

Enrolled
House Bill 2465

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor John A. Kitzhaber, M.D., for Department of Transportation)

CHAPTER

AN ACT

Relating to transportation; creating new provisions; amending ORS 319.665, 319.890, 319.920, 319.945, 339.257, 807.031, 807.050, 807.066, 807.072, 807.150, 807.400 and 825.017; and prescribing an effective date.

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

CHANGE OF ADDRESS

SECTION 1. ORS 807.400 is amended to read:

807.400. (1) The Department of Transportation shall issue an identification card to any person who:

- (a) Is domiciled in or is a resident of this state, as described in ORS 807.062;
- (b) As required by ORS 807.021 and 807.730, provides the Social Security number assigned to the person by the United States Social Security Administration and proof of legal presence in the United States or, if the person is not eligible for a Social Security number, proof of legal presence in the United States and proof that the person is not eligible for a Social Security number;
- (c) Does not have a current, valid driver license;
- (d) Furnishes evidence of the person's full legal name, age and identity as the department may require; and
- (e) Submits to collection of biometric data by the department that establish the identity of the person as provided in ORS 807.024.

(2) The department shall work with other agencies and organizations to attempt to improve the issuance system for identification cards.

(3) Every original application for an identification card must be signed by the applicant. The department shall require *[at least one document]* **proof** to verify the address of an applicant for issuance of an identification card in addition to other documents the department may require of the applicant. If the address of an applicant has changed since the last time an identification card was issued to or renewed for the applicant, the department shall require proof to verify the address of the applicant for renewal of an identification card, in addition to anything else the department may require. **The department shall adopt rules to identify what constitutes proof of address for purposes of this subsection. Verification of proof of address may include, but is not limited to, providing a utility bill, a tax return, a record from a financial institution, a proof of insurance card or a health benefits card, a selective service card, a mortgage document or a lease agreement. The applicant may provide the proof of address by submitting proof in the**

form of an original document or a copy of a document, use an electronic device to display proof of address, or provide proof through the use of a third party address verification system.

(4) Every identification card shall be issued upon the standard license form described under ORS 807.110 and shall bear a statement to the effect that the identification card is not a license or any other grant of driving privileges to operate a motor vehicle and is to be used for identification purposes only. The department shall use the same security procedures, processes, materials and features for an identification card as are required for a license under ORS 807.110. The identification card is not required to contain the residence address of persons listed in ORS 807.110 (1)(e).

(5) If the identification card is a limited term identification card issued under ORS 807.730, the limited term identification card shall indicate:

- (a) That it is a limited term identification card; and
- (b) The date on which the limited term identification card expires.

(6) Upon order of the juvenile court, the department shall include on the card the fact that the person issued the identification card is an emancipated minor.

(7) Upon request of the person to whom the identification card is issued and presentation of proof, as determined by the department **by rule**, that the person is a veteran, as defined in ORS 408.225, the department shall include on the card the fact that the person is a veteran.

(8) Each original identification card shall expire on a date consistent with the expiration dates of licenses as set forth in ORS 807.130.

(9) Identification cards shall be renewed under the terms for renewal of licenses as set forth in ORS 807.150.

(10) The fee for an original identification card or a renewal thereof shall be the fee established under ORS 807.410.

(11) An identification card becomes invalid if the holder of the card changes the holder's residence address from that shown on the identification card and does not provide the department with notice of the change as required under ORS 807.420.

(12) If a person to whom an identification card was issued and who changes the person's residence address appears in person at a department office that issues identification cards, the department may do any of the following:

(a) Issue a replacement identification card containing the new address upon receipt of the old identification card and payment of the fee established for issuing a replacement identification card with a changed address under ORS 807.410. Except as otherwise provided in subsection (14) of this section, the replacement identification card shall bear the same distinguishing number as the card being replaced.

(b) Note the new address on the old identification card in a manner to be determined by the department by rule.

(13) An identification card becomes invalid if the holder of the card changes the holder's name from that shown on the card, including a change of name by marriage, without providing the department with notice of the change as required under ORS 807.420. Upon receiving such notice and the old identification card, the department shall issue a replacement identification card upon payment of the fee required under ORS 807.410.

