



**Date:** March 2, 2009

**To:** House Transportation Committee

**From:** Hans Bernard, Governor's Deputy Legislative Director  
Chris Warner, Governor's Senior Transportation Liaison

**Subject:** Jobs and Transportation Act

Thank you for this opportunity to do a brief overview of House Bill 2120, the Governor's Jobs and Transportation Act (JTA). JTA is a comprehensive, multi-modal transportation funding package that will invest \$1 billion each biennium in Oregon's transportation system.

#### **Overview of the Jobs and Transportation Act**

The JTA represents the work of a broad stakeholder group called together by the Governor that discussed these policy areas for nearly one year. The JTA was developed around five core principles: creating and sustaining jobs for the economy, maintaining statewide distribution of investments, incorporating sustainability, ensuring local decision-making, and improving transparency and oversight.

The JTA provides a \$499 million annual investment in Oregon's road and bridge system and continues the *ConnectOregon* program with a \$150 million investment in multi-modal transportation, as well as flexing additional federal dollars for new multi-modal investment. In addition, it provides \$600 million in one-time bond proceeds for projects that relieve key freight bottlenecks across the state.

The JTA has several components that take a sustainable approach to transportation and that support the Governor's climate change agenda, while addressing the state's growing transportation needs and taking actions to reduce carbon emissions. This is accomplished through measures that will provide funding for non-highway projects, including rail, marine, transit and non-motorized transportation options. The JTA also would enable local areas to set greenhouse gas reduction goals.

The JTA strengthens accountability and oversight of Oregon's transportation programs by enabling facility co-location between the state and county governments and updating the criteria used to select projects for the Statewide Transportation Improvement Program.

Importantly, the JTA also looks at the broader issues concerning transportation funding by examining issues including the development of least-cost planning models for transportation, creation of a Transportation Utility Commission and ways to refine technology to continue testing Oregon's experiment in replacing the gas tax with a fee based on how many miles are driven on Oregon's roads.

#### **Summary**

The JTA recommends changes in how Oregon's multi-modal transportation system is managed and delivered to make it more sustainable. JTA raises revenue for multi-modal transportation system investments through increased vehicle fees, fuel taxes, truck taxes, and increased bonding.

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# 2009 Jobs and Transportation Act

## Overview

**I**nvesting in Oregon's transportation system is one of the strongest, most immediate stimulus tools available during the current economic downturn. It creates and sustains jobs, supports the efficient movement of goods, and helps local businesses keep their doors open. Oregon's multi-billion dollar transportation infrastructure has not been maintained to keep up with the growth in population and freight traffic, hindering Oregon's ability to move people, commerce and goods safely and effectively throughout the state. The Jobs and Transportation Act injects \$1 billion each biennium into local economies and represents the largest, most comprehensive and greenest transportation initiative in Oregon history.

### The Act's Principles

The 2009 Jobs and Transportation Act (JTA) was developed around five core principles:

- Creating and sustaining jobs and the economy
- Maintaining statewide distribution of investments
- Incorporating sustainability
- Ensuring local decision making
- Improving transparency and oversight

#### **Creating and sustaining jobs and the economy in 2009**

The JTA provides for a \$499 million annual investment in Oregon's highway system that sustains 6,700 jobs annually in the first five years. The JTA also continues the *ConnectOregon* program with a \$150 million investment in multimodal transportation. In 2008 dollars, this investment creates and retains 2,100 additional jobs, many of which are in rural Oregon. JTA retains jobs in the construction industry that are now supported by the 2003 Oregon Transportation Investment Act (OTIA III). Most of OTIA III will be complete by 2012, leading to a steep decline in transportation jobs in design, engineering, and construction.

#### **Maintaining statewide investments**

Investments must be made in every corner of the state in order for the transportation initiative to deliver on its goals of creating a stronger economy and providing jobs. The JTA proposes these investments:

- **Support for County Road and City Street Program** - \$227.5 million per year to maintain and preserve local roads and streets.
- **Trust Fund for Timber Dependent and Small Counties** - \$6.5 million per year from the State Highway Program to provide support for county road programs in twelve counties that have few resources to maintain large road networks.
- **Support for Elderly and Disabled Transit Services** - \$5 million per year for counties, mass transit and transportation districts to support transportation services for senior citizens and people with disabilities.

