termined by the department by rule, that the motor vehicle will be used ex-
9 clusively to transport manufactured structures or exclusively as described in
10 ORS 822.210, unless the motor vehicle is registered under paragraph (a) of
11 this subsection, or as described in ORS 825.015 or 825.017 (13). Registration
12 of a vehicle described in subparagraph (A) or (B) of this paragraph is invalid
13 if the vehicle is operated in any manner other than that described in the
14 certification under this subparagraph.

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

19

20	Weight in Pounds			Fee
21	8,000	or	less	\$ 50
22	8,001	to	10,000	65
23	10,001	to	12,000	75
24	12,001	to	14,000	97
25	14,001	to	16,000	108
26	16,001	to	18,000	129
27	18,001	to	20,000	141
28	20,001	to	22,000	162
29	22,001	to	24,000	172
30	24,001	to	26,000	195
31	26,001	to	28,000	204

LC 1 7/31/25

1	28,001	to	30,000	226
2	30,001	to	32,000	237
3	32,001	to	34,000	258
4	34,001	to	36,000	270
5	36,001	to	38,000	291
6	38,001	to	40,000	302
7	40,001	to	42,000	324
8	42,001	to	44,000	334
9	44,001	to	46,000	356
10	46,001	to	48,000	366
11	48,001	to	50,000	388
12	50,001	to	52,000	399
13	52,001	to	54,000	409
14	54,001	to	56,000	432
15	56,001	to	58,000	453
16	58,001	to	60,000	463
17	60,001	to	62,000	474
18	62,001	to	64,000	496
19	64,001	to	66,000	517
20	66,001	to	68,000	528
21	68,001	to	70,000	540
22	70,001	to	72,000	561
23	72,001	to	74,000	571
24	74,001	to	76,000	594
25	76,001	to	78,000	604
26	78,001	to	80,000	625
27	80,001	to	82,000	636
28	82,001	to	84,000	657
29	84,001	to	86,000	669
30	86,001	to	88,000	690
31	88,001	to	90,000	700

1	90,001 to	92,000	723
2	92,001 to	94,000	733
3	94,001 to	96,000	754
4	96,001 to	98,000	765
5	98,001 to	100,000	787
6	100,001 to	102,000	798
7	102,001 to	104,000	819
8	104,001 to	105,500	831

9

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

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

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

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

18 **SECTION 19.** ORS 803.090 is amended to read:

19 803.090. (1) Except as provided in subsection (2) of this section, the fee to
 20 issue a certificate of title under ORS 803.045 or 803.140, to transfer title un-
 21 der ORS 803.092, to issue a duplicate or replacement certificate of title under
 22 ORS 803.065 or to issue a new title due to name or address change under
 23 ORS 803.220 is as follows:

24 (a) For a salvage title, \$27.

25 (b) For a vehicle title for trailers eligible for permanent registration un-
 26 der ORS 803.415 (1) and motor vehicles with a gross vehicle weight rating
 27 over 26,000 pounds, excluding motor homes, \$90.

28 (c) For a vehicle title for vehicles other than those vehicles described in
 29 paragraph (b) of this subsection, [~~\$77~~] **\$216**.

30 (2) If an application for a duplicate or replacement certificate of title is
 31 filed at the same time as an application for a transfer of title for the same

1 vehicle, the applicant is required to pay only the transfer of title fee.

2 (3) The fee for late presentation of certificate of title under ORS 803.105
3 is \$25 from the 31st day after the transfer through the 60th day after the
4 transfer and \$50 thereafter.

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

8 **SECTION 20. (1) Notwithstanding ORS 366.739, the following**
9 **amounts shall be distributed in the manner prescribed in this section:**

10 (a) **The amount attributable to the increase in tax rates by the**
11 **amendments to ORS 319.020 and 319.530 by sections 16 and 17 of this**
12 **2025 special session Act.**

13 (b) **The amount attributable to the increase in taxes and fees by the**
14 **amendments to ORS 803.420, 803.422 and 803.090 by sections 18, 19 and**
15 **46 of this 2025 special session Act.**

16 (2) **Each year, the moneys described in subsection (1) of this section**
17 **shall be allocated as follows:**

18 (a) **50 percent to the Department of Transportation.**

19 (b) **30 percent to counties as follows:**

20 (A) **The greater of \$3.5 million or 1.37 percent of the 30 percent for**
21 **distribution to small counties as provided in ORS 366.772 (3); and**

22 (B) **The remainder of the amount after the distribution described**
23 **in subparagraph (A) of this paragraph, to counties as provided in ORS**
24 **366.762.**

25 (c) **20 percent to cities for distribution as provided in ORS 366.800.**

26 **SECTION 21. ORS 366.772 is amended to read:**

27 366.772. (1) Not later than July 31 in each calendar year, the sum of
28 \$5,500,000 shall be withdrawn from the appropriation specified in ORS 366.762
29 and the sum of \$250,000 shall be withdrawn from moneys available to the
30 Department of Transportation from the State Highway Fund. The sums
31 withdrawn shall be transferred to a separate account to be administered by

1 the Department of Transportation.

2 (2) Not later than July 31 in each calendar year, the sum of \$5,750,000
3 shall be withdrawn from the separate account described in subsection (1) of
4 this section and distributed to counties as follows:

5 (a) An amount of \$750,000 shall be distributed to the following counties
6 in the following amounts:

7	(A) Harney County.....	\$	271,909
8	(B) Malheur County.....	\$	187,947
9	(C) Morrow County.....	\$	108,073
10	(D) Gilliam County.....	\$	94,036
11	(E) Sherman County	\$	79,700
12	(F) Wheeler County	\$	8,335

13 (b) An amount of \$5,000,000 shall be distributed proportionally to counties
14 with fewer than 200,000 registered vehicles based on a ratio of road miles
15 maintained by each county to registered vehicles.

16 **(3) Not later than July 31 in each calendar year, moneys received**
17 **under section 20 of this 2025 special session Act shall be distributed**
18 **proportionally to counties with fewer than 200,000 registered vehicles**
19 **based on a ratio of road miles maintained by each county to registered**
20 **vehicles.**

21 [(3)] (4) Moneys allocated as provided in this section may be used only
22 for maintenance, repair and improvement of existing roads that are:

- 23 (a) Not a part of the state highway system;
- 24 (b) Within counties with fewer than 200,000 registered vehicles; and
- 25 (c) Inadequate for the capacity the roads serve or are in a condition det-
26 rimental to safety.

27 [(4)] (5) All moneys in the account shall be allotted each year.

28 **SECTION 22.** ORS 366.805 is amended to read:

29 366.805. (1) Except as provided in subsection (2) of this section, the ap-
30 propriation specified in ORS 366.800 shall be allocated to the cities as pro-
31 vided in this subsection. The moneys subject to allocation under this

1 subsection shall be distributed by the Department of Transportation accord-
2 ing to the following:

3 (a) The moneys shall be distributed to all the cities.

4 (b) Each city shall receive such share of the moneys as its population
5 bears to the total population of the cities.

6 (2) Each year, the sum of [~~\$2,500,000~~] **\$3,000,000** shall be withdrawn from
7 the appropriation specified in ORS 366.800 and [~~\$2,500,000~~] **\$3,000,000** shall
8 be withdrawn from moneys available to the Department of Transportation
9 from the State Highway Fund. The sums withdrawn shall be transferred to
10 a separate account to be administered by the Department of Transportation.
11 The following apply to the account described in this subsection:

12 (a) Money from the account shall be used only on roads:

13 (A) That are not a part of the state highway system, with the exception
14 of project elements that are required to comply with federal or state law;

15 (B) That are within, **or under the jurisdiction of**, cities with popu-
16 lations of 5,000 or fewer persons; and

17 (C) That are inadequate for the capacity the roads serve or are in a con-
18 dition detrimental to safety.

19 (b) To the extent moneys are available to fund whole projects, all moneys
20 in the account shall be allocated each year.

