

ROAD USAGE CHARGE PROGRAM AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: _____

LONG TITLE**General Description:**

This bill makes changes to Title 41, Motor Vehicles, and Title 72, Transportation Code, regarding alternative fuel vehicles.

Highlighted Provisions:

This bill:

- ▶ makes changes to the road usage charge program;
- ▶ addresses registration fees for alternative fuel vehicles; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:**AMENDS:**

41-1a-1206, as last amended by Laws of Utah 2023, Chapters 22, 33 and 464

63I-2-272, as last amended by Laws of Utah 2023, Chapter 33

72-1-213.1, as last amended by Laws of Utah 2022, Chapters 56, 259

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **41-1a-1206** is amended to read:



41-1a-1206. Registration fees -- Fees by gross laden weight.

(1) Except as provided in Subsections (2) and (3), at the time application is made for registration or renewal of registration of a vehicle or combination of vehicles under this chapter, a registration fee shall be paid to the division as follows:

(a) \$46.00 for each motorcycle;

(b) \$44 for each motor vehicle of 12,000 pounds or less gross laden weight, excluding motorcycles;

(c) unless the semitrailer or trailer is exempt from registration under Section 41-1a-202 or is registered under Section 41-1a-301:

(i) \$31 for each trailer or semitrailer over 750 pounds gross unladen weight; or

(ii) \$28.50 for each commercial trailer or commercial semitrailer of 750 pounds or less gross unladen weight;

(d) (i) \$53 for each farm truck over 12,000 pounds, but not exceeding 14,000 pounds gross laden weight; ~~[plus]~~ and

(ii) \$9 for each 2,000 pounds over 14,000 pounds gross laden weight;

(e) (i) \$69.50 for each motor vehicle or combination of motor vehicles, excluding farm trucks, over 12,000 pounds, but not exceeding 14,000 pounds gross laden weight; ~~[plus]~~ and

(ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;

(f) (i) \$69.50 for each park model recreational vehicle over 12,000 pounds, but not exceeding 14,000 pounds gross laden weight; ~~[plus]~~ and

(ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;

(g) \$45 for each vintage vehicle that has a model year of 1983 or newer;

(h) in addition to the fee described in Subsection (1)(b):

(i) an amount equal to the road usage charge cap described in Section 72-1-213.1 for:

(A) each electric motor vehicle; and

(B) Each motor vehicle not described in this Subsection (1)(h) that is fueled exclusively by a source other than motor fuel, diesel fuel, natural gas, or propane;

(ii) \$21.75 for each hybrid electric motor vehicle; and

(iii) \$56.50 for each plug-in hybrid electric motor vehicle; and

(i) in addition to the fee described in Subsection (1)(g), for a vintage vehicle that has a model year of 1983 or newer, 50 cents.

(2) (a) At the time application is made for registration or renewal of registration of a vehicle under this chapter for a six-month registration period under Section 41-1a-215.5, a registration fee shall be paid to the division as follows:

- (i) \$34.50 for each motorcycle; and
- (ii) \$33.50 for each motor vehicle of 12,000 pounds or less gross laden weight, excluding motorcycles.

(b) In addition to the fee described in Subsection (2)(a)(ii), for registration or renewal of registration of a vehicle under this chapter for a six-month registration period under Section 41-1a-215.5 a registration fee shall be paid to the division as follows:

- (i) an amount equal to the road usage charge cap described in Section 72-1-213.1 for:
 - (A) each electric motor vehicle; and
 - (B) each motor vehicle not described in this Subsection (2)(b) that is fueled exclusively by a source other than motor fuel, diesel fuel, natural gas, or propane;
- (ii) \$16.50 for each hybrid electric motor vehicle; and
- (iii) \$43.50 for each plug-in hybrid electric motor vehicle.

(3) ~~[(a)]~~ Beginning on January 1, 2024, at the time of registration:

~~[(i)]~~ (a) in addition to the amounts described in Subsections (1)(a), (1)(b), (1)(c)(i), (1)(c)(ii), (1)(d)(i), (1)(e)(i), (1)(f)(i), (1)(g), (1)(h), (4)(a), and ~~[(7)]~~ (8), the individual shall also pay an additional \$7 as part of the registration fee; and

~~[(ii)]~~ (b) in addition to the amounts described in Subsection (2)(a), the individual shall also pay an additional \$5 as part of the registration fee.

