

HOUSE BILL NO. HB0037

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; establishing a road usage charge program; creating
3 road usage charge account managers; providing for
4 contracting by the department of transportation with
5 private entities to administer the program; providing for
6 the distribution of funds; creating penalties; providing
7 for regional or national expansion of the program;
8 providing for a fuel tax sunset; requiring reporting and
9 recommendations; requiring rulemaking; and providing for
10 effective dates.

11

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

13

14 **Section 1.** W.S. 24-8-201 through 24-8-209 are created
15 to read:

1

2

CHAPTER 8

3

HIGHWAY FUNDING

4

5

ARTICLE 2

6

ROAD USAGE CHARGE

7

8

24-8-201. Definitions.

9

10 (a) As used in this article:

11

12 (i) "Commercial account manager" means a private
13 entity the department selects to manage payer mileage
14 reporting information, to collect road usage charge
15 payments and to manage road usage charge accounts on behalf
16 of the payer;

17

18 (ii) "Department" means the Wyoming department
19 of transportation;

20

21 (iii) "Highway" means as defined in W.S.
22 31-1-101(a)(viii);

23

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 designated 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

6 (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, based in technology or manual, that measures
20 the number of miles a vehicle is driven.

21

22 **24-8-202. Administration; rulemaking.**

23

1 (a) There is created the road usage charge program.
2 The administration of this program is vested in the
3 department, which shall prescribe the reporting format and
4 forms for the reporting of mileage and assessing, invoicing
5 and collection of road usage charges and the credit for
6 fuel taxes. The department shall promulgate rules
7 consistent with the provisions of this article as provided
8 by the Wyoming Administrative Procedure Act as necessary to
9 enforce this article.

10

11 (b) The department shall designate a state account
12 manager to oversee administration and enforcement of the
13 road usage charge program. This entity may be established
14 within the department using internal department resources
15 or, if more economically feasible, may be a nongovernmental
16 entity contracted to perform in that capacity. The state
17 account manager shall collect road usage charge payments
18 and manage road usage charge accounts on behalf of the
19 state and shall transmit collected funds to the state
20 treasurer for deposit to the credit of the state highway
21 fund. The department shall distribute the funds according
22 to W.S. 24-8-205(c).

23

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 Payment of the road usage charge is the payer's
5 responsibility, but a payer may contract with a commercial
6 account manager if the payer chooses to use a technology
7 based vehicle mileage metering system. A commercial account
8 manager shall collect road usage charge payments and manage
9 road usage charge accounts on behalf of the road usage
10 charge payer and shall transmit collected funds, less any
11 agreed upon administrative costs, to the state treasurer
12 for deposit to the credit of the state highway fund. The
13 department shall distribute the funds according to W.S.
14 24-8-205(c). A commercial account manager may also provide
15 value added services to payers and may collect data from
16 road usage charge payers with their express consent.
17 Commercial account managers may also compete for road usage
18 charge payers through the use of technology and value added
19 services.

20

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

23

1 (i) Duties between the state account manager and
2 commercial account manager are defined;

3

4 (ii) The state account manager shall not
5 administer any account that reports mileage using a
6 technology based vehicle mileage metering system. All
7 technology based accounts shall be administered by a
8 commercial account manager;

9

10 (iii) Department authorized commercial account
11 managers:

12

13 (A) Accurately report per mile data
14 collected from payers;

15

16 (B) Use a vehicle mileage metering system
17 to ensure safe, accurate and reliable road usage charge
18 data reporting, transaction processing, account management
19 and financial reporting;

20

21 (C) Use methods for safeguarding and
22 protecting the personally identifiable information of each
23 payer;

1

2 (D) Convey privacy policies to payers and
3 obtain payers' express consent to share any personally
4 identifiable information;

5

6 (E) Receive the contractually agreed upon
7 administrative costs as specified in subsection (c) of this
8 section provided that the commercial account manager shall
9 not directly charge payers any additional fee;

10

11 (F) Comply with Wyoming financial auditing
12 and reporting standards, including generally acceptable
13 accounting principles;

14

15 (G) Employ additional reporting, accuracy
16 and privacy practices as the department deems necessary.