- **ConnectOregon** - JTA includes the *ConnectOregon* program for multimodal transportation infrastructure with \$150 million in one-time lottery bond proceeds.
- **Relief for Key Bottlenecks Statewide** - \$600 million in one-time bond proceeds for projects that relieve key freight bottlenecks across the state.

### **Incorporating Sustainability**

The JTA supports the Governor's climate change agenda in addressing the state's growing transportation needs and taking actions to reduce carbon emissions.

The JTA takes a sustainable approach to transportation and includes these initiatives:

- **Funding for Non-Highway Projects** – JTA expands Oregon's bicycle and pedestrian program, finances the purchase of a train for the Amtrak *Cascades* passenger rail service, supports multi-modal investments under *ConnectOregon III*, and increases support for transit services for senior citizens and people with disabilities.
- **Greenhouse Gas Reduction Goals** – JTA expands the Transportation Options program to provide information, resources and tools to help Oregonians make good travel choices. Transportation Options promotes alternatives to driving alone such as carpooling/vanpooling, bicycling, using public transit, and walking.
- **Least Cost Transportation Planning** – JTA requires ODOT and local governments to develop a least cost planning process to consider the widest range of travel solutions and investments to meet Oregon's transportation challenges.
- **Transition From the Gas Tax** - JTA continues the work initiated by the Road User Fee Task Force. ODOT will work to refine technology that would enable Oregonians to pay for the transportation system based on how many miles they drive.

The JTA includes actions to reduce greenhouse gas emissions, to provide incentives for consumers, and to improve environmental stewardship. These initiatives include:

- **Incentives for Electric Vehicles** - JTA shifts the business and residential energy tax credits from hybrids to plug-in hybrids and all-electric vehicles, giving Oregonians incentive to make these smart purchases. JTA also allows a "medium speed" electric vehicle designation to encourage the use of all-electric vehicles.
- **Environmental Stewardship for Transportation Projects** – JTA broadens ODOT's use of environmental performance standards, such as materials recycling, dust control, and air quality, to all construction contracts funded with state funds.
- **Incentives for Fuel Efficient Vehicles** – JTA institutes a variable one-time title fee that would be structured as an incentive to car buyers to buy vehicles with a high EPA mileage rating.
- **"Pay-As-You-Drive" (PAYD) Auto Insurance** – JTA extends the tax credit for insurance companies that offer PAYD auto insurance, which offers motorists a voluntary alternative to fixed-premium auto

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insurance, converting a portion of one's annual insurance fee into a per-mile fee to encourage conservation.

- **Local Emissions-Reduction Plans:** Under JTA, Oregon's six Metropolitan Planning Organizations receive funding to design Vehicle Miles Traveled (VMT) reduction plans that work for their communities. Rural Oregonians and businesses would not be required to have a plan to reduce VMT because of greater distances between work and home and fewer transportation choices.
- **Congestion Pricing Pilot Project:** Time-of-day charges and variable pricing have been used successfully to improve traffic flow, reduce fuel consumption, improve air quality, and ensure reliable freight movement. The JTA authorizes the Oregon Transportation Commission to implement a pilot project that demonstrates the effects of congestion pricing in heavily traveled corridors.

### **Ensuring Local Decision Making**

The JTA recognizes the unique needs of local communities and the importance of local input about how transportation dollars are invested.

- **Local Decision Making:** Under JTA, Area Commissions on Transportation and Metropolitan Planning Organizations continue to select and recommend transportation projects to the Oregon Transportation Commission.
- **Support for Local Government:** JTA provides for half of all new state highway revenues to local governments: 30 percent to counties and 20 percent to cities. JTA also gives counties and transit districts more flexibility to raise money locally for local projects and operations without first seeking voter approval. In addition, JTA raises the ceiling on the transit payroll tax level for 0.7 to 0.8 percent.