21 (c) Subject to paragraph (d) of this subsection, the department shall de-
22 termine annual allocation after considering applications, including project
23 budgets, submitted by the cities to the department.

24 (d) The department may enter into agreements with cities upon the advice
25 and counsel of the small city advisory committee to determine allocation
26 based on those applications.

27 (3) The Director of Transportation shall establish a small city advisory
28 committee. The small city advisory committee shall review department rec-
29 ommendations and approve applications submitted by small cities to the di-
30 rector. In consultation with the League of Oregon Cities, the director shall
31 appoint to the small city advisory committee one representative of a small

1 city in each of the five regions of this state.

2 (4) For purposes of this section:

3 (a) Region one consists of Clackamas, Hood River, Multnomah and
4 Washington Counties.

5 (b) Region two consists of Benton, Clatsop, Columbia, Lane, Lincoln,
6 Linn, Marion, Polk, Tillamook and Yamhill Counties.

7 (c) Region three consists of Coos, Curry, Douglas, Jackson and Josephine
8 Counties.

9 (d) Region four consists of Crook, Deschutes, Gilliam, Jefferson, Klamath,
10 Lake, Sherman, Wasco and Wheeler Counties.

11 (e) Region five consists of Baker, Grant, Harney, Malheur, Morrow,
12 Umatilla, Union and Wallowa Counties.

13 **SECTION 23. The amendments to ORS 319.020, 319.530, 803.090,**
14 **803.420, 803.422 by sections 16 to 19 and 46 of this 2025 special session**
15 **Act apply to taxes and fees imposed on or after the effective date of**
16 **this 2025 special session Act.**

17

18 **TRANSIT**

19

20 **SECTION 24.** ORS 320.550 is amended to read:

21 320.550. (1) As used in this section:

22 (a) “Employer” has the meaning given that term in ORS 316.162.

23 (b) “Resident of this state” has the meaning given that term in ORS
24 316.027.

25 (c) “Wages” has the meaning given that term in ORS 316.162.

26 (2) A tax is imposed at the rate of [*one-tenth*] **two-tenths** of one percent
27 of the wages of an employee who is:

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

29 (b) Not a resident of this state, for services performed in this state.

30 (3) Every employer at the time of the payment of wages shall deduct and
31 withhold from the total amount of the wages paid for services described un-

1 der subsection (2) of this section an amount equal to the total amount of
2 wages multiplied by the rate of tax imposed under subsection (2) of this
3 section.

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

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

9 (6) If a lender, surety or other person who supplies funds to or for the
10 account of an employer for the purpose of paying wages of the employees of
11 such employer has actual notice or knowledge that such employer does not
12 intend to or will not be able to make timely payment or deposit of the tax
13 required to be deducted and withheld, such lender, surety or other person
14 shall be liable to the State of Oregon in a sum equal to the taxes, together
15 with interest, that are not timely paid over to the Department of Revenue.
16 Such liability shall be limited to the principal amount supplied by the lender,
17 surety or other person, and any amounts so paid to the department shall be
18 credited against the liability of the employer.

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

23 (b) The return submitted by the employer shall be accepted by the De-
24 partment of Revenue as evidence in favor of the employee of the amounts so
25 deducted from the employee's wages.

26 (8) Nothing in this section prohibits the Department of Revenue from in-
27 cluding the tax imposed under this section in the combined quarterly tax
28 report required under ORS 316.168.

29 (9) An employer that fails to deduct and withhold the tax required under
30 this section:

31 (a) Is deemed responsible for the payment of the tax obligation in an

1 amount equal to the amount required to be withheld from the employee's
2 wages and remitted to the Department of Revenue; and

3 (b) Is subject to a penalty of \$250 per employee, up to a maximum penalty
4 of \$25,000, if the employer knowingly fails to deduct and withhold the tax.

5 (10) Residents subject to the tax imposed under this section on wages
6 earned outside this state from an employer not doing business within this
7 state shall report and pay the tax in an amount not to exceed [*one-tenth*]
8 **two-tenths** of one percent of the wages earned outside this state, and at the
9 time and in the manner, as determined by the Department of Revenue by
10 rule.

11 **SECTION 25. The amendments to ORS 320.550 by section 24 of this**
12 **2025 special session Act become operative on January 1, 2026.**

13
14 **ROAD USAGE CHARGE**

15
16 **SECTION 26. Section 27 of this 2025 special session Act is added to**
17 **and made a part of ORS 319.883 to 319.946.**

18 **SECTION 27. The recording, reporting and payment provisions of**
19 **ORS 319.883 to 319.946 do not apply to a registered owner or lessee**
20 **voluntarily participating in the per-mile road usage charge program**
21 **for reporting periods beginning on or after July 1, 2031, until such re-**
22 **porting period, if any, for which the registered owner or lessee is re-**
23 **quired to participate in the per-mile road usage charge program under**
24 **ORS 319.883, as amended by sections 30 and 32 of this 2025 special ses-**
25 **sion Act.**

26 **SECTION 28. Section 27 of this 2025 special session Act is repealed**
27 **on January 2, 2037.**

28 **SECTION 29. ORS 319.890 and section 2, chapter 428, Oregon Laws**
29 **2019, are repealed on July 1, 2031.**

30 **SECTION 30. ORS 319.883 is amended to read:**

31 319.883. 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 obtain a valid certificate or**
5 **permit under ORS 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 electricity**
16 **as its only 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**
31 **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 [(2)] (8) “Highway” has the meaning given that term in ORS 801.305.

3 (9) “Hybrid electric vehicle”:

4 (a) 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; and

9 (b) May be further defined by the Department of Transportation by
10 rule.

11 [(3)] (10) “Lessee” means a person that leases a motor vehicle that is re-
12 quired to be registered in Oregon.

13 [(4)(a)] (11)(a) “Motor vehicle” has the meaning given that term in ORS
14 801.360.

15 (b) “Motor vehicle” does not mean a motor vehicle designed to travel with
16 fewer than four wheels in contact with the ground.

17 (12) “Motor vehicle rental company” means a person whose primary
18 business is renting motor vehicles to consumers under rental agree-
19 ments for terms of 90 days or less.

20 (13) “Plug-in hybrid electric vehicle”:

21 (a) Means a motor vehicle that:

22 (A) Is powered by an electric motor that uses batteries as well as
23 motor vehicle fuel as defined in ORS 319.010 to power an internal
24 combustion engine or other source of propulsion;

25 (B) Is equipped with an onboard charger; and

26 (C) Is rechargeable from a connection to an external electric power
27 source; and

28 (b) May be further defined by the Department of Transportation by
29 rule.

30 [(5)] (14) “Registered owner” means a person, other than a vehicle dealer
31 that holds a certificate issued under ORS 822.020, that is required to register

1 a motor vehicle in Oregon.

2 [(6)] **(15)** “Subject vehicle” means a motor vehicle that: *[is the subject of*
3 *an application approved pursuant to ORS 319.890.]*

4 **(a) Is or will be classified as a passenger vehicle by the Department**
5 **of Transportation and that is:**

6 **(A) For reporting periods beginning on or after July 1, 2027, an**
7 **electric vehicle that is not a new electric vehicle;**

8 **(B) For reporting periods beginning on or after January 1, 2028:**

9 **(i) A motor vehicle described in subparagraph (A) of this paragraph;**
10 **or**

11 **(ii) A new electric vehicle;**

12 **(C) For reporting periods beginning on or after July 1, 2028:**

13 **(i) A motor vehicle described in subparagraph (A) or (B) of this**
14 **paragraph; or**

15 **(ii) A hybrid electric vehicle or a plug-in hybrid electric vehicle; or**

16 **(D) For reporting periods beginning before July 1, 2031:**

17 **(i) A motor vehicle described in subparagraph (A), (B) or (C) of this**
18 **paragraph; or**

19 **(ii) The subject of an application approved pursuant to ORS 319.890;**

20 **or**

21 **(b) For reporting periods beginning on or after July 1, 2029, is an**
22 **electric delivery vehicle.**

23 **(16) “Taxpayer” means:**

24 **(a) The registered owner of a subject vehicle, other than an electric**
25 **delivery vehicle;**

26 **(b) The lessee of a subject vehicle, other than an electric delivery**
27 **vehicle; or**

28 **(c) The owner or operator of an electric delivery vehicle.**

29 [(7)] **(17)** “Vehicle dealer” means a person engaged in business in this
30 state that is required to obtain a vehicle dealer certificate under ORS
31 822.005.

