

**DRAFT ONLY  
NOT APPROVED FOR  
INTRODUCTION**

HOUSE BILL NO.

Road usage charge.

Sponsored by: Joint Transportation, Highways & Military  
Affairs Interim Committee

A BILL

for

1 AN ACT relating to highways; establishing a road usage  
2 charge; providing for the distribution of funds; creating  
3 penalties; providing for a fuel tax sunset; requiring  
4 reporting; requiring rulemaking; and providing for  
5 effective dates.

6

7 \*\*\*\*\*

8 **STAFF COMMENT**

9 This bill draft provides illustration for discussion  
10 purposes, but each section opens policy considerations,  
11 which WYDOT/WSP plans to explain at the September 2020  
12 committee meeting. The bill draft has not been through the  
13 complete LSO internal review process, and technical or  
14 substantive changes may be required in addition to changes  
15 directed by the Committee.

16 \*\*\*\*\*

17 *Be It Enacted by the Legislature of the State of Wyoming:*

1

2       **Section 1.** W.S. 24-8-201 through 24-8-210 are created  
3 to read:

4

5

CHAPTER 8

6

HIGHWAY FUNDING

7

ARTICLE 1

8

BONDS

9

ARTICLE 2

10

ROAD USAGE CHARGE

11

\*\*\*\*\*

12

STAFF COMMENT

13

The above changes to the organization of the chapter are  
14 illustrated in strike and underline at this stage, but at  
15 the final bill will be shown without.

16

\*\*\*\*\*

17

18

**24-8-201. Definitions.**

19

20

(a) As used in this article:

21

22

(i) "Commercial account manager" means a private

23

entity the department selects to manage payer mileage

24

reporting information, to collect road usage charge

25

payments and to manage road usage charge accounts on behalf

26

of the payer;

1

2 (ii) "Department" means the Wyoming department  
3 of transportation;

4

5 (iii) "Payer" means a vehicle's registered owner  
6 or lessee who is responsible for payment of the road usage  
7 charge;

8

9 (iv) "Highway" means as defined in  
10 W.S. 31-1-101(a)(viii);

11

12 (v) "Road usage charge" means the per mile tax  
13 or flat tax charged to a payer for individual vehicle use  
14 on a Wyoming highway;

15

16 (vi) "State account manager" means an entity  
17 created by the department to oversee administration and  
18 enforcement of the road usage charge program, to collect  
19 road usage charge payments and to manage road usage charge  
20 accounts on behalf of the state;

21

1           (vii) "Vehicle mileage metering system" means  
2 any mechanism that measures the number of miles a vehicle  
3 is driven;

4

5           (viii) "Vehicle categories" mean the types of  
6 vehicles to which the road usage charge applies as follows:

7

8           (A) "Category 1" means federal highway  
9 administration class 1 vehicles (motorcycles) and  
10 multipurpose vehicles (all terrain and off-road  
11 recreational vehicles);

12

13           (B) "Category 2" means passenger cars;

14

15           (C) "Category 3" means pickup trucks and  
16 vans (including gasoline and diesel powered);

17

18           (D) "Category 4" means federal highway  
19 administration class 4 (buses) through class 7 (single unit  
20 four (4) or more axle trucks);

21

1 (E) "Category 5" means federal highway  
2 administration class 8 through class 10 (single trailer  
3 trucks);

4  
5 (F) "Category 6" means federal highway  
6 administration class 11 through class 13 (seven (7) or more  
7 axle multi-trailer trucks).

8 \*\*\*\*\*  
9 STAFF COMMENT  
10 Where would SUVs fall? Crossovers? "Van" (category 3) is  
11 not used elsewhere in Wyo statutes—what is the general type  
12 of this vehicle?  
13 \*\*\*\*\*  
14

15 24-8-202. Administration; rulemaking.

16  
17 (a) The administration of this article is vested in  
18 the department, which shall prescribe the reporting format  
19 and forms for the reporting of mileage and assessing,  
20 invoicing and collection of road usage charges and the  
21 credit for fuel taxes. The department shall promulgate  
22 rules consistent with the provisions of this article as  
23 provided by the Wyoming Administrative Procedure Act as  
24 necessary to enforce this article.

25

1           (b) The department shall create a state account  
2 manager to oversee administration and enforcement of the  
3 road usage charge program. This entity may be established  
4 within the department using internal department resources  
5 or, if more economically feasible, may be a nongovernmental  
6 entity contracted to perform in that capacity. The state  
7 account manager shall collect road usage charge payments  
8 and manage road usage charge accounts on behalf of the  
9 state and shall deposit collected funds into the state  
10 highway fund with receipt and acknowledgement submitted to  
11 the state treasurer. The department shall distribute the  
12 funds according to W.S. 24-8-205(c).