### **Improving Transparency and Accountability**

The JTA strengthens accountability and oversight of Oregon's transportation programs. JTA initiatives include:

- **Creating a Transportation Utility Commission:** In its first biennium, the commission would: establish a method of accounting and identifying transportation revenues and expenses; create a way to evaluate infrastructure; develop a system-wide estimate of the revenue needed to maintain and upgrade the infrastructure; and identify potential revenue sources.
- **Encouraging Facility Co-Location:** Enable locating state transportation facilities with local government facilities.
- **Improving Project Selection:** Update the criteria used to select projects for the Statewide Transportation Improvement Program. The Oregon Transportation Commission and transportation stakeholders will be guided by ten principles as they consider how to update and improve upon the criteria used today in project selection. The principles focus on safety, operational effectiveness and reliability, congestion relief, economic growth and development, livable communities, and environmental stewardship.
- **Enhancing Public Involvement:** Review national "best practices," standards, local planning and project development guidelines.

## The Act's Funding

The JTA increases vehicle fees, fuel taxes, and truck taxes to raise an estimated \$499 million annually for Oregon's highways, roads and streets.

### JTA Road Funding from Tax Increases

	Light Vehicle Share <sup>1</sup>	Heavy Vehicle Share <sup>1</sup>	Approximate Annual Revenue
Increase registration fee (from \$27 per year to \$81 per year)	\$203 million	\$105 million	\$308 million
Increase title fee (from \$55 to \$110)	\$65.9 million	\$34.1 million	\$100 million
First time title fee (new \$100 fee)	\$21.7 million	\$11.3 million	\$33 million
2¢ fuel tax increase (from 24¢ per gallon to 26¢)	\$38.2 million	\$19.8 million	\$58 million
<b>TOTAL Annual Funding Increase</b>			<b>\$499 million</b>

<sup>1</sup> Potential revenue estimates assume proportionate increases in truck and heavy vehicle fees. Light vehicles should pay 65.9 percent and heavy vehicles should pay 34.1 percent of state highway revenue per 2007 Highway Cost Allocation Study. The 2009 Highway Cost Allocation Study may change these proportions. The JTA increases the weight-mile taxes and other fees paid by large trucks and other heavy vehicles. The table shows much additional money would be paid by trucks, but does not call out each fee paid by trucks because there are many truck fees, depending on truck weight.

## The Act's Investments - Highways, Roads, Streets, Bridges

<b>Distribution of Funds from Tax Increases</b>	<b>Millions per year</b>
Backfill to State Highway Program to replace federal funds "flexed" to non-highway investments	\$44.0
County Road Programs <i>(distributed to Oregon's 36 counties by formula)</i>	\$136.5
City Street Programs <i>(distributed to Oregon's 242 incorporated cities by formula)</i>	\$91.0
State Highway Program <i>(see detail in next table)</i>	\$227.5
<b>TOTAL</b>	<b>\$499.0</b>

<b>State Highway Program Detail</b>	<b>Millions per year</b>
County Baseline Road Funding	\$6.5
Invest in Green Technologies <ul style="list-style-type: none"> <li>Invest in the necessary infrastructure for electric vehicles</li> <li>Expenses related to the Department of Environmental Quality's work with state and local government agencies relating to the evaluation of air quality issues in highway planning</li> </ul>	\$8.0 \$0.5
Explore and Identify Sustainable Revenue Mechanisms <ul style="list-style-type: none"> <li>Continue work of Road User Task Force</li> <li>Fund Initial work of Transportation Utility Commission</li> </ul>	\$5.0 \$0.5
Take Care of the System: Maintenance, Preservation and Safety <ul style="list-style-type: none"> <li>Maintenance and Safety</li> <li>Preservation</li> <li>Urban preservation</li> <li>Bridge</li> <li>Culverts and landslides</li> </ul>	\$35.0 \$20.0 \$ 5.0 \$10.0 \$10.0
Increase System Efficiency: <i>Improve Operations and Intelligent Transportation Systems</i>	\$12.0
Make Strategic Investments <ul style="list-style-type: none"> <li>Increase investments in state highway modernization program</li> <li>Freight bottleneck relief (bond debt service)</li> </ul>	\$50.0 \$50.0
Columbia River Crossing <i>Minimum funding amount to keep project going</i>	\$15.0
State Highway Funding SUBTOTAL	\$227.5

<b>Highway Bond Program</b>	<b>Millions</b>
Freight bottleneck relief <i>Debt service (\$50 million per year)</i>	\$600

## The Act's Investments - Multimodal

The JTA dedicates \$16.1 million per year of lottery proceeds as debt service for the \$150 million *ConnectOregon* bond program and for the \$35 million in bonds to purchase a new train for the Amtrak *Cascades* line. In addition to these one-time dollars, the JTA provides for \$44 million in flexible federal funds to be transferred from the state highway program to fund investments in eligible multimodal transportation needs.