1 **SECTION 31. The amendments to ORS 319.883 by section 30 of this**
2 **2025 special session Act become operative on July 1, 2027.**

3 **SECTION 32.** ORS 319.883, as amended by section 30 of this 2025 special
4 session Act, is amended to read:

5 319.883. As used in ORS 319.883 to 319.946:

6 (1) “Delivery vehicle” means a motor vehicle that:

7 (a) Has a gross vehicle weight rating greater than 8,000 pounds and not
8 more than 26,000 pounds;

9 (b) Is operated by a person required to obtain a valid certificate or permit
10 under ORS 825.100;

11 (c) Is used for the delivery of e-commerce property from a fulfillment
12 center to addresses in Oregon; and

13 (d) Uses any source of motive power.

14 (2) “E-commerce property” means tangible personal property purchased
15 through electronic commerce.

16 (3)(a) “Electric delivery vehicle” means a delivery vehicle that uses elec-
17 tricity as its only source of motive power.

18 (b) “Electric delivery vehicle” does not include any delivery vehicle that
19 is used exclusively to deliver medical goods or supplies.

20 (4) “Electric vehicle” means a motor vehicle that uses electricity as its
21 only source of motive power.

22 (5) “Electronic commerce” means engaging in commercial or retail trans-
23 actions predominantly over the Internet or a computer network, using the
24 Internet as a platform for transacting business or facilitating the use of the
25 Internet by other persons for transacting business, and may be further de-
26 fined by the Department of Transportation by rule.

27 (6) “Fleet of delivery vehicles” or “fleet” means 10 or more delivery ve-
28 hicles owned or operated by a person for the purpose of:

29 (a) Delivering e-commerce property sold or otherwise transferred in the
30 course of the person’s own business; or

31 (b) Delivering, for consideration under an agreement with another person,

1 e-commerce property sold or otherwise transferred in the course of the other
2 person's business.

3 (7) "Fuel taxes" means motor vehicle fuel taxes imposed under ORS
4 319.010 to 319.430 and taxes imposed on the use of fuel in a motor vehicle
5 under ORS 319.510 to 319.880.

6 (8) "Highway" has the meaning given that term in ORS 801.305.

7 (9) "Hybrid electric vehicle":

8 (a) Means a motor vehicle that:

9 (A) Is powered by an internal combustion engine in combination with one
10 or more electric motors that use energy stored in batteries; and

11 (B) Is not recharged from an external electric power source; and

12 (b) May be further defined by the Department of Transportation by rule.

13 (10) "Lessee" means a person that leases a motor vehicle that is required
14 to be registered in Oregon.

15 (11)(a) "Motor vehicle" has the meaning given that term in ORS 801.360.

16 (b) "Motor vehicle" does not mean a motor vehicle designed to travel with
17 fewer than four wheels in contact with the ground.

18 (12) "Motor vehicle rental company" means a person whose primary
19 business is renting motor vehicles to consumers under rental agreements for
20 terms of 90 days or less.

21 (13) "Plug-in hybrid electric vehicle":

22 (a) Means a motor vehicle that:

23 (A) Is powered by an electric motor that uses batteries as well as motor
24 vehicle fuel as defined in ORS 319.010 to power an internal combustion en-
25 gine or other source of propulsion;

26 (B) Is equipped with an onboard charger; and

27 (C) Is rechargeable from a connection to an external electric power
28 source; and

29 (b) May be further defined by the Department of Transportation by rule.

30 (14) "Registered owner" means a person, other than a vehicle dealer that
31 holds a certificate issued under ORS 822.020, that is required to register a

1 motor vehicle in Oregon.

2 (15) “Subject vehicle” means a motor vehicle that:

3 (a) Is or will be classified as a passenger vehicle by the Department of
4 Transportation and that is:

5 (A) [*For reporting periods beginning on or after July 1, 2027,*] An electric
6 vehicle [*that is not a new electric vehicle*]; **or**

7 [(B) *For reporting periods beginning on or after January 1, 2028:*]

8 [(i) *A motor vehicle described in subparagraph (A) of this paragraph; or*]

9 [(ii) *A new electric vehicle;*]

10 [(C) *For reporting periods beginning on or after July 1, 2028:*]

11 [(i) *A motor vehicle described in subparagraph (A) or (B) of this para-*
12 *graph; or*]

13 [(ii) **(B)** *A hybrid electric vehicle or a plug-in hybrid electric vehicle; or*

14 [(D) *For reporting periods beginning before July 1, 2031:*]

15 [(i) *A motor vehicle described in subparagraph (A), (B) or (C) of this par-*
16 *agraph; or*]

17 [(ii) *The subject of an application approved pursuant to ORS 319.890; or*]

18 (b) [*For reporting periods beginning on or after July 1, 2029,*] Is an electric
19 delivery vehicle.

20 (16) “Taxpayer” means:

21 (a) The registered owner of a subject vehicle, other than an electric de-
22 livery vehicle;

23 (b) The lessee of a subject vehicle, other than an electric delivery vehicle;

24 or

25 (c) The owner or operator of an electric delivery vehicle.

26 (17) “Vehicle dealer” means a person engaged in business in this state
27 that is required to obtain a vehicle dealer certificate under ORS 822.005.

28 **SECTION 33. The amendments to ORS 319.883 by section 32 of this**
29 **2025 special session Act become operative on July 1, 2031.**

30 **SECTION 34.** ORS 319.885 is amended to read:

31 319.885. (1)(a) Except as provided in paragraph (b) of this subsection, the

1 registered owner of a subject vehicle shall pay a per-mile road usage charge
2 for metered use by the subject vehicle of the highways in Oregon.

3 (b) During the term of a lease, the lessee of a subject vehicle shall pay
4 the per-mile road usage charge for metered use by the subject vehicle of the
5 highways in Oregon.

6 (2)(a) The rate of the per-mile road usage charge is five percent of the
7 rate of the per-gallon license tax provided in ORS 319.020 (1)(b) in effect at
8 the time the charge becomes due.

9 **(b) Notwithstanding paragraph (a) of this subsection, instead of**
10 **paying the per-mile rate under paragraph (a) of this subsection, a**
11 **registered owner or lessee may elect to pay a flat annual fee of \$340.**

12 **(3) A subject vehicle is not subject to the additional amount of**
13 **registration fees imposed under ORS 803.422.**

14 **SECTION 35. The amendments to ORS 319.885 by section 34 of this**
15 **2025 special session Act become operative on July 1, 2027.**

16 **SECTION 36. ORS 319.885, as amended by section 34 of this 2025 special**
17 **session Act, is amended to read:**

18 319.885. (1)(a) Except as provided in paragraph (b) of this subsection, the
19 registered owner of a subject vehicle **other than an electric delivery ve-**
20 **hicle** shall pay a per-mile road usage charge for metered use by the subject
21 vehicle of the highways in Oregon.

22 (b) During the term of a lease, the lessee of a subject vehicle **other than**
23 **an electric delivery vehicle** shall pay the per-mile road usage charge for
24 metered use by the subject vehicle of the highways in Oregon.

