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 charge; providing for the distribution of funds; creating 2 penalties; providing for a fuel tax sunset; requiring 3 4 reporting; requiring rulemaking; and providing for 5 effective dates. 6 7 Be It Enacted by the Legislature of the State of Wyoming: 8 9 **Section 1**. W.S. 24-8-201 through 24-8-210 are created

1

12 CHAPTER 8

to read:

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1	HIGHWAY FUNDING
2	
3	ARTICLE 2
4	ROAD USAGE CHARGE
5	
6	24-8-201. Definitions.
7	
8	(a) As used in this article:
9	
10	(i) "Commercial account manager" means a private
11	entity the department selects to manage payer mileage
12	reporting information, to collect road usage charge
13	payments and to manage road usage charge accounts on behalf
14	of the payer;
15	
16	(ii) "Department" means the Wyoming department
17	of transportation;
18	
19	(iii) "Highway" means as defined in
20	W.S. 31-1-101(a)(viii);
21	

1	(iv) "Payer" means a vehicle's registered owner
2	or lessee who is responsible for payment of the road usage
3	charge;
4	
5	(v) "Road usage charge" means the per mile tax
6	or flat tax charged to a payer for individual vehicle use
7	on a Wyoming highway;
8	
9	(vi) "State account manager" means an entity
10	created by the department to oversee administration and
11	enforcement of the road usage charge program, to collect
12	road usage charge payments and to manage road usage charge
13	accounts on behalf of the state;
14	
15	(vii) "Vehicle categories" mean the types of
16	vehicles to which the road usage charge applies as follows:
17	
18	(A) "Category 1" means federal highway
19	administration class 1 vehicles (motorcycles) and
20	multipurpose vehicles (all terrain and off-road
21	recreational vehicles);
22	
23	(B) "Category 2" means passenger cars;

1	
2	(C) "Category 3" means pickup trucks, vans,
3	sports utility vehicles and crossovers (including gasoline
4	and diesel powered);
5	
б	(D) "Category 4" means federal highway
7	administration class 4 (buses) through class 7 (single unit
8	four (4) or more axle trucks);
9	
10	(E) "Category 5" means federal highway
11	administration class 8 through class 10 (single trailer
12	trucks);
13	
14	(F) "Category 6" means federal highway
15	administration class 11 through class 13 (seven (7) or more
16	axle multi-trailer trucks).
17	
18	(viii) "Vehicle mileage metering system" means
19	any mechanism that measures the number of miles a vehicle
20	is driven.
21	
22	24-8-202. Administration; rulemaking.
23	

1 (a) The administration of this article is vested in

2 the department, which shall prescribe the reporting format

3 and forms for the reporting of mileage and assessing,

4 invoicing and collection of road usage charges and the

5 credit for fuel taxes. The department shall promulgate

6 rules consistent with the provisions of this article as

7 provided by the Wyoming Administrative Procedure Act as

8 necessary to enforce this article.

funds according to W.S. 24-8-205(c).

9

10 (b) The department shall create a state account manager to oversee administration and enforcement of the 11 12 road usage charge program. This entity may be established 13 within the department using internal department resources or, if more economically feasible, may be a nongovernmental 14 15 entity contracted to perform in that capacity. The state 16 account manager shall collect road usage charge payments 17 and manage road usage charge accounts on behalf of the state and shall deposit collected funds into the state 18 19 highway fund with receipt and acknowledgement submitted to 20 the state treasurer. The department shall distribute the

22

21

1	(c) The department shall contract with one (1) or
2	more private sector entities to serve as commercial account
3	managers to manage customer mileage reporting information.
4	A commercial account manager shall collect road usage
5	charge payments and manage road usage charge accounts on
6	behalf of the road usage charge payer and shall deposit
7	collected funds, less any agreed upon administrative costs,
8	into the state highway fund, with receipt and
9	acknowledgement submitted to the state treasurer. The
10	department shall distribute the funds according to
11	W.S. 24-8-205(c). A commercial account manager may also
12	provide value added services to payers and may collect data
13	from road usage charge payers with their express consent.
14	Commercial account managers may also compete for road usage
15	charge payers through the use of technology and value-added
16	services.
17	
18	(d) The department shall by rule establish standards,
19	administrative policies and requirements to ensure that:

(i) The state account manager shall not

6

22 administer any account that is technology based. All

[Bill Number]