The JTA also commits revenue from a 2.5 cent increase in the state cigarette tax to the Elderly and Disabled Special Transportation Fund. The Fund finances transportation services for senior citizens and people with disabilities across the state.

<b>JTA Multimodal Investment</b>	<b>Millions per year</b>	<b>Total Investment (millions)</b>
<i>ConnectOregon</i> III: \$150 million in lottery backed bonds, with at least 10 percent going to each ODOT region Annual debt service for bonds	\$12.6	\$150.0
Amtrak Cascades Passenger Rail Service in Willamette Valley: Purchase new train (locomotive, passenger cars) for Amtrak Cascades Service with \$35 million in lottery backed bonds Annual debt service for bonds	\$3.5	\$35.0
Elderly and Disabled Transportation Services: 2.5¢ state cigarette tax increase ( <i>currently, two cents of the state cigarette tax is dedicated to elderly and disabled transportation services</i> )	\$5	\$5
Other Eligible Multimodal Investments: Allocate federal Surface Transportation Program (STP) money to eligible multimodal investments	\$44.0	\$44.0
<b>TOTAL MULTIMODAL INVESTMENT</b>		<b>\$234</b>

Oregon currently spends \$60.5 million of lottery proceeds annually on debt service for non-highway transportation programs. This commitment continues under JTA and assumes that the money now dedicated to debt service would be reinvested in non-highway transportation projects when the debts are fully repaid.

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Section	Description
	<b>Transportation Utility Commission (TUC)</b>
1	<ul style="list-style-type: none"> <li>• Creates a 5 person commission. TUC members and the TUC chairperson would be appointed by the Governor.</li> <li>• Directs TUC to:               <ul style="list-style-type: none"> <li>○ Develop a common chart of accounts for revenues and expenditures and descriptions for the condition of the transportation infrastructure for use by all state, county and city transportation agencies in this state;</li> <li>○ Estimate the total amount of revenue required by all jurisdictions in this state to maintain, preserve and modernize the transportation system;</li> <li>○ Develop a conceptual framework for funding transportation services and facilities; and</li> <li>○ Develop and adopt alternative rates for consumers to choose as an option to the motor fuel tax and for use in congestion pricing pilot projects.</li> </ul> </li> <li>• Directs TUC to report to interim House and Senate committees by December 2010.</li> <li>• Directs ODOT to assist the TUC in the performance of its duties.</li> </ul>
2	<ul style="list-style-type: none"> <li>• Sunsets the TUC in January 2012, pending action in the 2011 session.</li> </ul>
	<b>Task Forces and Studies</b>
3	<ul style="list-style-type: none"> <li>• Directs Oregon Transportation Commission (OTC), in consultation with local governments, planning organizations, and stakeholders to:               <ul style="list-style-type: none"> <li>○ Review the responsibilities given to the state, counties and cities for improvement, maintenance and management of the highway system and the resources available to each level of government and make recommendations to better align resources and responsibilities.</li> <li>○ Review best practices for stakeholder involvement in transportation decision making.</li> <li>○ Identify opportunities to achieve greater program efficiency in the delivery of transportation services and programs through intergovernmental cooperation.</li> <li>○ Study national best practices for improving the delivery of metropolitan transportation services through enhanced regional decision making.</li> </ul> </li> <li>• Directs OTC to make a progress report to House and Senate transportation committees by December 2010 and a final report by December 2012.</li> </ul>
4	<ul style="list-style-type: none"> <li>• Repeals direction to OTC to do the studies above January 2014.</li> </ul>