~~[(b) (i) Beginning on January 1, 2019, the commission shall, on January 1, annually adjust the registration fees described in Subsections (1)(a), (1)(b), (1)(c)(i), (1)(c)(ii), (1)(d)(i), (1)(e)(i), (1)(f)(i), (1)(g), (2)(a), (3)(a), (4)(a), and (7), by taking the registration fee rate for the previous year and adding an amount equal to the greater of:]~~

~~[(A) an amount calculated by multiplying the registration fee of the previous year by the actual percentage change during the previous fiscal year in the Consumer Price Index; and]~~

~~[(B) 0.]~~

~~[(ii) Beginning on January 1, 2024, the commission shall, on January 1, annually adjust the registration fees described in Subsections (1)(h)(ii) and (iii) and (2)(b)(ii) and (iii) by taking the registration fee rate for the previous year and adding an amount equal to the greater of:]~~

90 ~~[(A) an amount calculated by multiplying the registration fee of the previous year by~~
91 ~~the actual percentage change during the previous fiscal year in the Consumer Price Index; and]~~

92 ~~[(B) 0.]~~

93 ~~[(c) The amounts calculated as described in Subsection (3)(b) shall be rounded up to~~
94 ~~the nearest 25 cents.]~~

95 (4) (a) The initial registration fee for a vintage vehicle that has a model year of 1982 or
96 older is \$40.

97 (b) A vintage vehicle that has a model year of 1982 or older is exempt from the
98 renewal of registration fees under Subsection (1).

99 (c) A vehicle with a Purple Heart special group license plate issued on or before
100 December 31, 2023, or issued in accordance with Part 16, Sponsored Special Group License
101 Plates, is exempt from the registration fees under Subsection (1).

102 (d) A camper is exempt from the registration fees under Subsection (1).

103 (5) (a) The commission shall, on January 1, annually adjust all registration fees
104 described in this section by taking the registration fee rate for the previous year and adding an
105 amount equal to the greater of:

106 (i) an amount calculated by multiplying the registration fee of the previous year by the
107 actual percentage change during the previous fiscal year in the Consumer Price Index; and

108 (ii) zero.

109 (b) The commission shall round up the adjustment described in Subsection (5)(a) to the
110 nearest 25 cents.

111 ~~[(5)]~~ (6) If a motor vehicle is operated in combination with a semitrailer or trailer, each
112 motor vehicle shall register for the total gross laden weight of all units of the combination if the
113 total gross laden weight of the combination exceeds 12,000 pounds.

114 ~~[(6)]~~ (7) (a) Registration fee categories under this section are based on the gross laden
115 weight declared in the licensee's application for registration.

116 (b) Gross laden weight shall be computed in units of 2,000 pounds. A fractional part
117 of 2,000 pounds is a full unit.

118 ~~[(7)]~~ (8) The owner of a commercial trailer or commercial semitrailer may, as an
119 alternative to registering under Subsection (1)(c), apply for and obtain a special registration and
120 license plate for a fee of \$130.

121 ~~[(8)]~~ (9) Except as provided in Section [41-6a-1642](#), a truck may not be registered as a
122 farm truck unless:

- 123 (a) the truck meets the definition of a farm truck under Section [41-1a-102](#); and
124 (b) (i) the truck has a gross vehicle weight rating of more than 12,000 pounds; or
125 (ii) the truck has a gross vehicle weight rating of 12,000 pounds or less and the owner
126 submits to the division a certificate of emissions inspection or a waiver in compliance with
127 Section [41-6a-1642](#).

128 ~~[(9)]~~ (10) A violation of Subsection ~~[(8)]~~ (9) is an infraction that shall be punished by a
129 fine of not less than \$200.

130 ~~[(10)]~~ (11) Trucks used exclusively to pump cement, bore wells, or perform crane
131 services with a crane lift capacity of five or more tons, are exempt from 50% of the amount of
132 the fees required for those vehicles under this section.

133 Section 2. Section **63I-2-272** is amended to read:

134 **63I-2-272. Repeal dates: Title 72.**

135 (1) Subsections [72-1-213.1](#)(13)(a) and (b), related to the road usage charge rate and
136 road usage charge cap, are repealed January 1, 2033.

137 (2) Section 72-1-216.1 is repealed January 1, 2023.

138 (3) Section [72-2-127](#) is repealed on July 1, 2024.

139 (4) Section [72-2-130](#) is repealed on July 1, 2024.

140 (5) Section [72-4-105.1](#) is repealed on January 1, 2024.