(14) In the event that, for a reason identified by the department by rule, a person needs a replacement identification card that bears a distinguishing number different from the number on the card being replaced, the person to whom the card was issued may obtain a replacement card from the department upon furnishing proof satisfactory to the department of the need for such replacement and payment of the replacement fee under ORS 807.410.

(15) If a person furnishes proof that the person is a veteran, as defined in ORS 408.225, and the person's identification card does not include the fact that the person is a veteran, the department shall issue a replacement identification card that includes the fact that the person is a veteran.

(16) The department may establish by rule reasons for issuing replacement identification cards that are in addition to the reasons identified in subsections (12) to (15) of this section. The fee for a replacement identification card is provided under ORS 807.410.

(17) Upon cancellation of an identification card, the card is terminated and must be surrendered to the department. An identification card may be canceled for any of the reasons that driving privileges or a driver license may be canceled under ORS 809.310. The department may reissue an identification card canceled under this subsection when the applicant has satisfied all requirements for the identification card.

(18) Notwithstanding any other provision of this section, the department may issue an identification card to a person under this subsection without charge when the person surrenders the person's driver license or driver permit to the department for reasons described in this subsection. If the department issues an identification card under this subsection, the identification card shall expire at the same time as the surrendered driver license or driver permit would have expired. An identification card issued under this subsection is subject to the same requirements and fees for renewal or upon expiration as any other identification card issued under this section. The department may issue identification cards under this subsection for any of the following reasons:

(a) The person voluntarily surrenders the person's driver license or driver permit to the department based upon the person's recognition that the person is no longer competent to drive.

(b) The person's driving privileges are suspended under ORS 809.419 (1). This paragraph only applies if the person voluntarily surrenders the person's driver license or driver permit to the department as provided under ORS 809.500.

PROOF OF SCHOOL ENROLLMENT

SECTION 2. ORS 807.066 is amended to read:

807.066. (1) **Subject to subsection (2) of this section,** the Department of Transportation *[shall]* **may** not issue driving privileges to a person who is under 18 years of age unless *[the person]*:

[(1)] **(a) The person** has graduated from high school and provides the department with proof of graduation satisfactory to the department;

[(2)] **(b) The person** has received a General Educational Development (GED) certificate from a community college and provides the department with proof of the certificate satisfactory to the department; **or**

[(3)] **(c)** *[Provides the department with a form provided by the department and signed by the principal, or the designee of the principal, of the secondary school attended by the person that declares]* **The person's parent or legal guardian certifies** that the person is:

(A) Enrolled in a *[secondary]* school of this state, or any other state **or any other country;**

[(4) Provides the department with a form provided by the department and signed by the authorized representative of the community college attended by the person that declares that the person is]

(B) Enrolled in a community college and making satisfactory progress toward a General Educational Development (GED) certificate **or high school diploma;**

[(5) Provides the department with a form provided by the department and signed by the authorized representative of the community college attended by the person that declares that the person is making satisfactory progress toward a high school diploma;]

[(6) Provides the department with a form provided by the department and signed by the authorized representative of the education service district or school district having jurisdiction over the area of the person's residence that declares that the person is]

(C) Being taught by a private teacher, **legal guardian** or parent in compliance with ORS 339.035;

[(7) Provides the department with documentation satisfactory to the department that indicates that the person is]

(D) Exempted from school attendance requirements due to circumstances beyond the control of the person; or

[(8) Provides the department with documentation satisfactory to the department that the person is]

(E) Exempt under ORS 339.030 (2) from the requirement to attend school.

(2) The department may not issue driving privileges to a person who is under 18 years of age and whose driving privileges are suspended under ORS 809.423 (3) for withdrawing from school unless the person:

(a) Has graduated from high school and provides the department with proof of graduation satisfactory to the department;

(b) Has received a General Educational Development (GED) certificate from a community college and provides the department with proof of the certificate satisfactory to the department;

(c) Provides the department with a form provided by the department and signed by the principal, or the designee of the principal, of the school attended by the person that declares that the person is enrolled in a school of this state, or any other state or any other country;

(d) Provides the department with a form provided by the department and signed by the authorized representative of the community college attended by the person that declares that the person is making satisfactory progress toward a General Educational Development (GED) certificate;

(e) Provides the department with a form provided by the department and signed by the authorized representative of the community college attended by the person that declares that the person is making satisfactory progress toward a high school diploma;

(f) Provides the department with a form provided by the department and signed by the authorized representative of the education service district or school district having jurisdiction over the area of the person's residence that declares that the person is being taught by a private teacher, legal guardian or parent in compliance with ORS 339.035;

(g) Provides the department with documentation satisfactory to the department that indicates that the person is exempted from school attendance requirements due to circumstances beyond the control of the person; or

(h) Provides the department with documentation satisfactory to the department that the person is exempt under ORS 339.030 (2) from the requirement to attend school.