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Section	Description
	<b>Congestion Pricing Pilot Programs</b>
5	<ul style="list-style-type: none"> <li>• Directs OTC and ODOT to conduct pilot programs in one or more communities to study the effect that congestion pricing on traffic congestion.</li> <li>• Directs OTC to report on its work to design and implement congestion pricing pilot programs by December 2010.</li> </ul>
6	<ul style="list-style-type: none"> <li>• Repeals direction to OTC to conduct congestion pricing pilots in January 2016.</li> </ul>
	<b>Vehicle Miles of Travel Technology</b>
7 to 12	<ul style="list-style-type: none"> <li>• Directs ODOT to work with federal government, other states and transportation stakeholders to refine technology needed to implement a VMT fee.</li> <li>• Authorizes ODOT to conduct the needed research, including setting fees for pilot programs.</li> <li>• Allows ODOT to use the Innovative Partnership program to accomplish the required research.</li> <li>• Allows ODOT to vary fees within any pilots to maximize use of existing road capacity, to reduce greenhouse gas emissions, or other public policy objectives.</li> <li>• Requires ODOT to report to the Legislature during each regular session on the work of designing, implementing and evaluating pilot programs.</li> <li>• Sunsets VMT research in January 2018.</li> </ul>
	<b>Interim Project Selection Criteria / STIP Stakeholders</b>
13 & 14	<ul style="list-style-type: none"> <li>• Directs the OTC to work with stakeholders to review and update the criteria used for Statewide Transportation Improvement Program (STIP) project selection. When it revises the project selection criteria, the OTC shall consider the following principles to: <ul style="list-style-type: none"> <li>○ Improve the state highway system or major access routes to the state highway system on the local road system to relieve congestion by expanding capacity, enhancing operations or otherwise improving travel times within high-congestion corridors.</li> <li>○ Enhance the safety of the traveling public using access management and other techniques in support of decreasing traffic crash rates, promoting the efficient movement of people and goods and preserving the public investment in the transportation system.</li> <li>○ Increase the operational effectiveness and reliability of the existing system by using technological innovation, providing linkages to other existing components of the transportation system and relieving</li> </ul> </li> </ul>

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	<p>congestion.</p> <ul style="list-style-type: none"> <li>○ Be capable of being implemented in a timely manner to reduce congestion in other modes of transportation and reduce the need for additional highway projects.</li> <li>○ Improve of the condition, connectivity and capacity of freight-reliant infrastructure serving the state.</li> <li>○ Support improvements necessary for the state's economic growth and competitiveness, accessibility to industries and economic development.</li> <li>○ Provide the greatest benefit in relationship to project costs.</li> <li>○ Foster livable communities by demonstrating that the investment reinforces or does not undermine compact urban development.</li> <li>○ Enhance the value of transportation projects through designs and development that reflect environmental stewardship and community sensitivity.</li> <li>○ Be consistent with infrastructure plans and reinforce the state's greenhouse gas reduction goals in ORS 468A.205.</li> </ul>
	<b>Flexible Federal Funds for Non-Highway Purposes</b>
15	<ul style="list-style-type: none"> <li>● Directs the OTC to determine the amount of flexible federal funds that can be transferred to eligible non-highway projects without affecting Oregon's ability to qualify for federal discretionary grants.</li> <li>● Directs the OTC to use the money to fund eligible non-highway projects within the STIP.</li> </ul>
	<b>Environmental Stewardship / Green Standards</b>
16	<ul style="list-style-type: none"> <li>● Directs ODOT to apply the environmental stewardship approaches developed for the 2003 Oregon Transportation Investment Act (OTIA III) by: <ul style="list-style-type: none"> <li>○ Incorporating environmental performance standards into the design and construction of all state highway construction projects, including local government highway construction projects funded by the department.</li> <li>○ Working with state and federal environmental regulatory agencies to improve the environmental permitting process.</li> </ul> </li> </ul>
	<b>Least Cost Planning</b>
17 & 18	<ul style="list-style-type: none"> <li>● Defines "least cost planning" to mean a process of comparing direct and indirect costs of demand and supply options to meet transportation goals and / or policies where the intent of the process is to identify the most cost effective mix of options.</li> <li>● Directs ODOT to develop least cost planning model in cooperation with local government.</li> </ul>