13

14           (c) The department shall contract with one (1) or  
15 more private sector entities to serve as commercial account  
16 managers to manage customer mileage reporting information.  
17 A commercial account manager shall collect road usage  
18 charge payments and manage road usage charge accounts on  
19 behalf of the road usage charge payer and shall deposit  
20 collected funds, less any agreed upon administrative costs,  
21 into the state highway fund, with receipt and  
22 acknowledgement submitted to the state treasurer. The  
23 department shall distribute the funds according to

1 W.S. 24-8-205(c). A commercial account manager may also  
 2 provide value added services to payers and may collect data  
 3 from road usage charge payers with their express consent.  
 4 Commercial account managers may also compete for road usage  
 5 charge payers through the use of technology and value-added  
 6 services.

7 \*\*\*\*\*  
 8 **STAFF COMMENT**  
 9 **Can a commercial account manager charge a fee?**  
 10 \*\*\*\*\*  
 11

12 (d) The department shall by rule establish standards,  
 13 administrative policies and requirements to ensure that:

14  
 15 (i) The state account manager shall not  
 16 administer any account that is technology based. All  
 17 technology based accounts shall be administered by a  
 18 commercial account manager;

19  
 20 (ii) Department authorized commercial account  
 21 managers:

22  
 23 (A) Accurately report per-mile data  
 24 collected from payers;

25

1                   (B) Use a vehicle mileage metering system  
2 to ensure safe, accurate and reliable road usage charge  
3 data reporting, transaction processing, account management  
4 and financial reporting;

5

6                   (C) Use methods for safeguarding and  
7 protecting the personally identifiable information of each  
8 payer;

9

10                   (D) Convey privacy policies to payers and  
11 obtain payers' express consent to share any personally  
12 identifiable information;

13

14                   (E) Comply with Wyoming financial auditing  
15 and reporting standards, including generally acceptable  
16 accounting principles;

17

18                   (F) Employ additional reporting, accuracy  
19 and privacy practices as the department deems necessary.

20

21                   (iii) State and commercial account managers  
22 comply with the most recent federal and state data security  
23 standards and protocols.

1

2 (e) All reports and records of the state and  
3 commercial account managers shall be open to examination by  
4 the department of audit.

5

6 **24-8-203. Road usage charge; rates; applicability.**

7

8 (a) There is assessed a road usage charge upon all  
9 Wyoming registered vehicles that travel on Wyoming's  
10 highways. Road usage charge rates are established for each  
11 vehicle category. Payers are responsible for the payment of  
12 all road usage charges as follows:

13

14 (i) Category 1 .....1.3 cents / mile;

15

16 (ii) Category 2 .....2.15 cents / mile;

17

18 (iii) Category 3 .....2.87 cents / mile;

19

20 (iv) Category 4 .....6.5 cents / mile;

21

22 (v) Category 5 .....10.32 cents / mile;

23

1 (vi) Category 6 .....14.35 cents / mile.

2

3 (b) The department shall develop a procedure for non-  
4 Wyoming residents to apply for and use the Wyoming road  
5 usage charge program in any form provided to Wyoming  
6 resident payers. The department may develop procedures to  
7 apply road usage charge rates to out of state vehicles  
8 through the use of time and mileage permits at ports of  
9 entry.

10

11 **24-8-204. Road usage charge indexing.**

12

13 Every x years, the department may adjust road usage charge  
14 rates to account for inflation. Rate adjustments shall be  
15 promulgated by rule pursuant to the Wyoming Administrative  
16 Procedure Act.

17

18 **24-8-205. Collection; distribution.**

19

20 (a) The department shall establish a means for the  
21 road usage charge to be paid through one (1) or both of the  
22 following methods:

23

1           (i) As a flat-fee based on the established per-  
2 mile rate for the eligible vehicle, multiplied by a maximum  
3 number of miles;

4

5           (ii) According to the miles recorded and  
6 reported from the vehicle mileage metering system based on  
7 the established per-mile rate for the eligible vehicle.

8

9           (b) The department shall establish procedures  
10 prescribing how frequently a payer shall be invoiced and  
11 make road usage charge payments according to the road usage  
12 charge payment method the payer selects.

13

14           (c) Any fuel taxes paid for the period immediately  
15 preceding the invoice period established in subsection (b)  
16 of this section shall be credited to the payer and  
17 reflected on the payer's invoice.