SECTION 3. ORS 339.257 is amended to read:

339.257. (1) The principal or a designee of the principal of a secondary school shall provide documentation of enrollment status on a form provided by the Department of Transportation to any student at least 15 years of age and under 18 years of age who is properly enrolled in the school, **whose driving privileges are suspended under ORS 809.423 (3)** and who needs the documentation in order to apply for issuance or reinstatement of driving privileges. The form shall be available at the administrative offices of the school district for a student who applies for issuance or reinstatement of driving privileges during school holidays.

(2) A school district board may establish a policy authorizing the superintendent of the school district or the board to notify the department of the withdrawal from school of a student who is at least 15 years of age and under 18 years of age. For purposes of this subsection, a student shall be considered to have withdrawn from school after more than 10 consecutive school days of unexcused absences or 15 school days total of unexcused absences during a single semester. A policy adopted under this subsection shall include a provision allowing a student to appeal a decision to notify the department.

(3) The governing body of a private school may establish a policy authorizing a representative of the school to notify the department of a student's withdrawal. Terms and conditions of the policy shall be the same as those described in subsection (2) of this section for a school district board.

MOPEDS

SECTION 4. ORS 807.031 is amended to read:

807.031. *[This section describes the type of driving privileges granted by the various licenses issued by this state. Licenses are established by class with the highest class being Class A commercial. Each class of license grants driving privileges for that class and for all lower classes. A license does not grant driving privileges for which an endorsement is required.]* The following licenses grant the driving privileges described:

(1) A Class A commercial driver license authorizes a person to operate any vehicle or combination of vehicles except that the person may not operate any vehicle for which an endorsement is required unless the person obtains the endorsement.

(2) A Class B commercial driver license authorizes a person to operate any single vehicle and to tow a vehicle that is not in excess of 10,000 pounds gross vehicle weight rating. The person may not operate any vehicle for which an endorsement is required unless the person obtains the endorsement.

(3) A Class C commercial driver license authorizes a person to operate:

(a) Any vehicle that is designed to transport 16 or more persons, including the driver, if the gross vehicle weight rating of the vehicle is less than 26,001 pounds and the person has the proper endorsement to operate a vehicle described in this paragraph;

(b) Any vehicle that is used in the transportation of hazardous materials if the gross vehicle weight rating of the vehicle is less than 26,001 pounds and the person has the proper endorsement; and

(c) Any vehicle that may be operated by the holder of a Class C license.

(4) A Class C driver license authorizes a person to operate any vehicle for which a commercial driver license is not required except that the person may not operate any vehicle for which an endorsement is required unless the person obtains the endorsement.

(5) A restricted Class C license authorizes a person to operate *[a moped or to operate]* a vehicle under one of the permits described in ORS 807.200 as constituting a restricted Class C license. The person may not operate any vehicle for which an endorsement is required or be granted any endorsements for the license.

MOTORCYCLE ENDORSEMENT REQUIREMENTS

SECTION 5. ORS 807.072 is amended to read:

807.072. (1) The Department of Transportation, by rule, may waive any examination, test or demonstration required under ORS 807.065 (1)(b) or 807.070 (2) or (3) if the department receives satisfactory proof that the person required to take the examination, test or demonstration has passed an examination, test or demonstration approved by the department that:

(a) Is given in conjunction with a traffic safety education course certified by the department under ORS 336.802;

(b) Is given in conjunction with a motorcycle rider education course established under ORS 802.320;

(c) Is given in conjunction with a course conducted by a commercial driver training school certified by the department under ORS 822.515; or

(d) Is given in conjunction with an application for a special limited vision condition learner's permit under ORS 807.359.