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Section	Description
	<ul style="list-style-type: none"> <li>• Directs ODOT to make a progress report to the 2011 session with recommendations for legislation, if needed, by February 2011.</li> </ul>
	<b>Encourage Use of Electric Vehicles</b>
19	<ul style="list-style-type: none"> <li>• Allows state agencies to provide electricity to the public for purpose of charging plug-in hybrid and all-electric cars.</li> </ul>
	<b>Passenger Rail Equipment for Amtrak Cascades Service</b>
20 & 21	<ul style="list-style-type: none"> <li>• Makes the Legislative finding that lottery funds may finance purchase of passenger railroad equipment for the Amtrak Cascades train service because the purchase promotes economic development.</li> <li>• Authorizes \$35 million in lottery-backed bonds to purchase of passenger railroad equipment for the Amtrak Cascades train service in the Willamette Valley.</li> </ul>
	<b>ConnectOregon III</b>
22 & 23	<ul style="list-style-type: none"> <li>• Makes the Legislative finding that lottery funds may be used to finance multimodal transportation facilities because a strong multimodal transportation system supports economic development.</li> <li>• Authorizes \$150 million in lottery-backed bonds for the <i>ConnectOregon III</i> program.</li> <li>• Requires that each region of the state receive no less than 10 percent (\$15 million) of the <i>ConnectOregon III</i> money, provided that there are qualified projects in the region.</li> <li>• Defines the five regions.</li> </ul>
	<b>Medium Speed Electric Vehicle</b>
24 to 27	<ul style="list-style-type: none"> <li>• Defines a new vehicle class: “medium speed electric vehicle.”</li> <li>• Allows medium speed electric vehicles to be driven on roads with a speed of 40 mph or less.</li> <li>• Creates a traffic offense for operating a medium speed electric vehicle on a road with a speed higher than 40 mph.</li> <li>• Allows a city or county to allow medium speed electric vehicles on roads with speed limits higher than 40 mph.</li> <li>• Allows ODOT to adopt minimum safety standards for medium speed electric vehicles.</li> <li>• Authorizes ODOT to deny registration for vehicles that do not meet the minimum safety standards.</li> </ul>

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Section	Description
	<b>Co-Location of State and Local Facilities</b>
28	<ul style="list-style-type: none"> <li>• Directs ODOT to prepare its biennial capital construction request to facilitate the sharing of offices and facilities with local government.</li> </ul>
	<b>Vehicle Title Fees</b>
29	<ul style="list-style-type: none"> <li>• Increases vehicle title fees by:               <ul style="list-style-type: none"> <li>○ \$55 for vehicles weighing less than 26,001 pounds (from \$55 to \$110)</li> <li>○ \$20 for vehicles weighing more than 26,000 pounds (from \$90 to \$110)</li> <li>○ \$10 for salvage titles (from \$17 to \$27)</li> </ul> </li> <li>• Creates a first time title fee of \$100 that is in addition to the fees above. The \$100 first time title fee will be in effect during calendar 2010.</li> <li>• Allows customers who must have a duplicate title issued and have a title transfer to pay \$110 to accomplish both transactions when the transactions are done at the same time.</li> </ul>
	<b>Variable First Time Title Fee</b>
30 & 58	<ul style="list-style-type: none"> <li>• Creates a variable first time fee of:               <ul style="list-style-type: none"> <li>○ \$50 for a vehicle with a combined EPA fuel economy rating of at least 30 mpg.</li> <li>○ \$100 for a vehicle with a combined EPA fuel economy rating less than 30 mpg.</li> </ul> </li> <li>• Makes the variable first time title fee effective January 2011.</li> </ul>
	<b>Registration Fees</b>
31	<ul style="list-style-type: none"> <li>• Increases annual vehicle registration fees by:               <ul style="list-style-type: none"> <li>○ \$54 for cars, vans, pickups, and SUVs (from \$27 to \$81).</li> <li>○ \$30 for mopeds and motorcycles (from \$15 to \$45)</li> <li>○ \$54 for hybrid electrics (from \$27 to \$81)</li> <li>○ \$18 for two and three wheeled electric vehicles (from \$27 to \$45)</li> <li>○ \$54 for vehicles required to register by weight less than 8,000 pounds (from \$27 to \$81).</li> <li>○ \$6 for fixed load vehicles weighing more than 3,000 pounds (from \$75 to \$81)</li> <li>○ \$54 for farm vehicles weighing less than 8,000 pounds (from \$27 to \$81). The registration fee schedule for farm vehicles registered by weight above 8,000 is also increased. For 8,001 to 10,000 pounds, the increase is \$55 (from \$30 to \$85). The fee schedule is increased by \$5 increments above \$85 until the 48,001 to 50,000 pound weight class where the revised fees equal the existing fees.</li> </ul> </li> <li>• Establishes a \$54 registration fee for a medium speed electric vehicle.</li> </ul>