25 **(c) The owner or operator of a fleet of delivery vehicles shall pay**
26 **the total amount of the per-mile road usage charge for metered use**
27 **of the highways in Oregon by all electric delivery vehicles in the owner**
28 **or operator's fleet.**

29 (2)(a) **Except as provided in paragraph (b) of this subsection,** the rate
30 of the per-mile road usage charge is five percent of the rate of the per-gallon
31 license tax provided in ORS 319.020 (1)(b) in effect at the time the charge

1 becomes due.

2 **(b) For an electric delivery vehicle, the rate of the per-mile road**
3 **usage charge is 10 percent of the rate of the per-gallon license tax**
4 **provided in ORS 319.020 (1)(b) in effect at the time the charge becomes**
5 **due.**

6 [(b)] **(3) Notwithstanding [paragraph (a) of this] subsection (2)(a) of this**
7 **section**, instead of paying the per-mile rate [under paragraph (a) of this
8 subsection], a registered owner or lessee **of a subject vehicle other than**
9 **an electric delivery vehicle** may elect to pay a flat annual fee of \$340.

10 [(3)] **(4) A subject vehicle is not subject to the additional amount of reg-**
11 **istration fees imposed under ORS 803.422.**

12 **SECTION 37. The amendments to ORS 319.885 by section 36 of this**
13 **2025 special session Act become operative on July 1, 2029.**

14 **SECTION 38. Section 39 of this 2025 special session Act is added to**
15 **and made a part of ORS 319.883 to 319.946.**

16 **SECTION 39. An agreement between a motor vehicle rental com-**
17 **pany and a consumer for the rental of a subject vehicle may not con-**
18 **tain a surcharge for the per-mile road usage charge imposed under**
19 **ORS 319.885 that exceeds a reasonable estimate of the company's costs**
20 **in paying the charge with respect to the subject vehicle.**

21 **SECTION 40. ORS 319.910 is amended to read:**

22 319.910. (1) The Department of Transportation shall establish by rule re-
23 porting periods for the road usage charges imposed under ORS 319.885.

24 (2) Reporting periods established under this section may vary according
25 to the facts and circumstances applicable to classes of [*registered owners,*
26 *lessees*] **taxpayers** and subject vehicles.

27 (3) In establishing reporting periods, the department shall consider:

28 (a) The effort required by [*registered owners or lessees*] **taxpayers** to re-
29 port metered use and to pay the per-mile road usage charge;

30 (b) The amount of the per-mile road usage charge owed;

31 (c) The cost to the [*registered owner or lessee*] **taxpayer** of reporting me-

1 tered use and of paying the per-mile road usage charge;

2 (d) The administrative cost to the department; and

3 (e) Other relevant factors that the department deems important.

4 **SECTION 41.** ORS 319.915 is amended to read:

5 319.915. (1) As used in this section:

6 (a) “Certified service provider” means an entity that has entered into an
7 agreement with the Department of Transportation under ORS 367.806 for re-
8 porting metered use by a subject vehicle or for administrative services re-
9 lated to the collection of per-mile road usage charges and authorized
10 employees of the entity.

11 (b) “Personally identifiable information” means any information that
12 identifies or describes a person, including, but not limited to, the person’s
13 travel pattern data, per-mile road usage charge account number, address,
14 telephone number, electronic mail address, driver license or identification
15 card number, registration plate number, photograph, recorded images, bank
16 account information and credit card number.

17 (c) “VIN summary report” means a monthly report by the department or
18 a certified service provider that includes a summary of all vehicle identifi-
19 cation numbers of subject vehicles and associated total metered use during
20 the month. The report may not include location information.

21 (2) Except as provided in subsections (3) and (4) of this section, personally
22 identifiable information used for reporting metered use or for administrative
23 services related to the collection of the per-mile road usage charge imposed
24 under ORS 319.885 is confidential within the meaning of ORS 192.355 (9)(a)
25 and is a public record exempt from disclosure under ORS 192.311 to 192.478.

26 (3)(a) The department, a certified service provider or a contractor for a
27 certified service provider may not disclose personally identifiable informa-
28 tion used or developed for reporting metered use by a subject vehicle or for
29 administrative services related to the collection of per-mile road usage
30 charges to any person except:

31 (A) The [*registered owner or lessee*] **taxpayer**;

1 (B) A financial institution, for the purpose of collecting per-mile road
2 usage charges owed;

3 (C) Employees of the department;

4 (D) A certified service provider;

5 (E) A contractor for a certified service provider, but only to the extent
6 the contractor provides services directly related to the certified service
7 provider's agreement with the department;

8 (F) An entity expressly approved **by the taxpayer** to receive the infor-
9 mation [*by the registered owner or lessee of the subject vehicle*]; or

10 (G) A police officer pursuant to a valid court order based on probable
11 cause and issued at the request of a federal, state or local law enforcement
12 agency in an authorized criminal investigation involving a person to whom
13 the requested information pertains.

14 (b) Disclosure under paragraph (a) of this subsection is limited to per-
15 sonally identifiable information necessary to the respective recipient's func-
16 tion under ORS 319.883 to 319.946.

17 (4)(a) Not later than 30 days after completion of payment processing,
18 dispute resolution for a single reporting period or a noncompliance investi-
19 gation, whichever is latest, the department and certified service providers
20 shall destroy records of the location and daily metered use of subject vehi-
21 cles.

22 (b) Notwithstanding paragraph (a) of this subsection:

23 (A) For purposes of traffic management and research, the department and
24 certified service providers may retain, aggregate and use information in the
25 records after removing personally identifiable information.

26 (B) A certified service provider may retain the records if the [*registered*
27 *owner or lessee*] **taxpayer** consents to the retention. Consent under this
28 subparagraph does not entitle the department to obtain or use the records
29 or the information contained in the records.

30 (C) Monthly summaries of metered use by subject vehicles may be re-
31 tained in VIN summary reports by the department and certified service pro-

1 viders.

2 (5) The department, in any agreement with a certified service provider,
3 shall provide for penalties if the certified service provider violates this sec-
4 tion.

5 **SECTION 42.** ORS 319.915, as amended by section 41 of this 2025 special
6 session Act, 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, photograph, recorded images, bank
18 account information and credit card number.

19 (c) “VIN summary report” means a monthly report by the department or
20 a certified service provider that includes a summary of all vehicle identifi-
21 cation numbers of subject vehicles and associated total metered use during
22 the month. The report may not include location information.

23 (2) Except as provided in subsections (3) and (4) of this section, personally
24 identifiable information used for reporting metered use or for administrative
25 services related to the collection of the per-mile road usage charge imposed
26 under ORS 319.885 is confidential within the meaning of ORS 192.355 (9)(a)
27 and is a public record exempt from disclosure under ORS 192.311 to 192.478.

28 (3)(a) The department, a certified service provider or a contractor for a
29 certified service provider may not disclose personally identifiable informa-
30 tion used or developed for reporting metered use by a subject vehicle or for
31 administrative services related to the collection of per-mile road usage

1 charges to any person except:

2 (A) The taxpayer;

3 (B) A financial institution, for the purpose of collecting per-mile road
4 usage charges owed;

5 (C) Employees of the department;

6 (D) A certified service provider;

7 (E) A contractor for a certified service provider, but only to the extent
8 the contractor provides services directly related to the certified service
9 provider's agreement with the department;

10 (F) An entity expressly approved by the taxpayer to receive the informa-
11 tion; or

12 (G) A police officer pursuant to a valid court order based on probable
13 cause and issued at the request of a federal, state or local law enforcement
14 agency in an authorized criminal investigation involving a person to whom
15 the requested information pertains.

16 (b) Disclosure under paragraph (a) of this subsection is limited to per-
17 sonally identifiable information necessary to the respective recipient's func-
18 tion under ORS 319.883 to 319.946.

19 (4)(a) Not later than 30 days after completion of payment processing,
20 dispute resolution for a single reporting period or a noncompliance investi-
21 gation, whichever is latest, the department and certified service providers
22 shall destroy records of the location and daily metered use of subject vehi-
23 cles.

