



MOTOR CARRIER NEWS

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Truck taxes, fees increase to fund needed road, bridge work

Oregon will be building more bridges and repairing more roads in coming years as it uses an increase in car and truck taxes and fees to bond for \$2.5 billion in much needed improvements to Oregon highways. Oregon legislators meeting in this year's Regular Session passed House Bill 2041, called the 2003 Oregon Transportation Investment Act, a funding package that is based in part on an increase in truck weight-mile taxes, road use assessment fees, flat fees, truck registration fees, and the Oregon Weight Receipt and Tax Identifier credential fee.

Here's a summary of truck tax and fee changes, all effective on January 1, 2004:

Oregon weight-mile taxes increase 9.9 percent. Under the new taxes, for example, an 80,000 lb. truck will pay 13.16 cents per mile (see Tax Tables in sidebar).

Flat fees increase 9.9 percent. In lieu of weight-mile taxes, certain carriers may pay a flat fee for each 100 pounds of declared combined weight. Under new fees, log haulers may pay \$6.10 per 100 pounds, sand and gravel haulers \$6.05 per 100 pounds, wood chip haulers \$24.62 per 100 pounds, and for-hire farm carriers in trucks under 46,000 pounds combined weight \$5.00 per 100 pounds.

Road use assessment fees increase to 5.7 cents per equivalent single-axle load mile traveled. This applies to trucks operating under single-trip, nondivisible load permits at gross weights over 98,000 lbs.

Oregon truck registration fees increase 53 percent. Under the new fees, for example, an 80,000 lb. truck will pay \$490 per year (see fee table on page 3). Also, an Oregon company operating under the International Registration Plan will be allowed to make quarterly payments of the Oregon portion of registration fees if Oregon apportioned fees exceed \$1,000. There is a \$4 processing fee for the payment plan.

The Oregon Weight Receipt and Tax Identifier credential fee increases from \$5 to \$8.

Many DMV fees also go up in January, including Commercial Driver License fees and car registration and titling fees. Two-thirds of all revenue will be raised through fees on light vehicles because the latest Oregon Highway Cost Allocation Study found that heavy vehicles are responsible for 33 percent of bridge and highway costs. The revenue raised will repay \$2.5 billion in highway user tax bonds, with most bond proceeds going to replace and repair bridges — \$1.3 billion on state highways and \$300 million on county and city highways. All the related construction work is expected to create more than 4,700 family-wage jobs.

New Weight-Mile Tax Rates Effective January 1, 2004

MILEAGE TAX RATE TABLE "A"

Declared Combined Weight Groups (Pounds)	Fee Rates Per Mile (Mills)
26,001 to 28,000	40.0
28,001 to 30,000	42.4
30,001 to 32,000	44.3
32,001 to 34,000	46.3
34,001 to 36,000	48.1
36,001 to 38,000	50.6
38,001 to 40,000	52.5
40,001 to 42,000	54.4
42,001 to 44,000	56.4
44,001 to 46,000	58.3
46,001 to 48,000	60.2
48,001 to 50,000	62.2
50,001 to 52,000	64.5
52,001 to 54,000	66.9
54,001 to 56,000	69.4
56,001 to 58,000	72.3
58,001 to 60,000	75.6
60,001 to 62,000	79.5
62,001 to 64,000	83.9
64,001 to 66,000	88.7
66,001 to 68,000	95.0
68,001 to 70,000	101.7
70,001 to 72,000	108.4
72,001 to 74,000	114.6
74,001 to 76,000	120.5
76,001 to 78,000	126.3
78,001 to 80,000	131.6

AXLE-WEIGHT MILEAGE TAX RATE TABLE "B"

Declared Combined Weight Groups (Pounds)	Number of Axles				
	5 (Mills)	6	7	8	9 or more
80,001 to 82,000	135.9	124.3	116.2	110.4	104.1
82,001 to 84,000	140.3	126.3	118.1	111.8	105.5
84,001 to 86,000	144.5	129.2	120.0	113.2	107.0
86,001 to 88,000	149.4	132.0	121.9	115.2	108.4
88,001 to 90,000	155.2	135.4	123.9	117.1	110.4
90,001 to 92,000	161.9	139.3	125.7	119.0	112.3
92,001 to 94,000	169.2	143.1	127.7	120.9	113.8
94,001 to 96,000	176.9	147.5	130.1	122.9	115.6
96,001 to 98,000	185.1	152.8	133.0	124.9	117.6
98,001 to 100,000		158.5	135.9	127.2	119.5
100,001 to 102,000			138.8	130.1	121.5
102,001 to 104,000			141.7	133.0	123.9
104,001 to 105,500			145.5	135.9	126.3

2003 Legislative Session — Wrap-Up

In addition to a significant transportation funding package, legislators passed several noteworthy bills of interest to truckers operating in Oregon:

Clarification of safety exemptions preserves enforcement grant

Legislators agreed to changes in state motor carrier safety exemptions, including a clarification that state law does not exempt farm trucks operating in interstate commerce. But in passing House Bill 2217, many legislators expressed concern that safety inspectors not unduly impede farmers hauling products to market.