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	<b>Gasoline and Diesel Tax</b>
32	<ul style="list-style-type: none"> <li>• Increases the gasoline tax by 2 cents per gallon (from 24 cents per gallon to 26 cents per gallon).</li> </ul>
33	<ul style="list-style-type: none"> <li>• Increases the diesel tax by 2 cents per gallon (from 24 cents per gallon to 26 cents per gallon). This is the tax paid for diesel used in vehicles under 26,001 pounds in weight.</li> </ul>
	<b>Truck Taxes and Fees</b>
34	<ul style="list-style-type: none"> <li>• Increases the road use assessment fee by _____ (from 5.7 cents per single axle equivalent mile to _____) to ensure the revenue raised from heavy vehicles remains in proportion to the revenue raised from light vehicles under the Jobs and Transportation Act.</li> </ul>
35	<ul style="list-style-type: none"> <li>• Increases the weight mile tax tables by _____ percent to ensure the revenue raised from heavy vehicles remains in proportion to the revenue raised from light vehicles under the Jobs and Transportation Act.</li> </ul>
36	<ul style="list-style-type: none"> <li>• Increases the flat fee rates to ensure the revenue raised from heavy vehicles remains in proportion to the revenue raised from light vehicles under the Jobs and Transportation Act:               <ul style="list-style-type: none"> <li>○ \$ _____ for log trucks (from \$6.10 per 100 pound declared weight to \$ _____)</li> <li>○ \$ _____ for farm trucks (from \$5.00 per 100 pound declared weight to \$ _____)</li> <li>○ \$ _____ for sand and gravel trucks (from \$6.05 per 100 pound declared weight to \$ _____)</li> <li>○ \$ _____ for chip trucks (from \$24.62 per 100 pound declared weight to \$ _____)</li> </ul> </li> </ul>
	<b>Revenue Distribution</b>
37, 38 & 40	<ul style="list-style-type: none"> <li>• Distributes the highway revenues raised by the Jobs and Transportation Act as follows:               <ul style="list-style-type: none"> <li>○ An amount equivalent to the federal funds reserved by the Oregon Transportation Commission for eligible non-highway purposes is transferred to ODOT (est. \$44.0 million per year)</li> <li>○ The balance is allocated:                   <ul style="list-style-type: none"> <li>▪ 50 percent to ODOT for the state highway program (est. \$227.5</li> </ul> </li> </ul> </li> </ul>

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Section	Description
	<p>million per year)</p> <ul style="list-style-type: none"> <li>▪ 30 percent to counties (est. \$136.5 million per year)</li> <li>▪ 20 percent to cities (est. \$91.0 million per year)</li> </ul> <ul style="list-style-type: none"> <li>• The money for ODOT’s state highway program is allocated as follows: <ul style="list-style-type: none"> <li>○ 2.86 percent to the Timber Dependent Counties Safety Net Account (est. \$6.5 million per year)</li> <li>○ 5.71 percent for congestion pricing studies and refining VMT technology (est. \$13 million per year)</li> <li>○ 0.22 percent to the Transportation Utility Commission (est. \$0.5 million per year)</li> <li>○ 0.22 percent to the Department of Environmental Quality (est. \$0.5 million per year)</li> <li>○ 15.38 percent for Maintenance and Safety (est. \$35.0 million per year)</li> <li>○ 10.99 percent for Preservation (est. \$25 million per year, including \$5 million per year for high volume roads)</li> <li>○ 4.40 percent for Bridge (est. \$10 million per year)</li> <li>○ 9.67 percent for Operations (est. 22 million per year, including \$12 million per year for Intelligent Transportation System projects)</li> <li>○ 50.55 percent for Modernization (est. \$115.0 million per year, including \$15 million per year for the Columbia River Crossing project)</li> </ul> </li> </ul>
	<b>Timber Counties Safety Net Account</b>
39 & 46	<ul style="list-style-type: none"> <li>• Creates the Timber Dependent County Safety Net Account.</li> <li>• Modifies the Special County Allotment process so that it provides supplemental assistance to counties with county road funds that are less than \$4500 per county arterial and collector mile or \$1 million in the prior year.</li> <li>• Provides that money in the Safety Net Account pay the supplemental assistance to the counties that qualify for assistance.</li> <li>• Requires counties to make up the balance from money available to counties if the balance in the Safety Net Account is not sufficient to provide the full amount of the distribution.</li> </ul>
	<b>Local Resources for Mass Transit and Transportation Districts</b>
41	<p><b>Payroll Tax</b></p> <ul style="list-style-type: none"> <li>• Allows mass transit districts and transportation districts to levy a payroll tax of 0.8 percent of gross payroll.</li> </ul>