24 (b) Notwithstanding paragraph (a) of this subsection:

25 (A) For purposes of traffic management and research, the department and
26 certified service providers may retain, aggregate and use information in the
27 records after removing personally identifiable information.

28 (B) A certified service provider may retain the records if the taxpayer
29 consents to the retention. Consent under this subparagraph does not entitle
30 the department to obtain or use the records or the information contained in
31 the records.

1 (C) Monthly summaries of metered use by subject vehicles may be re-
2 tained in VIN summary reports by the department and certified service pro-
3 viders.

4 *[(5) The department, in any agreement with a certified service provider,*
5 *shall provide for penalties if the certified service provider violates this*
6 *section.]*

7 **(5) In any agreement with a certified service provider, the depart-**
8 **ment:**

9 **(a) May not agree to the certified service provider retaining for**
10 **administrative costs more than 10 percent of any per-mile road usage**
11 **charges the certified service provider collects under the agreement;**
12 **and**

13 **(b) Shall provide for penalties if the certified service provider vio-**
14 **lates this section.**

15 **SECTION 43.** ORS 319.920 is amended to read:

16 319.920. (1) On a date determined by the Department of Transportation
17 under ORS 319.910, *[the registered owner or lessee of a subject vehicle]* a
18 **taxpayer** shall report the metered use by the **taxpayer's** subject vehicle and
19 pay to the department the per-mile road usage charge due under ORS 319.885
20 for the reporting period.

21 (2) Unless a *[registered owner or lessee]* **taxpayer** presents evidence in a
22 manner approved by the department by rule that the subject vehicle has been
23 driven outside this state, the department shall assume that all metered use
24 reported represents miles driven by the subject vehicle on the highways in
25 Oregon.

26 **SECTION 44.** ORS 319.925 is amended to read:

27 319.925. (1) The Department of Transportation shall provide a refund to
28 a *[registered owner or lessee]* **taxpayer** that has overpaid the per-mile road
29 usage charge imposed under ORS 319.885.

30 (2) The department may provide by rule that the refund under this section
31 be granted as a credit against future per-mile road usage charges incurred

1 by the [*registered owner or lessee*] **taxpayer**.

2 **SECTION 45.** ORS 319.930 is amended to read:

3 319.930. (1) A [*registered owner or lessee*] **taxpayer** that has paid the
4 per-mile road usage charge imposed under ORS 319.885 may apply to the
5 Department of Transportation for a refund for metered use of a road,
6 thoroughfare or property in private ownership.

7 (2) An application for a refund under this section must be submitted to
8 the department within 15 months after the date on which the per-mile road
9 usage charge for which a refund is claimed is paid.

10 (3) The application required under this section shall be in a form pre-
11 scribed by the department by rule and must include a signed statement by
12 the applicant indicating the number of miles for which the refund is claimed.

13 (4) The department may require the applicant for a refund under this
14 section to furnish any information the department considers necessary for
15 processing the application.

16 **SECTION 46.** ORS 803.422 is amended to read:

17 803.422. (1) As used in this section[,]:

18 (a) **“Electric vehicle” means a motor vehicle that uses electricity**
19 **as its only source of motive power.**

20 (b) **“Miles per gallon” or “MPG” means the distance traveled in a vehicle**
21 **powered by one gallon of fuel.**

22 (2) The Department of Transportation shall determine the combined MPG
23 ratings for each motor vehicle pursuant to a method determined by the de-
24 partment.

25 (3) Except as provided in ORS **319.885 and** 319.890 (3), in addition to the
26 registration fees prescribed under ORS 803.420 (6)(a), there shall be paid for
27 each year of the registration period, an additional amount as follows:

28 [(a) *For vehicles that have a rating of 0-19 MPG, \$20.*]

29 [(b)] (a) For vehicles that have a **combined** rating of 20-39 MPG, \$25.

30 [(c)] (b) For vehicles that have a **combined** rating of 40 MPG or greater,
31 [~~\$35~~] **\$65.**

1 ~~[(d)]~~ (c) For electric vehicles, [~~\$115~~] **\$145**.

2 **SECTION 47.** ORS 803.422, as amended by section 46 of this 2025 special
3 session Act, is amended to read:

4 803.422. (1) As used in this section,[:]

5 [(a) “Electric vehicle” means a motor vehicle that uses electricity as its only
6 source of motive power.]

7 [(b)] “miles per gallon” or “MPG” means the distance traveled in a vehi-
8 cle powered by one gallon of fuel.

9 (2) The Department of Transportation shall determine the combined MPG
10 ratings for each motor vehicle pursuant to a method determined by the de-
11 partment.

12 (3) Except as provided in ORS 319.885 [~~and 319.890 (3)~~], in addition to the
13 registration fees prescribed under ORS 803.420 (6)(a), there shall be paid for
14 each year of the registration period, an additional amount as follows:

15 (a) For vehicles that have a combined rating of 20-39 MPG, \$25.

16 (b) For vehicles that have a combined rating of 40 MPG or greater, \$65.

17 [~~(c) For electric vehicles, \$145.~~]

18 **SECTION 48. The amendments to ORS 803.422 by section 47 of this**
19 **2025 special session Act become operative on July 1, 2031.**

20 **SECTION 49.** ORS 803.445 is amended to read:

21 803.445. (1) The governing body of a county may impose registration fees
22 for vehicles as provided in ORS 801.041.

23 (2) The governing body of a district may impose registration fees for ve-
24 hicles as provided in ORS 801.042.

25 (3) The Department of Transportation shall provide by rule for the ad-
26 ministration of laws authorizing county and district registration fees and for
27 the collection of those fees.

28 (4) Any registration fee imposed under this section shall be imposed in a
29 manner consistent with ORS 803.420.

30 (5) A county or district may not impose a vehicle registration fee that
31 would by itself, or in combination with any other vehicle registration fee

1 imposed under this section, exceed the sum of the fee imposed under ORS
2 803.420 (6)(a) and the fee applicable to the registered vehicle under ORS
3 803.422. The owner of any vehicle subject to multiple fees under this section
4 shall be allowed a credit or credits with respect to one or more of such fees
5 so that the total of such fees does not exceed the sum of the fee imposed
6 under ORS 803.420 (6)(a) and the fee applicable to the registered vehicle un-
7 der ORS 803.422.

8 **(6) A subject vehicle exempt under ORS 319.885 from the fees im-**
9 **posed under ORS 803.422 shall remain liable for any amount of vehicle**
10 **registration fee imposed by a county or a district under this section**
11 **that would be required if the exemption did not exist. As used in this**
12 **subsection, “subject vehicle” has the meaning given that term in ORS**
13 **319.883.**

14 **SECTION 50.** ORS 801.041 is amended to read:

15 801.041. The following apply to the authority granted to counties by ORS
16 801.040 to establish registration fees for vehicles:

17 (1) An ordinance establishing registration fees under this section must
18 be enacted by the county imposing the registration fee and filed with the
19 Department of Transportation. Notwithstanding ORS 203.055 or any pro-
20 vision of a county charter, the governing body of a county with a population
21 of 350,000 or more may enact an ordinance establishing registration fees. The
22 governing body of a county with a population of less than 350,000 may enact
23 an ordinance establishing registration fees after submitting the ordinance to
24 the electors of the county for their approval. The governing body of the
25 county imposing the registration fee shall enter into an intergovernmental
26 agreement under ORS 190.010 with the department by which the department
27 shall collect the registration fees, pay them over to the county and, if nec-
28 essary, allow the credit or credits described in ORS 803.445 (5). The inter-
29 governmental agreement must state the date on which the department shall
30 begin collecting registration fees for the county.

31 (2) The authority granted by this section allows the establishment of

1 registration fees in addition to those described in ORS 803.420 and 803.422.
2 There is no authority under this section to affect registration periods, qual-
3 ifications, cards, plates, requirements or any other provision relating to ve-
4 hicle registration under the vehicle code.