141 Section 3. Section **72-1-213.1** is amended to read:

142 **72-1-213.1. Road usage charge program.**

143 (1) As used in this section:

144 (a) "Account manager" means an entity under contract with the department to
145 administer and manage the road usage charge program.

146 (b) "Alternative fuel vehicle" means:

147 (i) an electric motor vehicle as defined in Section [41-1a-102](#); or

148 (ii) a motor vehicle powered exclusively by a fuel other than:

149 (A) motor fuel;

150 (B) diesel fuel;

151 (C) natural gas; or

(D) propane.

(c) "Payment period" means the interval during which an owner is required to report mileage and pay the appropriate road usage charge according to the terms of the program.

(d) "Program" means the road usage charge program established and described in this section.

(e) "Road usage charge cap" means the maximum fee charged to a participant in the program for a registration period.

(f) "Road usage charge rate" means the per-mile usage fee charged to a participant in the program.

(2) There is established a road usage charge program as described in this section.

(3) (a) The department shall implement and oversee the administration of the program[; ~~which shall begin on January 1, 2020~~].

(b) To implement and administer the program, the department may contract with an account manager.

(4) (a) The owner or lessee of an alternative fuel vehicle may apply for enrollment of the alternative fuel vehicle in the program.

(b) If an application for enrollment into the program is approved by the department, the owner or lessee of an alternative fuel vehicle may participate in the program in lieu of paying the fee described in Subsection 41-1a-1206(1)(h) or (2)(b).

(c) The owner or lessee of a hybrid electric motor vehicle or a plug-in hybrid motor vehicle may not enroll in the program.

(d) Except as provided in Subsection (4)(e), an owner or lessee may not withdraw from the program.

(e) An owner or lessee of a hybrid electric motor vehicle or a plug-in hybrid motor vehicle who was enrolled in the program before May 1, 2024, may withdraw from the program.

(5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and consistent with this section, the department:

(a) shall make rules to establish:

(i) processes and terms for enrollment into and withdrawal or removal from the program;

(ii) payment periods and other payment methods and procedures for the program;

183 (iii) standards for mileage reporting mechanisms for an owner or lessee of an
184 alternative fuel vehicle to report mileage as part of participation in the program;
185 (iv) standards for program functions for mileage recording, payment processing,
186 account management, and other similar aspects of the program;
187 (v) contractual terms between an owner or lessee of an alternative fuel vehicle owner
188 and an account manager for participation in the program;
189 (vi) contractual terms between the department and an account manager, including
190 authority for an account manager to enforce the terms of the program;
191 (vii) procedures to provide security and protection of personal information and data
192 connected to the program, and penalties for account managers for violating privacy protection
193 rules;
194 (viii) penalty procedures for a program participant's failure to pay a road usage charge
195 or tampering with a device necessary for the program; and
196 (ix) department oversight of an account manager, including privacy protection of
197 personal information and access and auditing capability of financial and other records related to
198 administration of the program; and
199 (b) may make rules to establish:
200 ~~[(i) an enrollment cap for certain alternative fuel vehicle types to participate in the~~
201 ~~program;]~~
202 ~~[(ii)]~~ (i) a process for collection of an unpaid road usage charge or penalty; or
203 ~~[(iii)]~~ (ii) integration of the program with other similar programs, such as tolling.
204 (6) Revenue generated by the road usage charge program and relevant penalties shall
205 be deposited into the Road Usage Charge Program Special Revenue Fund.
206 (7) (a) The department may:
207 (i) (A) impose a penalty for failure to timely pay a road usage charge according to the
208 terms of the program or tampering with a device necessary for the program; and
209 (B) request that the Division of Motor Vehicles place a hold on the registration of the
210 owner's or lessee's alternative fuel vehicle for failure to pay a road usage charge according to
211 the terms of the program;
212 (ii) send correspondence to the owner of an alternative fuel vehicle to inform the owner
213 or lessee of:

(A) the road usage charge program, implementation, and procedures;

(B) an unpaid road usage charge and the amount of the road usage charge to be paid to the department;

(C) the penalty for failure to pay a road usage charge within the time period described in Subsection (7)(a)(iii); and

(D) a hold being placed on the owner's or lessee's registration for the alternative fuel vehicle, if the road usage charge and penalty are not paid within the time period described in Subsection (7)(a)(iii), which would prevent the renewal of the alternative fuel vehicle's registration; and

(iii) require that the owner or lessee of the alternative fuel vehicle pay the road usage charge to the department within 30 days of the date when the department sends written notice of the road usage charge to the owner or lessee.