18

19           (d) Road usage charges collected for categories 1  
20 through 3 and deposited into the state highway fund  
21 according to W.S. 24-8-202(b) and (c) or collected directly  
22 by the department according to subsection (a) of this  
23 section shall be credited to the proper accounts as

1 specified by the department and in W.S. 39-17-111(c)(iv)  
 2 and (d). Road usage charges collected for categories 4  
 3 through 6 and deposited into the state highway fund  
 4 according to W.S. 24-8-202(b) and (c) or collected directly  
 5 by the department according to subsection (a) of this  
 6 section shall be credited to the proper accounts as  
 7 specified by the department and in W.S. 39-17-211(d).

8 \*\*\*\*\*  
 9 **STAFF COMMENT**  
 10 **The distributions specified above are the current**  
 11 **distributions for the gasoline tax (W.S. 39-17-111(c)) and**  
 12 **for the diesel tax (W.S. 39-17-211(d)). Committee please**  
 13 **advise if you prefer a different distribution.**  
 14 \*\*\*\*\*  
 15

16 **24-8-206. Mileage recording and reporting**  
 17 **methodologies.**

18  
 19 (a) Vehicle miles traveled may be recorded, assessed  
 20 and reported by multiple vehicle mileage metering system  
 21 options, including technology and manual options.  
 22 Recording, calculation, assessment and reporting shall be  
 23 conducted through the use of a state or commercial account  
 24 manager.

25

1 (b) The department shall provide the choice of at  
2 least one (1) vehicle mileage metering system option that  
3 does not require technology and one (1) option that allows  
4 for unlimited travel in a given time period. These options  
5 shall be provided by the state account manager.

6

7 **24-8-207. Exemptions.**

8

9 (a) The following vehicles are exempt from the  
10 Wyoming road usage charge program:

11

12 (i) Federally owned or operated vehicles;

13

14 (ii) Tribal vehicles.

15 \*\*\*\*\*

16

**STAFF COMMENT**

17 **What other vehicles would the Committee prefer to exempt?**  
18 **State, county and municipality? University?**

19 **Would the Committee prefer to phase in the categories of**  
20 **vehicles, such as: Beginning January 1, 2021 it applies to**  
21 **one category and as of January 1, 2023 to other categories?**

22 \*\*\*\*\*

23

24 (b) The department shall by rule establish procedures  
25 under which a payer may apply to receive an exemption from  
26 the road usage charge program so long as the payer can

1 provide evidence of [payment of other fees in lieu of road  
2 usage charges, e.g.] or \_\_\_\_\_.

3 \*\*\*\*\*

4 **STAFF COMMENT**

5 **The Committee needs to address whether and how a payer may**  
6 **apply to receive an exemption.**

7 \*\*\*\*\*

8

9 **24-8-208. Interest; enforcement; penalties; liens.**

10

11 (a) The road usage charge assessed under  
12 W.S. 24-8-203 shall be collected by the department or state  
13 or commercial account manager together with interest of one  
14 percent (1%) per month on the road usage charge from the  
15 due date until payment.

16

17 (b) No person shall knowingly:

18

19 (i) Operate, nor shall an owner knowingly permit  
20 to be operated, upon any highway any Wyoming registered  
21 vehicle or any other vehicle participating in an applicable  
22 road usage program unless a valid, up to date certificate  
23 of payment of the road usage charge has been issued for the  
24 vehicle or unless the person holds a valid exemption. If a  
25 person is found to be in control of a vehicle operated or

1 driven upon any highway for which a road usage charge is  
2 required under subsection (a) of this section but for which  
3 the road usage charge fails to be paid by the date due as  
4 shown on the invoice for the road usage charge, the person  
5 shall be charged a penalty equal to seventy-five percent  
6 (75%) of the unpaid road usage charge plus interest as  
7 provided in subsection (a) of this section;

8

9 (ii) Make a false mileage reporting or other  
10 statement in any application or other document required  
11 under this article. Any person convicted of a violation of  
12 this paragraph, or convicted for aiding or abetting any  
13 person in a violation or noncompliance with this paragraph,  
14 is guilty of a misdemeanor punishable by a fine of not more  
15 than seven hundred fifty dollars (\$750.00), imprisonment  
16 for not more than six (6) months, or both.

17

18 (c) Delinquent road usage charges, penalties and  
19 interest shall constitute a lien on the motor vehicles for  
20 which payment has not been made by the person liable for  
21 payment of the road usage charges. If any road usage  
22 charge, penalties or interest remains delinquent for thirty  
23 (30) days or more or if any vehicle subject to the lien is

1 about to be removed from the state, the department or its  
2 authorized enforcement agent may seize and sell the vehicle  
3 subject to all existing liens and security interests held  
4 by others, at public auction upon notice to the owner and  
5 lienholder of record as provided by Rule 4 of the Wyoming  
6 Rules of Civil Procedure, and upon four (4) weeks notice of  
7 the sale in a newspaper published in the counties in which  
8 the vehicle is titled and registered. The department may  
9 bring suit in any court of competent jurisdiction to  
10 collect any delinquent road usage charges, penalties and  
11 interest under this article.

