



MOTOR CARRIER

Quarterly Newsletter of the Oregon Department of Transportation • Motor Carrier Transportation Division • June 2001

Legislators vote to eliminate Oregon truck "tax" plates

Travel across the United States and you'll see them everywhere. On the front of hundreds of thousands of trucks throughout this country is a red Oregon license plate commonly known as a "tax" plate. About 15,000 trucking companies currently have them on 250,000+ trucks, and that's not counting trucks sporting one of the plates with old, expired stickers.

Now Oregon legislators have turned those plates into soon-to-be collectibles that one day may be found for sale on eBay. With the passage of House Bill 3411, legislators scrapped the plate, effective July 1, 2002, and agreed that Oregon should just expect interstate trucks to have a plate issued by their base state under the International Registration Plan (IRP), or operate under registration trip permits.

The change does not affect Oregon-based carriers operating trucks with Commercial or Apportioned plates.

Although the bill takes effect July 2002, the Motor Carrier Transportation Division (MCTD) has already started work to change computer systems to organize Oregon's existing records of out-of-state carriers according to the number on IRP plates issued by states and provinces.

Oregon's weight-mile tax dates back to 1947 and the state has been issuing a license plate for tax purposes since at least that time. Carriers based out-of-state put

these plates on their trucks so they don't have to obtain a temporary pass and pay weight-mile taxes in advance every time they operate in Oregon.



Oregon is eliminating its "tax" license plate, a 54-year-old trucking icon found on hundreds of thousands of trucks across the country.

Now as MCTD prepares for the 2002 truck registration renewal process, it's not planning to issue new tax plates or send stickers to renew existing plates. "Since tax plates will be eliminated on July 1, it doesn't make sense to issue new plates or 2002 stickers for existing plates," noted Motor Carrier Services

Manager Ric Listella. "Because of the standard sticker display grace period we provide in the first three months of every year, the 2002 tax plate would only be a good identification device for the months of April, May, and June."

The usual packet of registration information MCTD mails to carriers in September of each year will explain further. At that time, it's expected that out-of-state carriers will be instructed to pay \$5 for a weight certification receipt, rather than a \$7.50 plate fee. Then as they travel through Oregon next year, interstate trucks will be required to carry that weight certification in the cab to confirm the truck is registered to operate in Oregon.

Transportation Investment Act raises car and truck title fees to fund road and bridge work

Legislators meeting in Salem for the 71st Legislative Assembly didn't touch the idea of raising gas or weight-mile taxes, but nevertheless they did find a way to pay for improvements to state highways and bridges. By voting to increase several DMV fees, including an increase in vehicle titling fees (to \$30 for cars and \$90 for trucks, up from the current \$10 fee), legislators found approximately \$35 million in annual revenue that could finance \$400 million in bonds for road and bridge work. The bonds will be repaid over the next 15 to 20 years.

Under House Bill 2142, called the 2001 Oregon Transportation Investment Act, highway and bridge projects will be selected by the Oregon Transportation Commission. The Commission will consult with local governments and regional transportation advisory groups to pick from projects that specifically involve highway preservation, repairs of weight-restricted bridges, increases in traffic-lane capacity, and safety improvements to interchanges on multi-lane highways. The list of projects is to be made public by February 1, 2002.

The \$400 million for road and bridge work represents the first significant infusion of new money for transportation projects in a decade. There have been no road user fee increases in Oregon since the 1991 Oregon Legislature voted to increase gas taxes to the current 24 cents.

2001 Legislative Session — Wrap-up

Quarterly reporting option available for all next year

About 8,000 trucking companies operating in Oregon will have a choice to make next year. As a result of House Bill 3411, beginning in July 2002 the companies can opt to pay weight-mile taxes on a quarterly rather than monthly basis. The quarterly option was requested by the trucking industry as part of a package of changes to Oregon's weight-mile tax system. The Motor Carrier Transportation Division (MCTD) retains authority to require a company to pay monthly if for some reason that's necessary.