(b) The department shall send the correspondence and notice described in Subsection (7)(a) to the owner of the alternative fuel vehicle according to the terms of the program.

(8) (a) The Division of Motor Vehicles and the department shall share and provide access to information pertaining to an alternative fuel vehicle and participation in the program including:

(i) registration and ownership information pertaining to an alternative fuel vehicle;

(ii) information regarding the failure of an alternative fuel vehicle owner or lessee to pay a road usage charge or penalty imposed under this section within the time period described in Subsection (7)(a)(iii); and

(iii) the status of a request for a hold on the registration of an alternative fuel vehicle.

(b) If the department requests a hold on the registration in accordance with this section, the Division of Motor Vehicles may not renew the registration of a motor vehicle under Title 41, Chapter 1a, Part 2, Registration, until the department withdraws the hold request.

(9) The owner of an alternative fuel vehicle may apply for enrollment in the program [~~or withdraw from the program~~] according to the terms established by the department pursuant to rules made under Subsection (5).

(10) [Hf] When enrolled in the program, the owner or lessee of an alternative fuel vehicle shall:

(a) report mileage driven as required by the department pursuant to Subsection (5);

245 (b) pay the road usage fee for each payment period in accordance with Subsection (5);
246 and

247 (c) comply with all other provisions of this section and other requirements of the
248 program.

249 (11) The department shall submit annually, on or before October 1, to the
250 Transportation Interim Committee, an electronic report that:

251 (a) states for the preceding fiscal year:

252 (i) the amount of revenue collected from the program;

253 (ii) the participation rate in the program; and

254 (iii) the department's costs to administer the program; and

255 (b) provides for the current fiscal year, an estimate of:

256 (i) the revenue that will be collected from the program;

257 (ii) the participation rate in the program; and

258 (iii) the department's costs to administer the program.

259 (12) (a) Beginning on January 1, 2023:

260 (i) the road usage charge rate is 1.0 cent per mile; and

261 (ii) the road usage charge cap is:

262 (A) \$130.25 for an annual registration period; and

263 (B) \$100.75 for a six-month registration period.

264 (b) Beginning on January 1, 2026:

265 (i) the road usage charge rate is 1.25 cents per mile; and

266 (ii) the road usage charge cap is:

267 (A) \$180 for an annual registration period; and

268 (B) \$139 for a six-month registration period.

269 (c) Beginning on January 1, 2032:

270 (i) the road usage charge rate is 1.5 cents per mile, unless the commission establishes a
271 different road usage charge rate in accordance with Subsection (13); and

272 (ii) the road usage charge cap is eliminated.

273 ~~[(ii) the road usage charge cap is:]~~

274 ~~[(A) \$240 for an annual registration period; and]~~

275 ~~[(B) \$185 for a six-month registration period.]~~

(d) Beginning in 2024, the department shall, on January 1, annually adjust the road usage charge rates described in this Subsection (12) by taking the road usage charge rate for the previous year and adding an amount equal to the greater of:

(i) an amount calculated by multiplying the road usage charge rate of the previous year by the actual percentage change during the previous fiscal year in the Consumer Price Index as determined by the State Tax Commission; and

(ii) [0:] zero.

(e) [~~Beginning in 2024, the~~] The State Tax Commission shall, on January 1, annually adjust the road usage charge caps described in this Subsection (12) by taking the road usage charge cap for the previous year and adding an amount equal to the greater of:

(i) an amount calculated by multiplying the road usage charge cap of the previous year by the actual percentage change during the previous fiscal year in the Consumer Price Index; and

(ii) [0:] zero.

(f) The amounts calculated as described in Subsection (12)(d) shall be rounded up to the nearest .01 cent.

(g) The amounts calculated as described in Subsection (12)(e) shall be rounded up to the nearest 25 cents.

(h) On or before January 1 of each year, the department shall publish:

(i) the adjusted road usage charge rate described in Subsection (12)(d); and

(ii) adjusted road usage charge cap described in Subsection (12)(e).

(13) (a) Beginning January 1, 2032, the commission may establish by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the road usage charge rate for each type of alternative fuel vehicle.

(b) (i) Before making rules in accordance with Subsection (13)(a), the commission shall consult with the department regarding the road usage charge rate for each type of alternative fuel vehicle.

(ii) The department shall cooperate with and make recommendations to the commission regarding the road usage charge rate for each type of alternative fuel vehicle.

Section 4. Effective date.

This bill takes effect on May 1, 2024.