1	technology based accounts shall be administered by a
2	commercial account manager;
3	
4	(ii) Department authorized commercial account
5	managers:
6	
7	(A) Accurately report per-mile data
8	collected from payers;
9	
10	(B) Use a vehicle mileage metering system
11	to ensure safe, accurate and reliable road usage charge
12	data reporting, transaction processing, account management
13	and financial reporting;
14	
15	(C) Use methods for safeguarding and
16	protecting the personally identifiable information of each
17	payer;
18	
19	(D) Convey privacy policies to payers and
20	obtain payers' express consent to share any personally
21	identifiable information;
22	

1	(E) Receive the contractually agreed upon
2	administrative costs as specified in subsection (c) of this
3	section provided that the commercial account manager shall
4	not directly charge payers any additional fee;
5	
6	(F) Comply with Wyoming financial auditing
7	and reporting standards, including generally acceptable
8	accounting principles;
9	
10	(G) Employ additional reporting, accuracy
11	and privacy practices as the department deems necessary.
12	
13	(iii) State and commercial account managers
14	comply with the most recent federal and state data security
15	standards and protocols.
16	
17	(e) All reports and records of the state and
18	commercial account managers shall be open to examination by
19	the department of audit, excluding any personally
20	identifying information of individual payers.
21	
22	(f) Any contract with a commercial account manager
23	shall be let to the responsible certified resident making

1	the lowest bid if the certified resident's bid is not more
2	than five percent (5%) higher than that of the lowest
3	responsible nonresident bidder.
4	
5	24-8-203. Road usage charge; rates; applicability.
6	
7	(a) There is assessed a road usage charge upon all
8	Wyoming registered vehicles that travel on Wyoming's
9	highways. Road usage charge rates are established for each
10	vehicle category. Payers are responsible for the payment of
11	all road usage charges as follows:
12	
13	(i) Category 1
14	
15	(ii) Category 22.15 cents / mile;
16	
17	(iii) Category 32.87 cents / mile;
18	
19	(iv) Category 46.5 cents / mile;
20	
21	(v) Category 510.32 cents / mile;
22	
23	(vi) Category 614.35 cents / mile.

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2 (b) The department shall develop a procedure for non-3 Wyoming residents to apply for and use the Wyoming road

4 usage charge program in any form provided to Wyoming

5 resident payers. The department may develop procedures to

6 apply road usage charge rates to out of state vehicles

7 through the use of time and mileage permits at ports of

8 entry.

9

10 24-8-204. Road usage charge indexing.

11

12 Every three (3) years, the department may adjust road usage

13 charge rates to account for inflation. Rate adjustments

14 shall be promulgated by rule pursuant to the Wyoming

15 Administrative Procedure Act.

16

17 24-8-205. Collection; distribution.

18

19 (a) The department shall establish a means for the

20 road usage charge to be paid through one (1) or both of the

21 following methods:

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
б	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

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).

- 9 24-8-206. Mileage recording and reporting
- 10 methodologies.

11

- 12 (a) Vehicle miles traveled may be recorded, assessed
- 13 and reported by multiple vehicle mileage metering system
- 14 options, including technology and manual options.
- 15 Recording, calculation, assessment and reporting shall be
- 16 conducted through the use of a state or commercial account
- 17 manager.

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

1	
2	24-8-207. Exemptions.
3	
4	(a) The following vehicles are exempt from the
5	Wyoming road usage charge program:
6	
7	(i) Federally owned or operated vehicles;
8	
9	(ii) Tribal vehicles.
10	
11	24-8-208. Interest; enforcement; penalties; liens.
12	
13	(a) The road usage charge assessed under
14	W.S. 24-8-203 shall be collected by the department or state
15	or commercial account manager together with interest of one
16	percent (1%) per month on the road usage charge from the
17	due date until payment.
18	
19	(b) No person shall knowingly:
20	
21	(i) Operate, nor shall an owner knowingly permit
22	to be operated, upon any highway any Wyoming registered
23	vehicle or any other vehicle participating in an applicable

road usage program unless a valid, up to date certificate 1 2 of payment of the road usage charge has been issued for the 3 vehicle or unless the person holds a valid exemption. If a 4 person is found to be in control of a vehicle operated or 5 driven upon any highway for which a road usage charge is required under subsection (a) of this section but for which 6 the road usage charge has not been paid by the date due as 7 8 shown on the invoice for the road usage charge, the person 9 shall be charged a penalty equal to seventy-five percent 10 (75%) of the unpaid road usage charge plus interest as provided in subsection (a) of this section; 11

12

13 (ii) Make a false mileage reporting or other statement in any application or other document required 14 under this article. Any person convicted of a violation of 15 16 this paragraph, or convicted for aiding or abetting any 17 person in a violation or noncompliance with this paragraph, 18 is quilty of a misdemeanor punishable by a fine of not more 19 than seven hundred fifty dollars (\$750.00), imprisonment 20 for not more than six (6) months, or both.