17

18 (iv) State and commercial account managers
19 comply with the most recent federal and state data security
20 standards and protocols.

21

22 (e) All reports and records of the state and
23 commercial account managers shall be open to examination by

1 the department of audit, except that any personally
2 identifying information of individual payers shall only be
3 used for verifying the accuracy of a mileage reporting
4 system or reported mileage information. Personally
5 identifying information is solely for the use of the
6 department of audit and is not a public record for purposes
7 of W.S. 16-4-201 through 16-4-205. The department shall
8 develop standards and protocols to remove personally
9 identifiable information to provide for data collection and
10 analysis without disclosing the identity of the payer whose
11 data is being collected.

12

13 (f) Any contract with a commercial account manager
14 shall be let to the responsible certified resident making
15 the lowest bid if the certified resident's bid is not more
16 than five percent (5%) higher than that of the lowest
17 responsible nonresident bidder.

18

19 **24-8-203. Road usage charge; rates; applicability.**

20

21 (a) There is assessed a road usage charge upon all
22 Wyoming registered vehicles when traveling on Wyoming's
23 highways. Initial road usage charge rates are established

1 for each vehicle category. Payers may opt to pay a flat fee
 2 based on the rate for the payer's vehicle category,
 3 multiplied by a maximum number of miles for a time period
 4 as prescribed by rule, or payers are responsible for the
 5 payment of a per mile road usage charge as follows:

6

7 (i) Category 1\$0.013;

8

9 (ii) Category 2\$0.0215;

10

11 (iii) Category 3\$0.0287;

12

13 (iv) Category 4\$0.065;

14

15 (v) Category 5\$0.1032;

16

17 (vi) Category 6\$0.1435.

18

19 (b) The department may assess a road usage charge at
 20 rates established in subsection (a) of this section on
 21 nonresidents who apply or use time and mileage permits
 22 under this subsection. The department shall develop a
 23 procedure for nonresidents to apply for and use the Wyoming

1 road usage charge program in any form provided to Wyoming
2 resident payers. The department may develop procedures to
3 apply road usage charge rates to out of state vehicles
4 through the use of time and mileage permits at ports of
5 entry.

6

7 **24-8-204. Road usage charge indexing.**

8

9 Every three (3) years, the department may adjust road usage
10 charge rates to account for inflation. Rate adjustments
11 shall be promulgated by rule pursuant to the Wyoming
12 Administrative Procedure Act.

13

14 **24-8-205. Collection; distribution.**

15

16 (a) The department shall establish a means for the
17 road usage charge to be paid to the state account manager
18 through one (1) or both of the following methods:

19

20 (i) As a flat fee based on the established per
21 mile rate for the eligible vehicle, multiplied by a maximum
22 number of miles for a time period as prescribed by rule;

23

1 (ii) According to the miles recorded and
2 reported from the vehicle mileage metering system based on
3 the established per mile rate for the eligible vehicle.

4

5 (b) The department shall establish procedures
6 prescribing how frequently a payer shall be invoiced and be
7 required to pay road usage charge payments according to the
8 road usage charge payment method the payer selects.

9

10 (c) Any fuel taxes paid in Wyoming, based on the
11 average miles per gallon for the payer's class of vehicle,
12 for the period immediately preceding the invoice period
13 established in subsection (b) of this section shall be
14 credited to the payer and reflected on the payer's invoice.

15

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

1 according to W.S. 24-8-202(b) and (c) or collected directly
2 by the state account manager according to subsection (a) of
3 this section shall be credited to the proper accounts as
4 specified by the department and in W.S. 39-17-211(d).

5

6 **24-8-206. Mileage recording and reporting**
7 **methodologies.**

8

9 (a) Vehicle miles traveled may be recorded, assessed
10 and reported by multiple vehicle mileage metering system
11 options, including technology and manual options.
12 Recording, calculation, assessment and reporting shall be
13 conducted through the use of a state or commercial account
14 manager, according to the type of vehicle mileage metering
15 system and account manager a payer chooses.