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Section	Description
42	<ul style="list-style-type: none"> <li>Requires mass transit districts and transportation districts that levy a payroll tax at the current maximum level (0.7 percent) to transition to the new maximum rate (0.8 percent) over a 10 year period.</li> </ul>
43 & 44	<p><b>Levy without Prior Voter Approval</b></p> <ul style="list-style-type: none"> <li>Allows the board of directors of a transportation district (Basin Transit Service or Rogue Valley Transportation District, for instance) to a levy business license fee, a payroll tax, or an income tax without first seeking voter approval. If a board levies such a tax, the board measure may be referred to the voters by initiative petition.</li> </ul>
56	<ul style="list-style-type: none"> <li>Repeals ORS 267.302 that requires the board of directors of the Salem Area Mass Transit District to first seek voter approval for any measure that levies a business license fee, a payroll tax, or an income tax.</li> <li>Repeals the 10 year transition from a maximum payroll tax of 0.6 to a maximum of 0.7 percent of gross payroll as required by sections 8 and 9, chapter 739 Oregon Laws 2003.</li> </ul>
<b>Bicycle and Pedestrian Program</b>	
45	<ul style="list-style-type: none"> <li>Increases the set aside for bicycle and pedestrian programs from 1.0 percent to 1.5 percent of each jurisdiction's highway money.</li> </ul>
<b>Freight Bottleneck Relief / Authorize \$600 million in Bonds</b>	
47 to 50	<ul style="list-style-type: none"> <li>Authorizes \$600 million in Highway User Tax Bonds for projects that relieve freight bottlenecks.</li> <li>Protects current bond holders' interests.</li> <li>Allows bonds to be issued during 2009-2011 biennium even though the bonds were not included within the bond limit bill.</li> </ul>
<b>County Option Vehicle Registration Fee</b>	
51	<ul style="list-style-type: none"> <li>Allows a county commission to adopt a local option vehicle registration fee without first seeking voter approval.</li> </ul>
57	<ul style="list-style-type: none"> <li>Provides that authority to adopt a local option vehicle registration fee by county boards applies to board actions taken after the effective date of the Jobs and Transportation Act (January 1, 2010).</li> </ul>

**Jobs and Transportation Act  
HB 2120**

Section	Description
	<b>Plate Manufacturing Fee</b>
52	<ul style="list-style-type: none"> <li>Allows ODOT to increase the plate manufacturing fee to recover the cost of making plates.</li> </ul>
	<b>Custom Plate Fee for Passenger Rail Fund</b>
53	<ul style="list-style-type: none"> <li>Increases the custom plate fee from \$25 to \$50 per year to raise money for the Passenger Rail Fund.</li> </ul>
	<b>Fees Paid to Auto Dealers</b>
54	<ul style="list-style-type: none"> <li>Allows auto dealers to increase the fees that they charge for process title and registration transactions for customers. The new fees will be \$100 (dealers who use integrators) and \$75 (dealers who do not use integrators); the current fees are \$75 and \$50, respectively.</li> </ul>
	<b>Pay as You Drive Insurance</b>
55	<ul style="list-style-type: none"> <li>Extends the sunset date by five years to 2015 for an income tax credit for companies that offer “pay as you drive” auto insurance.</li> </ul>
	<b>Effective Date</b>
	<ul style="list-style-type: none"> <li>The Jobs and Transportation Act will become effective on January 1, 2010.</li> </ul>