The bill makes the following changes to regulations:

- Removes safety exemptions for mail carriers, private carrier buses and vans under 12,001 lbs., trucks soon to be used in commercial operation, trucks hauling fishing boats when combined weight is under 15,001 lbs., and forest fire fighting trucks.
- Clarifies that commercial vehicle drivers in interstate commerce must wear seat belts.
- Adds hazardous material tank vehicles to a list of high-risk vehicles that must follow special rail crossing procedures at crossings with gates.
- Clarifies that safety exemptions apply to certain farm trucks operating in intrastate commerce.

Farm trucks operating in intrastate commerce will continue to be subject to safety regulations if they're pulling triple trailers, operating over 80,000 pounds, hauling hazardous materials, or hauling for hire in a truck with four axles or more.

Statutory changes were needed because Oregon's exemptions were

broadly worded and interpreted to exempt vehicles operating in both interstate and intrastate commerce. But federal regulations govern vehicles in interstate commerce. Without changes to state law, Oregon risked losing \$2.4 million per year in federal funds it receives for truck safety enforcement work under the Motor Carrier Safety Assistance Program.

Motor Carrier Transportation Division Administrator Gregg Dal Ponte told legislators that the changes to exemptions should have little practical effect on enforcement. "Our inspectors follow a performance-based enforcement plan that focuses on the causes of truck-at-fault accidents," Dal Ponte said. "The ones most notably affected by House Bill 2217 changes – farmers hauling products in interstate commerce – have not been a target of safety enforcement in the past because they're involved in relatively few accidents. They will not be a target of enforcement in the future unless accidents increase."

The legislation specifically requires the Motor Carrier Transportation Division to annually produce a performance-based Commercial Vehicle Safety Plan and track safety-related performance measures. The bill also calls for all Oregon trained and certified inspectors to follow provisions of the Safety Plan. (House Bill 2217, effective immediately)

Accident reporting requirements change

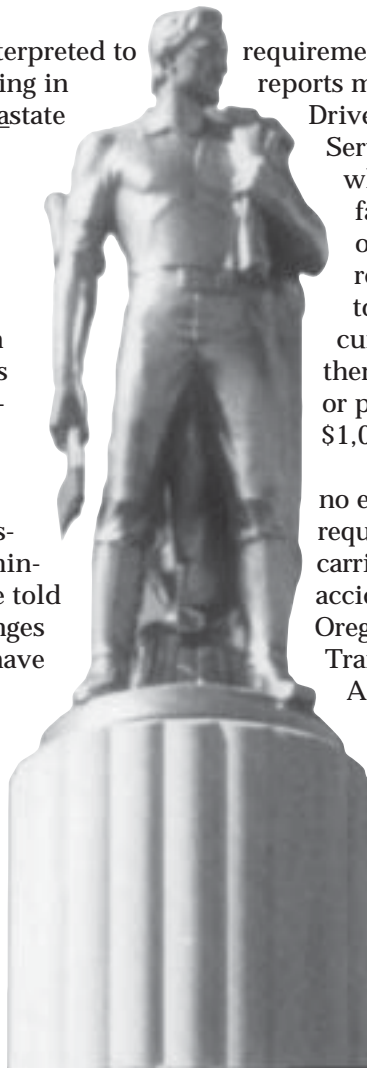
Oregon accident reporting

requirements are changing so reports must be filed with the Driver and Motor Vehicle Services Division (DMV) when there is an injury, fatality, property damage over \$1,500, or damage requiring a vehicle be towed away. Reports are currently required when there is an injury, fatality, or property damage over \$1,000.

The change has no effect on the Oregon requirement that motor carriers must also file an accident report with the Oregon Department of Transportation Crash Analysis and Reporting Unit when they're involved in a federal-recordable accident — one involving a fatality, injury, or disabling damage requiring a vehicle be towed away. (House Bill 2933, effective January 1, 2004)

Law seeks emergency vehicle safeguards

Oregon has a new law making it a Class B traffic violation to fail to maintain a safe distance from an ambulance, police car, or other emergency vehicle that is stopped and displaying warning lights. On a highway with two or more lanes in one direction, a car or truck commits the offense if it fails to move to the lane not adjacent to that of the emergency vehicle or ambulance, or fails to reduce speed if it's unsafe to change lanes. On a two-direction, two-lane highway, a car or truck commits the offense if it fails to reduce speed. (House Bill 2176, effective January 1, 2004)



Long vehicle test run process set in statute

Shippers and motor carriers may make special requests that a state or county road authority determine whether a specific road can safely accommodate over-length combinations, such as a truck tractor and 53-foot semitrailer. After receiving a request, the road authority has 60 days to grant the request or complete an evaluation. It may conduct a test run on the road or refer to a previous evaluation. If approved, the combination may be required to operate under an over-dimension variance permit.