16

17 (b) The department shall provide the choice of at
18 least one (1) vehicle mileage metering system option that
19 does not require technology and one (1) option that allows
20 payment of a flat fee for a specified number of miles for a
21 time period as prescribed by rule. These non technology
22 based options shall be provided by the state account
23 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 W.S.
14 24-8-203 shall be collected by the state or commercial
15 account manager, according to the means that the payer has
16 chosen, together with interest of one percent (1%) per
17 month on the road usage charge from the due date until
18 payment.

19

20 (b) No person shall knowingly:

21

22 (i) Operate, nor shall an owner knowingly permit
23 to be operated, upon any highway any Wyoming registered

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

13

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

22

1 (c) Delinquent road usage charges, penalties and
2 interest shall constitute a lien on the vehicles for which
3 payment has not been made. If any road usage charge,
4 penalties or interest remains delinquent for thirty (30)
5 days or more or if any vehicle subject to the lien is about
6 to be removed from the state, the department or its
7 authorized enforcement agent may seize and sell the vehicle
8 subject to all existing liens and security interests held
9 by others, at public auction upon notice to the owner and
10 lienholder of record as provided by Rule 4 of the Wyoming
11 Rules of Civil Procedure, and upon four (4) weeks notice of
12 the sale in a newspaper published in the county in which
13 the vehicle is titled and registered. The department may
14 bring suit in any court of competent jurisdiction to
15 collect any delinquent road usage charges, penalties and
16 interest under this article.

17

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

23

1 (e) Any person aggrieved by any final administrative
2 decision of the department concerning the assessment of the
3 road usage charge may appeal the decision to the state
4 board of equalization pursuant to the Wyoming
5 Administrative Procedure Act.

6

7 **24-8-209. Program expansion.**

8

9 (a) The department shall develop plans to integrate
10 Wyoming's road usage charge program into a larger regional
11 or national program if established and if the legislature
12 authorizes participation in the larger program. Plans shall
13 include:

14

15 (i) Collaboration with other state departments
16 of transportation and the federal highway administration
17 necessary to implement appropriate agreed upon rules and
18 regulations;

19

20 (ii) Development of agreements to share vehicle
21 registration and mileage data with safeguards of ensuring
22 payer privacy and not sharing any personally identifying
23 information without consent;

1

2 (iii) Implementation of additional payer privacy
3 protections if required;

4

5 (iv) Other items the department may deem
6 necessary or expedient to carry out the purposes of this
7 article.

8

9 **Section 2.**

10

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

23

1 (i) Annually provide the joint revenue interim
2 committee, the joint transportation, highways and military
3 affairs interim committee and the joint appropriations
4 committee:

5

6 (A) An annual assessment on the
7 effectiveness of the road usage charge to eliminate revenue
8 shortfalls;

9

10 (B) Changes in rates necessary to cover
11 shortfalls;

12

13 (C) Annual projections indicating reduction
14 in fuel taxes to meet the share of revenue replaced by the
15 road usage charge;

16

17 (D) Recommendations on a fuel tax phase out
18 timeline and updates to that timeline when conditions
19 indicate it will likely change;

20

21 (E) Recommendations for needed statutory
22 changes.

23

1 (ii) Monitor regional and national efforts to
2 implement a road usage charge on a larger scale.

3
4 (b) Until a regional or national road usage charge is
5 established and methods to collect a road usage charge on
6 vehicles registered outside of Wyoming is determined, fuel
7 taxes may be set to approximate road usage per mile charges
8 to ensure that road usage charge registered vehicles do not
9 inappropriately share more of the burden for transportation
10 and highway revenue. The department shall make
11 recommendations for the appropriate fuel tax rates once
12 vehicle road usage charge rates are determined. Fuel tax
13 rates may also be indexed upon further legislative action
14 to maintain alignment with road usage charge rates until
15 fuel taxes are replaced according to subsection (a) of this
16 section.

17
18 **Section 3.** Not later than July 1, 2021, the
19 department of transportation, state treasurer and
20 department of revenue shall promulgate any rules necessary
21 to administer this act.

22

1 **Section 4.**

2

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

7

8 (b) Section 1 of this act is effective March 31,
9 2022.

10

11

(END)