21

22 (c) Delinquent road usage charges, penalties and 23 interest shall constitute a lien on the motor vehicles for 1 which payment has not been made. If any road usage charge,

- 2 penalties or interest remains delinquent for thirty (30)
- 3 days or more or if any vehicle subject to the lien is about
- 4 to be removed from the state, the department or its
- 5 authorized enforcement agent may seize and sell the vehicle
- 6 subject to all existing liens and security interests held
- 7 by others, at public auction upon notice to the owner and
- 8 lienholder of record as provided by Rule 4 of the Wyoming
- 9 Rules of Civil Procedure, and upon four (4) weeks notice of
- 10 the sale in a newspaper published in the county in which
- 11 the vehicle is titled and registered. The department may
- 12 bring suit in any court of competent jurisdiction to
- 13 collect any delinquent road usage charges, penalties and
- 14 interest under this article.

15

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

- 22 (e) Any person aggrieved by any final administrative
- 23 decision of the department concerning the assessment of the

1	road usage charge may appeal the decision to the state
2	board of equalization pursuant to the Wyoming
3	Administrative Procedure Act.
4	
5	24-8-209. Program expansion.
6	
7	(a) The department shall develop plans to integrate
8	Wyoming's road usage charge program into a larger regional
9	or national program if established. Plans shall include:
10	
11	(i) Collaboration with other state departments
12	of transportation and the federal highway administration
13	necessary to implement appropriate agreed upon rules and
14	regulations;
15	
16	(ii) Development of agreements to share vehicle
17	registration and mileage data with safeguards of ensuring
18	payer privacy and not sharing any personally identifying
19	information without consent;
20	
21	(iii) Implementation of additional payer privacy

protections if required;

1 (iv) Other items the department may deem

2 necessary or expedient to carry out the purposes of this

3 article.

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5 **24-8-210.** Fuel tax sunset.

usage charge the department shall:

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7 (a) Beginning March 31, 2022, the road usage charge 8 program shall supplement current fuel tax revenue to reduce the annual funding shortfalls the department, counties and 9 10 municipalities experience each year to raise and maintain 11 road surfaces and bridges. As revenue from fuel taxes 12 continues to decline based upon increase vehicle fuel mileage and conversion to electric vehicle technology, the 13 pay by mile system shall eventually replace fuel taxes and 14 shall be the main funding mechanism to ensure a safe and 15 16 effective surface transportation system in Wyoming. 17 achieve a smooth transition from fuel taxes to the road

19

18

(i) Annually provide the joint revenue interim committee, the joint transportation, highways and military affairs interim committee and the joint appropriations

23 committee:

1	
2	(A) An annual assessment on the
3	effectiveness of the road usage charge to eliminate revenue
4	shortfalls;
5	
6	(B) Changes in rates necessary to cover
7	shortfalls;
8	
9	(C) Annual projections indicating reduction
10	in fuel taxes to meet the share of revenue replaced by the
11	road usage charge;
12	
13	(D) Recommendations on a fuel tax phase out
14	timeline and updates to that timeline when conditions
15	indicate it will likely change.
16	
17	(ii) Support regional and national efforts to
18	implement a road usage charge on a larger scale.
19	
20	(b) Until a regional or national road usage charge is
21	established and methods to collect a road usage charge on
22	vehicles registered outside of Wyoming is determined, fuel
23	taxes shall be set to approximate road usage per mile

- 1 charges to ensure that road usage charge registered
- 2 vehicles do not inappropriately share more of the burden
- 3 for transportation and highway revenue. The department
- 4 shall make recommendations for the appropriate fuel tax
- 5 rates once vehicle road usage charge rates are established.
- 6 Fuel tax rates shall also be indexed by rules consistent
- 7 with W.S. 24-8-204 to maintain alignment with road usage
- 8 charge rates until fuel taxes are replaced according to
- 9 subsection (a) of this section.

- 11 Section 2. Not later than July 1, 2021, the
- 12 department of transportation, state treasurer and
- 13 department of revenue shall promulgate any rules necessary
- 14 to administer this act.

15

16 Section 3.

17

- 18 (a) Except as provided in subsection (b) of this
- 19 section, this act is effective immediately upon completion
- 20 of all acts necessary for a bill to become law as provided
- 21 by Article 4, Section 8 of the Wyoming Constitution.

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1 (b) Section 1 of this act is effective

2 March 31, 2022.

3

4 (END)