(2) The department, by rule, may waive the actual demonstration required under ORS 807.070 (3) for a person who is applying for a commercial driver license or a Class C license if the person holds a valid out-of-state license or applies for an Oregon license within one year of the expiration of a valid out-of-state license. A demonstration may be waived under this subsection only if the person has applied for the same driving privileges as those granted under the person's out-of-state license or for privileges granted by a lower class of license.

(3) The department may waive the actual demonstration required under ORS 807.070 for a person who is applying for a commercial driver license or for an endorsement related to a commercial

driver license if the person submits to the department a certificate of competency issued under ORS 807.080 for the class of license or for the endorsement sought or under other circumstances, established by the department by rule, that establish the person's ability to drive without an actual demonstration.

(4) The department may issue a Class A farm endorsement without requiring additional tests to a person who has a Class C driver license if a farm employer or a self-employed farmer certifies to the department that the person is experienced in driving a vehicle that may be driven only by persons who have a Class A commercial driver license and the person's two-part driving record does not show either a traffic accident within two years of the date of application for the endorsement or a conviction for one of the following traffic crimes within five years of the date of application for the endorsement:

(a) Reckless driving, as defined in ORS 811.140.

(b) Driving while under the influence of intoxicants, as defined in ORS 813.010.

(c) Failure to perform the duties of a driver involved in an accident or collision, as described in ORS 811.700 or 811.705.

(d) Criminal driving while suspended or revoked, as defined in ORS 811.182.

(e) Fleeing or attempting to elude a police officer, as defined in ORS 811.540.

(5) The department may issue a Class B farm endorsement without requiring additional tests to a person who has a Class C driver license if a farm employer or a self-employed farmer certifies to the department that the person is experienced in driving a vehicle that may be driven only by persons who have a Class B commercial driver license and the person's two-part driving record does not show either a conviction for a traffic crime specified in subsection (4) of this section within five years of the date of application for the endorsement or a traffic accident within two years of the date of application for the endorsement.

(6) The department by rule may establish other circumstances under which a farm endorsement may be issued without an actual demonstration. The authority granted by this subsection includes, but is not limited to, authority to adopt rules specifying circumstances under which the endorsement may be granted to a person despite the appearance of traffic accidents on the person's record.

(7) The department by rule may waive the test required under ORS 807.070 (2) for a person who applies for a motorcycle endorsement if the person:

(a) Holds a valid out-of-state driver license that authorizes the person to operate a motorcycle; or

(b) Applies for a motorcycle endorsement within one year after the expiration date of a valid out-of-state driver license that authorizes the person to operate a motorcycle.

PROOF OF ADDRESS REQUIREMENTS

SECTION 6. ORS 807.050 is amended to read:

807.050. An application for a license shall be in a form approved by the Oregon Department of Transportation. An application must contain all the following:

(1) The applicant's full legal name, age, sex, residence address, except as otherwise provided for corrections officers in ORS 802.253, eligible employees in ORS 802.250 or Address Confidentiality Program participants in ORS 192.846, and post-office address other than general delivery. The department may provide by rule for acceptance of something other than an actual residence or post-office address if the department determines that the applicant does not have an actual address. The department shall require proof to verify the address in addition to anything else the department may require of the applicant. **The department shall adopt rules to identify what constitutes proof of address for purposes of this subsection. Verification of proof of address may include, but is not limited to, providing a utility bill, a tax return, a record from a financial institution, a proof of insurance card or a health benefits card, a selective service card, a mortgage document or a lease agreement. The applicant may provide the proof of address by submitting proof in the form of an original document, a copy of a document or use an electronic**

device to display proof of address, or provide proof through the use of a third party address verification system.

(2) Whether or not the applicant has ever been issued any driver license or driver permit. If the applicant has been issued any license or driver permit:

- (a) When the license or driver permit was granted;
- (b) What jurisdiction granted the license or driver permit;
- (c) Whether or not the driving privileges under the license or driver permit are currently suspended or revoked; and
- (d) If the driving privileges are revoked or suspended, the date and reason for the suspension or revocation.

(3) The class of license sought.

(4) The Social Security number of the applicant or other number or identifying information determined appropriate by the Secretary of the United States Department of Transportation, if the application is for a commercial driver license or if the Oregon Department of Transportation by rule requires the Social Security number on the application.

