

1 **SENATE FLOOR VERSION**

2 March 24, 2021

3 ENGROSSED HOUSE
4 BILL NO. 1712

By: Hill and Hilbert of the
House

5 and

6 Haste of the Senate

7
8
9 An Act relating to transportation; declaring
10 legislative intent; creating the Oklahoma Road User
Charge Program; creating the Road User Charge Task
11 Force; providing for task force representation from
certain groups; providing for duties of task force;
12 requiring submission of findings and recommendations
to Legislature by certain date; authorizing the
Oklahoma Tax Commission to collect certain fees and
13 charges; requiring fees collected be used for certain
purposes; providing for noncodification; providing
14 for codification; and providing an effective date.

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17 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

18 SECTION 1. NEW LAW A new section of law not to be
19 codified in the Oklahoma Statutes reads as follows:

20 The Legislature finds and declares the following:

- 21 1. An efficient transportation system is critical for
22 Oklahoma's economy and quality of life;
- 23 2. The revenues currently available for highways are
24 unsustainable and inadequate to preserve and maintain existing

1 infrastructure and provide funds for improvements that would reduce
2 congestion and improve service;

3 3. The gas tax is an ineffective mechanism for meeting
4 Oklahoma's long-term revenue needs because it will steadily generate
5 less revenue as vehicles become more fuel efficient and alternative
6 sources of fuel are utilized. Currently, alternative-powered
7 vehicles contribute less to road user revenue used for building and
8 maintaining Oklahoma's highways, with some contributing none;

9 4. Many other states have begun to explore the potential for a
10 road usage charge to replace traditional motor fuel taxes;

11 5. Road usage charging is a policy whereby motorists pay for
12 the use of the roadway network based on the distance they travel;

13 6. A road user charge program has the potential to distribute
14 the gas tax burden across all vehicles regardless of the fuel source
15 and to minimize the impact of the current regressive gas tax
16 structure;

17 7. Experience to date in other states across the nation
18 demonstrates that mileage-based charges can be implemented in a way
19 that ensures data security and maximum privacy protection for
20 drivers;

21 8. According to the Department of Transportation's Long Range
22 Transportation Plan, by 2045, the amount of fuel tax revenue
23 generated per vehicle miles traveled is expected to decrease by
24 forty-four and seven-tenths percent (44.7%); and

1 9. It is therefore vital to begin the exploration of
2 alternative revenue sources that may be implemented in lieu of the
3 antiquated gas tax structure now in place.

4 SECTION 2. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 1930 of Title 69, unless there
6 is created a duplication in numbering, reads as follows:

7 This act shall be known and may be cited as the "Oklahoma Road
8 User Charge Program".

9 SECTION 3. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 1931 of Title 69, unless there
11 is created a duplication in numbering, reads as follows:

12 A. 1. There is hereby created the Road User Charge Task Force.
13 The task force shall be chaired by the Executive Director of the
14 Department of Transportation and shall consist of, but shall not be
15 limited to, representation from the following groups:

- 16 a. Department of Transportation,
- 17 b. Metro Planning Organizations (MPOs),
- 18 c. Oklahoma Center for the Advancement of Science and
19 Technology,
- 20 d. Office of Management and Enterprise Services,
- 21 e. Oklahoma Tax Commission,
- 22 f. Oklahoma Municipal League,
- 23 g. Association of County Commissioners of Oklahoma,
- 24 h. Oklahoma Corporation Commission,

- 1 i. Department of Transportation Tribal Advisory Board,
- 2 j. Industry representatives,
- 3 k. Office of the Speaker of the House of Representatives,
- 4 and
- 5 l. Office of the President Pro Tempore of the Senate;

6 2. The Road User Charge Task Force shall:

- 7 a. consult with highway users and transportation
- 8 stakeholders including stakeholders representing
- 9 vehicle users, vehicle manufacturers and fuel
- 10 distributors, to ensure fair and equitable
- 11 distribution of the gas tax burden across all vehicles
- 12 regardless of fuel source,
- 13 b. study the availability, adaptability, reliability and
- 14 security of methods that may be used in recording and
- 15 reporting public road usage,
- 16 c. study the ease and cost of administering the
- 17 collection of taxes and fees as an alternative to the
- 18 current system of taxing highway use through motor
- 19 vehicle fuel taxes,
- 20 d. ensure that processes for collecting, managing,
- 21 storing, transmitting and destroying data are in place
- 22 to protect the integrity of the data and safeguard the
- 23 privacy of drivers,
- 24

- 1 e. collaborate with other states to seek potential
2 interoperability opportunities to capture out-of-state
3 drivers traveling through Oklahoma,
4 f. develop and implement a voluntary pilot program to
5 assess the potential for mileage-based revenue
6 collection for Oklahoma's roads and highways as an
7 alternative to the gas tax system,
8 g. through public outreach, secure a sampling of
9 individuals willing to participate in the pilot
10 program for testing purposes in lieu of paying certain
11 vehicle registration fees, and
12 h. seek available federal funds for studies,
13 demonstration projects or pilots associated with the
14 Oklahoma Road User Charge Program's implementation.

15 B. A report of findings and recommendations determined by the
16 task force on how best to implement the Oklahoma Road User Charge
17 Program shall be submitted to the Legislature by December 31, 2023.

18 SECTION 4. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 1932 of Title 69, unless there
20 is created a duplication in numbering, reads as follows:

21 The Oklahoma Tax Commission shall administer the collection of
22 any charges or fees associated with the Oklahoma Road User Charge
23 Program. Collections from the road usage charges imposed under this
24 act shall be specifically designated for the purpose of maintaining

1 and improving the roads, highways and bridges in the State of
2 Oklahoma.

3 SECTION 5. This act shall become effective November 1, 2021.

4 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
5 March 24, 2021 - DO PASS
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