Under current law, only carriers with an estimated annual tax liability less than \$3,600 are eligible to report and pay weight-mile taxes on a quarterly basis. Of the 26,000 total carriers registered in Oregon today, about 18,000 qualify for quarterly reporting. MCTD expects that many of the remaining 8,000 carriers who currently pay taxes every month will switch to quarterly because it can reduce paperwork and offer the chance to earn interest on money kept longer. Others may choose to continue monthly reporting because it would strain their budget to send a larger check every quarter.

Carrier Education Program requirements eased

House Bill 3411 eliminated the requirement that Oregon-based carriers must attend a Motor Carrier Education Program seminar within 180 days of receiving a certificate or permit for the first time. Until late-2000, the program was presented by a private contractor as a six-hour seminar with information about truck safety, tax, registration, insurance, and size and weight regulations, at a cost of \$45 per person. This bill removed the requirement to attend one of these seminars because the Oregon Department of Justice advises that carriers can't be

required to attend and suspended if they don't. As a result, the law will now just refer to having new carriers "participate" in the program within 90 days. New Oregon carriers will receive a packet with the same material they would have received at one of the former seminars and they can then study it at their convenience.

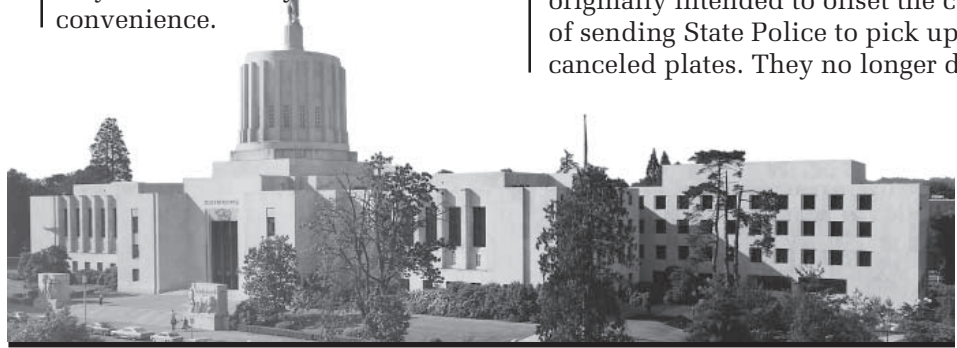


Plate cancellation fees repealed in July 2002

Effective July 1, 2002, carriers will not be charged a \$15 fee for failing to return an Oregon truck license plate within 90 days of suspension or cancelation of authority. House Bill 3411 repealed the fee, which was originally intended to offset the cost of sending State Police to pick up canceled plates. They no longer do

Upcoming rulemaking will set new IFTA annual fees

Senate Bill 740 calls for the Motor Carrier Transportation Division (MCTD) to conduct a rulemaking to set new annual fees that Oregon-based carriers will pay to participate in the International Fuel Tax Agreement (IFTA). Fees may be based on fleet size, but cannot be more than \$650.

MCTD licenses about 4,300 Oregon carriers for IFTA. Through MCTD, the carriers report the miles they traveled in other states and pay fuel taxes due to those states. They currently pay an annual fee of \$150, but the fee can be waived if a carrier's estimated fuel tax liability is less than \$300. About 2,000 carriers qualify for the waiver.

The Oregon Department of Justice has determined that Highway Fund dollars cannot be used to cover the \$1.375 million per year cost for IFTA program administration and audits. Thus, MCTD needs to set new fees to cover costs and that will probably entail increasing the current fee and not waiving fees for any carriers.

Oregon carriers participating in IFTA should watch for news about upcoming rulemaking hearings to set new annual fees.

that and it's not necessarily needed now that weigh station operations are computerized.

Enforcement officers get new citation authority

Oregon legislators approved two bills that add to the offenses for which weighmasters and motor carrier enforcement officers may issue citations. Assuming the Governor signs both bills, they take effect 90 days after the end of the 2001 Session, which was still underway as this newsletter went to be printed.

The first bill, House Bill 2141 authorized the issuance of citations for Class A traffic violations for a number of offenses that are grounds for suspension of operating authority, including:

- Failing to report or pay taxes, fees, or penalties due.
- Failing to file a cash deposit or surety bond, when required.
- Failing to keep required records or produce records for examination.
- Repeatedly violating or avoiding an Oregon Department of Transportation order or rule.