5 (3) Except as otherwise provided for in this subsection, when registration
6 fees are imposed under this section, they must be imposed on all vehicle
7 classes. Registration fees as provided under this section may not be imposed
8 on the following:

9 (a) Snowmobiles and Class I all-terrain vehicles.

10 (b) Fixed load vehicles.

11 (c) Vehicles registered under ORS 805.100 to disabled veterans.

12 (d) Vehicles registered as antique vehicles under ORS 805.010.

13 (e) Vehicles registered as vehicles of special interest under ORS 805.020.

14 (f) Government-owned or operated vehicles registered under ORS 805.040
15 or 805.045.

16 (g) School buses or school activity vehicles registered under ORS 805.050.

17 (h) Law enforcement undercover vehicles registered under ORS 805.060.

18 (i) Vehicles registered on a proportional basis for interstate operation.

19 (j) Vehicles with a registration weight of 26,001 pounds or more described
20 in ORS 803.420 (14)(a) or (b).

21 (k) Vehicles registered as farm vehicles under the provisions of ORS
22 805.300.

23 (L) Travel trailers, campers and motor homes.

24 (m) Vehicles registered to an employment address as provided in ORS
25 802.250 when the eligible public employee or household member's residence
26 address is not within the county of the employment address. The department
27 may adopt rules it considers necessary for the administration of this para-
28 graph.

29 (n) Vehicles registered under ORS 805.110 to former prisoners of war.

30 (4)(a) Any registration fee imposed by a county must be a fixed amount
31 not to exceed, with respect to any vehicle class, the sum of the registration

1 fee established under ORS 803.420 (6)(a) and the fee applicable to the regis-
2 tered vehicle under ORS 803.422. For vehicles on which a flat fee is imposed
3 under ORS 803.420, the fee must be a whole dollar amount.

4 **(b) A subject vehicle exempt under ORS 319.885 from the fees im-**
5 **posed under ORS 803.422 shall remain liable for any amount of vehicle**
6 **registration fee imposed by a county under this section that would be**
7 **required if the exemption did not exist. As used in this subsection,**
8 **“subject vehicle” has the meaning given that term in ORS 319.883.**

9 (5) Moneys from registration fees established under this section must be
10 paid to the county establishing the registration fees as provided in ORS
11 802.110.

12 (6) Except as provided in ORS 801.044, or unless a different distribution
13 is agreed upon by the county and the cities within the jurisdiction of the
14 county, the county ordinance shall provide for payment of at least 40 percent
15 of the moneys from registration fees established under this section to cities
16 within the county.

17 (7) The moneys for the cities and the county shall be used for any purpose
18 for which moneys from registration fees may be used, including the payment
19 of debt service and costs related to bonds or other obligations issued for such
20 purposes.

21 (8) Two or more counties may act jointly to impose a registration fee
22 under this section. The ordinance of each county acting jointly with another
23 under this subsection must provide for the distribution of moneys collected
24 through a joint registration fee.

25 **SECTION 51.** ORS 801.042 is amended to read:

26 801.042. The following apply to the authority granted to a district by ORS
27 801.040 to establish registration fees for vehicles:

28 (1) Before the governing body of a district can impose a registration fee
29 under this section, it must submit the proposal to the electors of the district
30 for their approval and, if the proposal is approved, enter into an intergov-
31 ernmental agreement under ORS 190.010 with the governing bodies of all

1 counties, other districts and cities with populations of over 300,000 that
2 overlap the district. The intergovernmental agreement must state the regis-
3 tration fees and, if necessary, how the revenue from the fees shall be appor-
4 tioned among counties and the districts. Before the governing body of a
5 county can enter into such an intergovernmental agreement, the county shall
6 consult with the cities in its jurisdiction.

7 (2) If a district raises revenues from a registration fee for purposes related
8 to highways, roads, streets and roadside rest areas, the governing body of
9 that district shall establish a Regional Arterial Fund and shall deposit in the
10 Regional Arterial Fund all such registration fees.

11 (3) Interest received on moneys credited to the Regional Arterial Fund
12 shall accrue to and become a part of the Regional Arterial Fund.

13 (4) The Regional Arterial Fund must be administered by the governing
14 body of the district referred to in subsection (2) of this section and such
15 governing body by ordinance may disburse moneys in the Regional Arterial
16 Fund. Moneys within the Regional Arterial Fund may be disbursed only for
17 a program of projects recommended by a joint policy advisory committee on
18 transportation consisting of local officials and state agency representatives
19 designated by the district referred to in subsection (2) of this section. The
20 projects for which the joint policy advisory committee on transportation can
21 recommend funding must concern arterials, collectors or other improvements
22 designated by the joint policy advisory committee on transportation.

23 (5) Ordinances establishing registration fees under this section must be
24 filed with the Department of Transportation. The governing body of the dis-
25 trict imposing the registration fee shall enter into an intergovernmental
26 agreement under ORS 190.010 with the department by which the department
27 shall collect the registration fees, pay them over to the district and, if nec-
28 essary, allow the credit or credits described in ORS 803.445 (5). The inter-
29 governmental agreement must state the date on which the department shall
30 begin collecting registration fees for the district.

31 (6) The authority granted by this section allows the establishment of

1 registration fees in addition to those described in ORS 803.420 and 803.422.
2 There is no authority under this section to affect registration periods, qual-
3 ifications, cards, plates, requirements or any other provision relating to ve-
4 hicle registration under the vehicle code.

5 (7) Except as otherwise provided for in this subsection, when registration
6 fees are imposed under this section, the fees must be imposed on all vehicle
7 classes. Registration fees as provided under this section may not be imposed
8 on the following:

9 (a) Snowmobiles and Class I all-terrain vehicles.

10 (b) Fixed load vehicles.

11 (c) Vehicles registered under ORS 805.100 to disabled veterans.

12 (d) Vehicles registered as antique vehicles under ORS 805.010.

13 (e) Vehicles registered as vehicles of special interest under ORS 805.020.

14 (f) Government-owned or operated vehicles registered under ORS 805.040
15 or 805.045.

16 (g) School buses or school activity vehicles registered under ORS 805.050.

17 (h) Law enforcement undercover vehicles registered under ORS 805.060.

18 (i) Vehicles registered on a proportional basis for interstate operation.

19 (j) Vehicles with a registration weight of 26,001 pounds or more described
20 in ORS 803.420 (14)(a) or (b).

21 (k) Vehicles registered as farm vehicles under the provisions of ORS
22 805.300.

23 (L) Travel trailers, campers and motor homes.

24 (m) Vehicles registered to an employment address as provided in ORS
25 802.250 when the eligible public employee or household member's residence
26 address is not within the county of the employment address. The department
27 may adopt rules it considers necessary for the administration of this para-
28 graph.

29 (n) Vehicles registered under ORS 805.110 to former prisoners of war.

30 (8) Any registration fee imposed by the governing body of a district must
31 be a fixed amount not to exceed, with respect to any vehicle class, the reg-

1 istration fee established under ORS 803.420 (6)(a) and the fee applicable to
2 the registered vehicle under ORS 803.422. For vehicles on which a flat fee
3 is imposed under ORS 803.420, the fee must be a whole dollar amount.

4 **(9) A subject vehicle exempt under ORS 319.885 from the fees im-**
5 **posed under ORS 803.422 shall remain liable for any amount of vehicle**
6 **registration fee imposed by a district under this section that would be**
7 **required if the exemption did not exist. As used in this subsection,**
8 **“subject vehicle” has the meaning given that term in ORS 319.883.**

9 **SECTION 52.** Section 6, chapter 491, Oregon Laws 2019, is amended to
10 read:

11 **Sec. 6. (1)** Notwithstanding ORS 803.445 (5), a metropolitan service dis-
12 trict established under ORS chapter 268 may impose a vehicle registration
13 fee that does not exceed the sum of the fee imposed under ORS 803.420 (6)(a)
14 and the fee applicable to the registered vehicle under ORS 803.422, if the
15 vehicle registration fee is approved by the electors of the district before
16 December 31, 2022.