(5) Whether or not the applicant wants to make an anatomical gift, as defined in ORS 97.953.

(6) Any other information the department deems necessary to assist the department in determining whether the applicant is qualified or eligible to be licensed.

SECTION 7. ORS 807.050, as amended by section 40, chapter 237, Oregon Laws 2013, is amended to read:

807.050. An application for a license shall be in a form approved by the Oregon Department of Transportation. An application must contain all the following:

(1) The applicant's full legal name, age, sex, residence address, except as otherwise provided for corrections officers in ORS 802.253, eligible employees in ORS 802.250 or Address Confidentiality Program participants in ORS 192.846, and post-office address other than general delivery. The department may provide by rule for acceptance of something other than an actual residence or post-office address if the department determines that the applicant does not have an actual address. The department shall require proof to verify the address in addition to anything else the department may require of the applicant. **The department shall adopt rules to identify what constitutes proof of address for purposes of this subsection. Verification of proof of address may include, but is not limited to, providing a utility bill, a tax return, a record from a financial institution, a proof of insurance card or a health benefits card, a selective service card, a mortgage document or a lease agreement. The applicant may provide the proof of address by submitting proof in the form of an original document or a copy of a document, use an electronic device to display proof of address, or provide proof through the use of a third party address verification system.**

(2) Whether or not the applicant has ever been issued any driver license or driver permit. If the applicant has been issued any license or driver permit:

- (a) When the license or driver permit was granted;
- (b) What jurisdiction granted the license or driver permit;
- (c) Whether or not the driving privileges under the license or driver permit are currently suspended or revoked; and
- (d) If the driving privileges are revoked or suspended, the date and reason for the suspension or revocation.

(3) The class of license sought.

(4) The Social Security number of the applicant or other number or identifying information determined appropriate by the Secretary of the United States Department of Transportation, if the application is for a commercial driver license or a commercial learner driver permit or if the Oregon Department of Transportation by rule requires the Social Security number on the application.

(5) Whether or not the applicant wants to make an anatomical gift, as defined in ORS 97.953.

(6) Any other information the department deems necessary to assist the department in determining whether the applicant is qualified or eligible to be licensed.

SECTION 8. ORS 807.150 is amended to read:

807.150. (1) When a license expires or is about to expire, the Department of Transportation shall renew the license under this section if the holder of the license qualifies for renewal of the license under this section and:

(a) Applies for renewal within one year of the expiration of a similar license under ORS 807.130; or

(b) Applies for issuance of a license within six months after the applicant is discharged from the Armed Forces of the United States and was licensed by this state at the time of the applicant's entry into the Armed Forces.

(2) To qualify for renewal of a license under this section, a person must meet all of the requirements under ORS 807.040 for the class of license sought to be renewed, except that the department may waive the examination under ORS 807.070 of a person applying for renewal of a license unless the department has reason to believe that the applicant is not qualified to hold the license or unless the applicant for renewal has not previously been examined.

(3) To receive a renewal under this section, the license renewal fee and the Student Driver Training Fund eligibility fee under ORS 807.370 must be paid.

(4) If a person who applies for a renewal under this section is not qualified to renew the class of license sought to be renewed, the department may issue the person any lower class of license for which the person qualifies in lieu of renewing the person's license for the class of license held by the person.

(5) A license that is renewed under this section may be used on or after the date of issuance. If the department issues a license renewal to a person under this section before the expiration of the license being renewed, the older license is invalid. A license that becomes invalid under this subsection shall be destroyed by the person to whom it was issued.

(6) If the address of the applicant has changed since the last time a license was issued to or renewed for the applicant, the department shall require proof to verify the address of an applicant for renewal of a license in addition to anything else the department may require of the applicant. **The department shall adopt rules to identify what constitutes proof of address for purposes of this subsection. Verification of proof of address may include, but is not limited to, providing a utility bill, a tax return, a record from a financial institution, a proof of insurance card or a health benefits card, a selective service card, a mortgage document or a lease agreement. The applicant may provide the proof of address by submitting proof in the form of an original document or a copy of a document, use an electronic device to display proof of address, or provide proof through the use of a third party address verification system.**

OPERATIVE DATE OF SECTIONS 1 TO 8 OF THIS 2015 ACT

SECTION 9. The amendments to ORS 339.257, 807.031, 807.050, 807.066, 807.072, 807.150 and 807.400 by sections 1 to 8 of this 2015 Act become operative on January 1, 2016.