12

13 (d) The department shall by rule establish procedures  
14 to manage compliance with road usage charge payments. The  
15 state account manager, Wyoming highway patrol and all peace  
16 officers of any county or municipality shall aid in the  
17 enforcement of this article.

18

19 (e) Any person aggrieved by any final administrative  
20 decision of the department concerning the assessment of the  
21 road usage charge may appeal the decision to the board  
22 pursuant to the Wyoming Administrative Procedure Act.

23

1           **24-8-209. Program expansion.**

2

3           (a) The department shall develop plans to integrate  
4 Wyoming's road usage charge program into a larger regional  
5 or national program if established. Plans shall include:

6

7                   (i) Collaboration with other state departments  
8 of transportation and the federal highway administration  
9 necessary to implement appropriate agreed upon rules and  
10 regulations;

11

12                   (ii) Development of agreements to share vehicle  
13 registration and mileage data with safeguards of ensuring  
14 payer privacy and not sharing any personally identifying  
15 information without consent;

16

17                   (iii) Implementation of additional payer privacy  
18 protections if required;

19

20                   (iv) Other items the department may deem  
21 important.

22

1           **24-8-210. Fuel tax sunset.**

2

3           (a) Beginning March 31, 2022, the road usage charge  
4 program shall supplement current fuel tax revenue to reduce  
5 the annual funding shortfalls the department, counties and  
6 municipalities experience each year to raise and maintain  
7 road surfaces and bridges. As revenue from fuel taxes  
8 continues to decline based upon increase vehicle fuel  
9 mileage and conversion to electric vehicle technology, the  
10 pay by mile system shall eventually replace fuel taxes and  
11 shall be the main funding mechanism to ensure a safe and  
12 effective surface transportation system in Wyoming. To  
13 achieve a smooth transition from fuel taxes to the road  
14 usage charge the department shall:

15

16           (i) Annually provide the joint revenue interim  
17 committee, the joint transportation, highways and military  
18 affairs interim committee and the joint appropriations  
19 committee:

20

21           (A) An annual assessment on the  
22 effectiveness of the road usage charge to eliminate revenue  
23 shortfalls;

1

2 (B) Changes in rates necessary to cover  
3 shortfalls;

4

5 (C) Annual projections indicating reduction  
6 in fuel taxes to meet the share of revenue replaced by the  
7 road usage charge;

8

9 (D) Recommendations on a fuel tax phase out  
10 timeline and updates to that timeline when conditions  
11 indicate it will likely change.

12

13 (ii) Support regional and national efforts to  
14 implement a road usage charge on a larger scale.

15

16 (b) Until a regional or national road usage charge is  
17 established and methods to collect a road usage charge on  
18 vehicles registered outside of Wyoming is determined, fuel  
19 taxes shall be set to approximate road usage charge per  
20 mile charges to ensure that road usage charge registered  
21 vehicles do not inappropriately share more of the burden  
22 for transportation and highway revenue. The department  
23 shall make recommendations for the appropriate fuel tax

1 rates once vehicle road usage charge rates are established.  
2 Fuel tax rates shall also be indexed by rules consistent  
3 with W.S. 24-8-204 to maintain alignment with road usage  
4 charge rates until fuel taxes are replaced according to  
5 subsection (a) of this section.

6 \*\*\*\*\*  
7 STAFF COMMENT

8 WYDOT's current annual funding shortfall is estimated to be  
9 at least \$135 million. To reduce the revenue shortage while  
10 the road usage charge is implemented and expanded (or if  
11 the committee determines not to implement a road usage  
12 charge), a section amending existing statutes to implement  
13 the following increases could be added to this bill draft  
14 and each would indicate a sunset once replaced by road  
15 usage charge revenue:

16 a. A \$.05 increase in the Fuel Tax from \$.24 to \$.29  
17 for gasoline, diesel and alternative fuels. This expected  
18 to raise \$22,295,000 annually for the department.

19 b. A 0.5% to 1.0% increase in the state Sales Tax and  
20 dedicated to surface transportation requirements. This is  
21 expected to raise between \$52,247,946 and \$104,495,891  
22 annually for the department.

23 c. A \$5 increase in Vehicle Registration. This is  
24 expected to raise \$4,298,665 annually for the department.

25 d. Implementation of a 1% Vehicle Sales Tax. This  
26 expected to raise \$15,000,000 annually for the department.

27 \*\*\*\*\*  
28

29 Section 2. Not later than July 1, 2021, the  
30 department of transportation, state treasurer and  
31 department of revenue shall promulgate any rules necessary  
32 to administer this act.

33  
34 Section 3.