The new law outlines how a test run and evaluation will be conducted and it allows the Oregon Department of Transportation to adopt rules establishing uniform requirements and mitigation strategies that a road authority must apply as conditions for operating under an over-length variance permit.

Oregon nurserymen and Christmas tree growers urged establishment of the test run process and urged that it be followed by county road authorities. They believe it could help them and other farmers efficiently move their products to market. (Senate Bill 425, effective January 1, 2004)

State to stop issuing hardship or probationary CDL permits

Oregon law is changing to make it consistent with federal law that prohibits issuing hardship or probationary permits to commercial vehicle drivers. A hardship or probationary permit is a license with restricted driving privileges. Until now, the permits were available to a CDL holder so he or she could drive commercial vehicles while the driver's regular license was sus-

pending, if the driver's CDL was not suspended or revoked. Federal law prohibits states from granting commercial driving privileges as part of any special permits when regular driving privileges are suspended or revoked. (Senate Bill 187, effective January 1, 2004)

Trucks allowed to use amber warning lights

A commercial vehicle may use amber warning lights to warn of a traffic hazard when the vehicle is stopped or parked at a commercial site, work site, or highway work zone. Many commercial vehicles, such as garbage trucks, already use warning lights, although until now the law has not allowed it. (Senate Bill 661, effective January 1, 2004)

Tax credits offered for clean-burning engines

Oregon's new transportation funding package increases taxes and fees, but also offers up to \$80,000 per year in Oregon income tax credits for companies that buy low-emissions diesel engines during calendar years 2004 through 2007. The credit applies to trucks over 26,000 pounds with engines purchased in Oregon (model years 2003 through 2007) and certified by the Environmental Protection Agency to emit 2.5 grams or less nitrogen oxides per brake horsepower-hour.

For tax years beginning January 1, 2005, and continuing through 2007, the following credits are available to Oregon individuals or corporations:

- \$925 per engine for 1-10 trucks
- \$705 per engine for 11-50 trucks
- \$525 per engine for 51-100 trucks
- \$400 per engine for 100+ trucks (House Bill 2041)

New Oregon Truck Registration Fees Effective January 1, 2004

Truck Weight in Pounds	Old Fee	New Fee
8,000 or less	\$ 15	\$ 27
8,001 to 10,000	110	169
10,001 to 12,000	125	192
12,001 to 14,000	140	215
14,001 to 16,000	155	238
16,001 to 18,000	170	261
18,001 to 20,000	190	291
20,001 to 22,000	205	314
22,001 to 24,000	225	345
24,001 to 26,000	245	375
26,001 to 28,000	120	184
28,001 to 30,000	125	192
30,001 to 32,000	135	207
32,001 to 34,000	140	215
34,001 to 36,000	150	230
36,001 to 38,000	155	238
38,001 to 40,000	165	253
40,001 to 42,000	170	261
42,001 to 44,000	180	276
44,001 to 46,000	185	284
46,001 to 48,000	190	291
48,001 to 50,000	200	307
50,001 to 52,000	210	322
52,001 to 54,000	215	330
54,001 to 56,000	220	337
56,001 to 58,000	230	352
58,001 to 60,000	240	368
60,001 to 62,000	250	383
62,001 to 64,000	260	398
64,001 to 66,000	265	406
66,001 to 68,000	275	421
68,001 to 70,000	280	429
70,001 to 72,000	290	444
72,001 to 74,000	295	452
74,001 to 76,000	305	467
76,001 to 78,000	310	475
78,001 to 80,000	320	490
80,001 to 82,000	325	498
82,001 to 84,000	335	513
84,001 to 86,000	340	521
86,001 to 88,000	350	536
88,001 to 90,000	355	544
90,001 to 92,000	365	559
92,001 to 94,000	370	567
94,001 to 96,000	380	582
96,001 to 98,000	385	590
98,001 to 100,000	390	598
100,001 to 102,000	400	613
102,001 to 104,000	405	621
104,001 to 105,500	415	636

Visit the MCTD Web site for more about bills considered and bills passed —
www.oregon.gov/odot/mct
www.oregon.gov/odot/mct/legislature03.htm