TAXES AND PER-MILE ROAD USAGE CHARGE

SECTION 10. ORS 319.945 is amended to read:

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

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

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

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

SECTION 11. ORS 319.890 is amended to read:

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

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

- (a) The applicant is the registered owner or lessee of a motor vehicle;
- (b) The motor vehicle is equipped with a method selected pursuant to ORS 319.900 for collecting and reporting the metered use by the motor vehicle of the highways in Oregon;
- (c) The motor vehicle has a gross vehicle weight rating of 10,000 pounds or less; and
- (d) Approval does not cause the number of subject vehicles active in the road usage charge program on the date of approval to exceed 5,000, of which no more than 1,500 may have a rating of less than 17 miles per gallon and no more than 1,500 may have a rating of at least 17 miles per gallon and less than 22 miles per gallon, such ratings to be determined pursuant to a method established by the department.

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

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

SECTION 12. ORS 319.665, as amended by section 17, chapter 781, Oregon Laws 2013, is amended to read:

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

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

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

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

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

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

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

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

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

SECTION 13. ORS 319.920 is amended to read:

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

(2) Unless a registered owner or lessee presents evidence in a manner approved by the department by rule that the subject vehicle has been driven outside this state, the department shall assume

that all metered use reported represents miles driven by the subject vehicle on the highways in Oregon.

SECTION 14. Section 15 of this 2015 Act is added to and made a part of ORS chapter 825.

SECTION 15. Notwithstanding ORS 319.020, 319.530 and 825.474, a person operating a motor vehicle with a combined weight of 26,000 pounds or more is not required to pay the weight-mile tax imposed under ORS 825.474 or fuel taxes imposed under ORS 319.020 and 319.530, if:

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

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

SECTION 15a. Section 15 of this 2015 Act applies to taxes imposed on or after January 1, 2015.

SECTION 16. ORS 825.017 is amended to read:

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

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

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

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

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

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

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

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

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

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

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

(a) An agency of the United States;

(b) The State Board of Forestry;

(c) The State Forester; or

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

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

(a) The use is pursuant to a written agreement entered into with the State Board of Forestry, the State Forester or an agency of the United States, authorizing the owner of the motor vehicle to use the road and requiring the owner to pay for or to perform the construction or maintenance of the county road, including any operator of a motor vehicle retained to transport logs, poles and piling for the owners who are exempt under this section;

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

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

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

(a) Is performed by a nonprofit entity;

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

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

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

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

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

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

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

(14) Vehicles owned or operated by, or under contract with, a charitable organization when exclusively engaged in performing transportation, either one way or round trip, necessary to the operation of the charitable organization. As used in this subsection, "charitable organization" means an organization that has no capital stock and no provision for making dividends or profits, but derives its funds principally from public and private charity and holds them in trust for the promotion of the welfare of others and not for profit. Any organization claiming an exemption under this subsection shall file an affidavit with the department stating that it is organized and operated in accordance with the requirements of this subsection.

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

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

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

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

(b) Carries passengers for hire between points in Oregon; and

(c) Operates on an irregular route basis.

[(18)] **(17)** Fire trucks and rescue vehicles that are designated as emergency vehicles by the Department of Transportation under ORS 801.260, while involved in emergency and related operations.

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

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

CAPTIONS

SECTION 17. The unit captions used in this 2015 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2015 Act.

EFFECTIVE DATE

SECTION 18. This 2015 Act takes effect on the 91st day after the date on which the 2015 regular session of the Seventy-eighth Legislative Assembly adjourns sine die.

Passed by House April 17, 2015

Received by Governor:

Repassed by House July 1, 2015

.....M.,....., 2015

Approved:

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Timothy G. Sekerak, Chief Clerk of House

.....M.,....., 2015

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Tina Kotek, Speaker of House

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Kate Brown, Governor

Passed by Senate June 30, 2015

Filed in Office of Secretary of State:

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Peter Courtney, President of Senate

.....M.,....., 2015

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Jeanne P. Atkins, Secretary of State