17 **(2) A subject vehicle exempt under ORS 319.885 from the fees im-**
18 **posed under ORS 803.422 shall remain liable for any amount of vehicle**
19 **registration fee imposed by a district under this section that would be**
20 **required if the exemption did not exist. As used in this section, “sub-**
21 **ject vehicle” has the meaning given that term in ORS 319.883.**

22 **SECTION 53.** (1) The amendments to ORS 319.910, 319.915, 319.920,
23 319.925, 319.930, 801.041, 801.042 and 803.445 and section 6, chapter 491,
24 Oregon Laws 2019, by sections 40, 41, 43 to 45 and 49 to 52 of this 2025
25 special session Act become operative on July 1, 2027.

26 **(2) The amendments to ORS 319.915 by section 42 of this 2025 special**
27 **session Act become operative on July 1, 2030.**

28
29 **REPEAL OF TOLL PROGRAM**

30
31 **SECTION 54.** ORS 383.150 is repealed.

1 **SECTION 55.** ORS 367.095 is amended to read:

2 367.095. (1) The following amounts shall be distributed in the manner
3 prescribed in this section:

4 (a) The amount attributable to the increase in tax rates by section 45,
5 chapter 750, Oregon Laws 2017, and the amendments to ORS 319.020 and
6 319.530 by sections 40 to 43, chapter 750, Oregon Laws 2017.

7 (b) The amount attributable to the vehicle registration and title fees im-
8 posed under ORS 803.091 and 803.422.

9 (c) The amount attributable to the increase in taxes and fees by the
10 amendments to ORS 803.420, 803.645, 818.225, 825.476, 825.480 and 826.023 by
11 sections 34, 35, 48, 49, 51, 52, 63, 64, 66, 67 and 70, chapter 750, Oregon Laws
12 2017.

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

15 (a)(A) \$30 million per year shall be used to pay for:

16 (i) The Interstate 5 Rose Quarter Project;

17 (ii) The Interstate 205 Improvements: Stafford Road to Oregon Route 213
18 Project; **and**

19 (iii) The Interstate 5 Boone Bridge and Seismic Improvement Project[;
20 *and*]

21 [*iv*] *The implementation of the toll program established under ORS*
22 *383.150*].

23 (B) The amount described in subparagraph (A) of this paragraph shall be
24 used to pay for costs, including project costs on a current basis and paying
25 for debt service on bonds issued to finance the projects [*or toll program*], only
26 until the later of the date on which the projects [*or toll program*] is com-
27 pleted or on which all bonds issued to fund the projects [*or toll program*]
28 have been repaid. Any remaining moneys shall be distributed as described in
29 subsection (3) of this section.

30 (b) \$15 million per year shall be deposited into the Safe Routes to Schools
31 Fund for the purpose of providing Safe Routes to Schools matching grants

1 under ORS 184.742. The remainder of the moneys shall be distributed as de-
2 scribed in subsection (3) of this section.

3 (3) The moneys described in subsection (1) of this section that remain af-
4 ter the allocation of moneys described in subsection (2) of this section shall
5 be allocated as follows:

6 (a) 50 percent to the Department of Transportation.

7 (b) 30 percent to counties for distribution as provided in ORS 366.762.

8 (c) 20 percent to cities for distribution as provided in ORS 366.800.

9 (4) The moneys described in subsection (3)(a) of this section or equivalent
10 amounts that become available to the Department of Transportation shall
11 be allocated as follows:

12 (a) \$10 million for safety.

13 (b) Of the remaining balance:

14 (A) Forty percent for bridges.

15 (B) Thirty percent for seismic improvements related to highways and
16 bridges.

17 (C) Twenty-four percent for state highway pavement preservation and
18 culverts.

19 (D) Six percent for state highway maintenance and safety improvements.

20 **SECTION 56.** ORS 184.659 is amended to read:

21 184.659. (1) As used in this section, “transportation project” means a
22 project:

23 (a) That is a highway modernization transportation project or capacity
24 building transportation project proposed for construction in the Statewide
25 Transportation Improvement Program; and

26 (b) That is estimated to cost at least \$15 million.

27 (2) As a part of the project scoping phase, the Department of Transpor-
28 tation shall prepare a written analysis of the costs and benefits of a trans-
29 portation project. The analysis must state:

30 (a) The scope of the project;

31 (b) The period of analysis;

- 1 (c) The discount rate used in the analysis;
- 2 (d) The estimated costs to the department to undertake the project, in-
3 cluding any costs for design, purchasing highway right-of-way and con-
4 struction;
- 5 (e) The future costs to the department to preserve and maintain the
6 project, discounted to present value;
- 7 (f) Any other costs to the department;
- 8 (g) The costs to highway users that are associated with the project, in-
9 cluding loss of safety, delays in the time of travel and additional expenses
10 for operating vehicles;
- 11 (h) The costs of any environmental impacts, including vehicle emissions
12 and noise; and
- 13 (i) The value of the benefits of the project, including the value of any:
- 14 (A) Savings in the time of travel;
- 15 (B) Improvements to safety;
- 16 (C) Savings in the cost of operating vehicles; and
- 17 (D) Other social, economic or environmental benefits of the project.
- 18 (3) The analysis required by this section:
- 19 (a) Must include a discussion of increases in costs that would result from
20 delays in the performance of routine maintenance scheduled by the depart-
21 ment;
- 22 (b) May include a discussion of:
- 23 (A) The costs of the project for any other persons and governmental
24 agencies; and
- 25 (B) Any costs or benefits which may result from the use of alternative
26 design, construction or financing practices; and
- 27 (c) Must be prepared in a format that allows for the comparison of pro-
28 posed transportation projects.
- 29 (4) The analysis required by this section must be made available to the
30 commission and the public when the agenda is posted for the meeting at
31 which the proposal will be submitted to the commission for its approval.

1 (5) This section does not apply to transportation projects listed in ORS
2 367.095 [or 383.150] or section 71d or 71f, chapter 750, Oregon Laws 2017.

3 **SECTION 57.** ORS 383.009 is amended to read:

4 383.009. (1) There is hereby established the Toll Program Fund as a sep-
5 arate and distinct fund from the State Highway Fund. The Toll Program
6 Fund shall consist of:

7 (a) All moneys and revenues received by the Department of Transporta-
8 tion from or made available by the federal government to the department for
9 any tollway project or for the operation or maintenance of any tollway;

10 (b) Any moneys received by the department from any other unit of gov-
11 ernment or any private entity for a tollway project or from the operation or
12 maintenance of any tollway;

13 (c) All moneys and revenues received by the department from any agree-
14 ment entered into or loan made by the department for a tollway project
15 pursuant to ORS 383.005, and from any lease, agreement, franchise or license
16 for the right to the possession and use, operation or management of a tollway
17 project;

18 (d) All tolls and other revenues received by the department or tollway
19 operator from the users of any tollway project;

20 (e) The proceeds of any bonds authorized to be issued for tollway projects;

21 (f) Any moneys that the department has legally transferred from the State
22 Highway Fund to the Toll Program Fund for tollway projects;

23 (g) All moneys and revenues received by the department from all other
24 sources that by gift, bequest, donation, grant, contract or law from any
25 public or private source are for deposit in the Toll Program Fund;

26 (h) All interest earnings on investments made from any of the moneys
27 held in the Toll Program Fund;

28 (i) All civil penalties and administrative fees paid to the department from
29 the enforcement of tolls;

30 (j) Fees paid to the department for information provided under ORS
31 383.075;

1 (k) Moneys appropriated for deposit in or otherwise transferred to the
2 Toll Program Fund by the Legislative Assembly; and

3 (L) Moneys received from federal sources or other state or local sources,
4 excluding proceeds of Highway User Tax Bonds issued under ORS 367.615
5 that finance projects other than toll projects.