The legislation was necessary to address recent Oregon Department

(continued on page 3)

(continued from page 2)

of Justice advice that MCTD cannot suspend an interstate carrier and prohibit that carrier from continuing to operate in Oregon. With the threat of a \$295 citation for these offenses, carriers can be allowed to continue to operate but they will be more likely to want to fix their problem.

Under the law, when a citation is issued to a driver it will be considered to have been issued to the carrier that owns the vehicle, if the driver is not the owner. This is considered appropriate because these are business-related problems for which the driver is often not responsible.

A second bill, Senate Bill 299, authorized the issuance of citations for four offenses:

- Operating a commercial vehicle without a Commercial Driver License (CDL), a Class B violation with a \$175 fine.
- Operating a commercial vehicle with a suspended or revoked CDL, a Class A violation with a \$295 fine.
- Failing to use traction tires or chains when required, a Class C violation with a \$109 fine.
- Failing to pay appropriate truck registration fees, a Class D violation with a \$77 fine.

Officers already issue citations for the first three offenses, but they cite federal motor carrier regulations. Now they will have authority to cite state statutes, just like State Police and other law enforcement officers do, eliminating confusion for judges when the citations reach the courts.

Tire sidewall rating factored into allowable weight

In Oregon, one formula for determining maximum allowable weight is based on 600 pounds multiplied by the sum of the tire widths, in inches, of the wheels of the axle or tandem axles. With the passage of House Bill 2141, that formula will also be based on the manufacturer's sidewall tire rating because, of

course, some tires were never designed to handle weights up to 600 pounds per tire inch.

In similar, but unrelated legislation, garbage haulers were granted an exception to wheel load limits. Under House Bill 3336, the maximum wheel load for the front axle of the power unit on a truck used for curbside solid waste or recycling collection that has tires at least 12-1/2 inches wide is the limit established by the tire manufacturer and molded on at least one sidewall, up to 10,000 pounds. The Oregon Department of Transportation has authority to adopt rules and approve the tires used.

Bill adjusts statutory length limits for combinations

House Bill 3662 changed the vehicle length limit shown in statute so that the maximum allowable length for a combination of vehicles, including load, is 60 feet, rather than 50 feet. By administrative rules, carriers have for years been allowed to operate 60-foot combinations on almost all state highways without the need for a variance permit. While the state does not need to issue permits for these combinations to travel on state highways, some cities and counties, pointing to the 50-foot length limit in statute, recently began requiring permits for travel on their roads. Under this bill, those jurisdictions no longer need to issue permits, but they can still post signs restricting vehicle lengths if certain roads cannot safely accommodate long combinations.

House Bill 3662 also added a definition for "stinger-steered" so that in relation to a combination of vehicles it means that the coupling device on the power unit is located back of the tread of the tires on the last axle. The bill then added a 65-foot length limit for a "combination of vehicles that includes a stinger-steered pole trailer." This new length limit essentially applies only to log trucks.

Fenders and mudguards requirements change

House Bill 2141 made two minor changes to requirements related to placement of fenders and mudguards.

Certain vehicles currently must have Type I fenders or mudguards within four feet of the tire tread of the tires on the last axle. House Bill 2141 increased, to five feet, that minimum required distance from the tire tread.

The trucking industry asked for the change because some trucks are being manufactured with fenders and mudguards spaced five feet from the tires, with no negative impact on highway safety.

Also, currently the Type I fenders or mudguards "must extend in full width from a point on the wheels that is above and forward of the center of the tires over to a point at the rear of the wheels that is not more than 10 inches above the surface of the highway when the vehicle is empty." That maximum distance above the road was changed to allow fenders or mudguards to be up to 13 inches if they're attached to the rear of a dump box that elevates for unloading.

Dump truck operators asked for the increased distance so they would be less likely to dump loads onto their mudguards and, as a result, have the mudguards torn off the truck.

The Motor Carrier News
is a quarterly publication of the
Oregon Department of Transportation
Motor Carrier Transportation Division
550 Capitol Street NE
Salem OR 97301-2530

Gregg Dal Ponte, Deputy Director
Gregg.LDalPonte@odot.state.or.us

Jim Brock, Motor Carrier News Editor
James.H.Brock@odot.state.or.us
(503) 373-1578