6 (2) Moneys in the Toll Program Fund may be used by the department for
7 the following purposes:

8 (a) To finance preliminary studies and reports for any tollway project;

9 (b) To acquire land to be owned by the state for tollways and any related
10 facilities therefor;

11 (c) To finance the construction, renovation, operation, improvement,
12 maintenance or repair of any tollway project;

13 (d) To make grants or loans to a unit of government for tollway projects;

14 (e) To make loans to private entities for tollway projects;

15 (f) To pay the principal, interest and premium due with respect to, and
16 to pay the costs connected with the issuance or ongoing administration of,
17 any bonds or other financial obligations authorized to be issued by, or the
18 proceeds of which are received by, the department for any tollway project,
19 including capitalized interest and any rebates or penalties due to the United
20 States in connection with the bonds;

21 (g) To provide a guaranty or other security for any bonds or other fi-
22 nancial obligations, including but not limited to financial obligations with
23 respect to any bond insurance, surety or credit enhancement device issued
24 or incurred by the department, a unit of government or a private entity, for
25 the purpose of financing a single tollway project or any related group or
26 system of tollway projects or related facilities;

27 (h) To pay the costs incurred by the department in connection with its
28 oversight, operation and administration of the Toll Program Fund, the pro-
29 posals and projects submitted under ORS 383.015 and the tollway projects
30 financed under ORS 383.005; **and**

31 *[(i) To develop, implement and administer the toll program established un-*

1 *der ORS 383.150, including the cost of consultants, advisors, attorneys or other*
2 *professional service providers appointed, retained or approved by the depart-*
3 *ment; and]*

4 [(j)] (i) To make improvements or fund efforts on the tollway and on ad-
5 jacent, connected or parallel highways to the tollway to reduce traffic con-
6 gestion as a result of a tollway project, improve safety as a result of a
7 tollway project and reduce impacts of diversion as a result of a tollway
8 project.

9 (3) For purposes of paying or securing bonds or providing a guaranty,
10 surety or other security authorized by this section, the department may:

11 (a) Irrevocably pledge all or any portion of the amounts that are credited
12 to, or are required to be credited to, the Toll Program Fund;

13 (b) Establish subaccounts in the Toll Program Fund, and make covenants
14 regarding the credit to and use of amounts in those subaccounts; and

15 (c) Establish separate trust funds or accounts and make covenants to
16 transfer to those separate trust funds or accounts all or any portion of the
17 amounts that are required to be deposited in the Toll Program Fund.

18 (4) Notwithstanding any other provision of ORS 383.001 to 383.245, the
19 department shall not pledge any funds or amounts at any time held in the
20 Toll Program Fund as security for the obligations of a unit of government
21 or a private entity unless the department has entered into a binding and
22 enforceable agreement that provides the department reasonable assurance
23 that the department will be repaid, with appropriate interest, any amounts
24 that the department is required to advance pursuant to that pledge.

25 (5) Moneys in the Toll Program Fund are continuously appropriated to
26 the department for purposes authorized by this section.

27 (6) Notwithstanding subsection (1) of this section, a city, county, district,
28 port or other public corporation organized and existing under statutory law
29 or under a voter-approved charter is not required to deposit into the Toll
30 Program Fund tolls, or other revenues are received from the users of any
31 tollway, that are assessed by a city, county, district, port or other public

1 corporation organized and existing under statutory law or under a voter-
2 approved charter.

3 (7) Moneys in the Toll Program Fund that are transferred from the State
4 Highway Fund or are derived from any revenues under Article IX, section
5 3a, of the Oregon Constitution, may be used only for purposes permitted by
6 Article IX, section 3a, of the Oregon Constitution.

7

8

ROADSIDE REST AREAS

9

10 **SECTION 58.** ORS 377.841 is amended to read:

11 377.841. (1) For the purposes of this section, “roadside rest areas” includes
12 the following roadside rest areas in this state:

- 13 (a) Suncrest, Interstate 5, near milepost 22.
14 (b) Manzanita, Interstate 5, near milepost 63.
15 (c) Cabin Creek, Interstate 5, near milepost 143.
16 (d) Gettings Creek, Interstate 5, near milepost 178.
17 (e) Oak Grove, Interstate 5, near milepost 206.
18 (f) Santiam River, Interstate 5, near milepost 241.
19 (g) French Prairie, Interstate 5, near milepost 282.
20 (h) Memaloose, Interstate 84, near milepost 73.
21 (i) Boardman, Interstate 84, near milepost 161.
22 (j) Stanfield, Interstate 84, near milepost 187.
23 (k) Deadman Pass, Interstate 84, near milepost 229.
24 (L) Charles Reynolds, Interstate 84, near milepost 269.
25 (m) Baker Valley, Interstate 84, near milepost 295.
26 (n) Weatherby, Interstate 84, near milepost 336.
27 (o) Ontario, Interstate 84, near milepost 377.
28 (p) The Maples, State Highway 22, near milepost 35.
29 (q) Tillamook River, U.S. Highway 101, near milepost 71.
30 (r) Sunset, U.S. Highway 26, near milepost 29.
31 (s) Cow Canyon, U.S. Highway 97, near milepost 69.

1 (t) Beaver Marsh, U.S. Highway 97, near milepost 207.

2 (u) Midland, U.S. Highway 97, near milepost 282.

3 (v) Government Camp, U.S. Highway 26, near milepost 54.

4 (w) Van Duzer Corridor State Park, State Highway 18, near milepost 10.

5 (x) Ellmaker Wayside State Park, U.S. Highway 20, near milepost 32.

6 (y) Peter Skene Ogden State Park, U.S. Highway 97, near milepost 113.

7 (2) The Travel Information Council shall manage, maintain, improve and
8 develop for local economic development and other purposes identified in ORS
9 377.705 the roadside rest areas listed in subsection (1) of this section.

10 (3) The Department of Transportation and the State Parks and Recreation
11 Department shall:

12 (a) Maintain ownership of the roadside rest areas, except for the Gov-
13 ernment Camp roadside rest area listed in subsection (1)(v) of this section,
14 that the council manages, maintains, improves and develops pursuant to
15 subsection (2) of this section; and

16 (b) Enter into intergovernmental agreements with the council under
17 which the council has the authority to manage, maintain, improve and de-
18 velop those roadside rest areas owned by the departments.

19 (4) Under the intergovernmental agreements entered into under sub-
20 section (3) of this section, the council shall conduct public contracting ac-
21 tivities in accordance with the provisions of ORS 377.836.

22 (5) For the purpose of funding the management, maintenance, improve-
23 ment and development of roadside rest areas under this section, the Depart-
24 ment of Transportation shall allocate to the council, no later than July 1
25 of each year, [~~\$9.16~~] **\$10.5** million, from the State Highway Fund.

26 (6) For the purpose of funding the activities described in ORS 377.880, the
27 department shall allocate to the council, no later than January 2 of each
28 year, an amount necessary to carry out the provisions of ORS 377.880, from
29 the Department of Transportation Human Trafficking Awareness Fund es-
30 tablished under ORS 377.885.

31 (7) The council may not use any moneys originating from a local transient

1 lodging tax or a state transient lodging tax, as those terms are defined in
2 ORS 320.300, for the purpose of funding the management, maintenance, im-
3 provement and development of roadside rest areas under this section.

4

5

CAPTIONS

6

7 **SECTION 59. The unit captions used in this 2025 special session Act**
8 **are provided only for the convenience of the reader and do not become**
9 **part of the statutory law of this state or express any legislative intent**
10 **in the enactment of this 2025 special session Act.**

11

12

EFFECTIVE DATE

13

14 **SECTION 60. This 2025 special session Act takes effect on the 91st**
15 **day after the date on which the 2025 special session of the Eighty-third**
16 **Legislative Assembly adjourns sine die.**

17
