



Background for the Per-Mile Road Usage Charge in the USA

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History of the Per-Mile Charge in the United States



Recent History of Light Vehicle Per-mile Charging in USA

- The Kitz-o-meter (1996)
- 15 State Pooled Funds Study (2000)
- Oregon's Road User Fee Task Force (2001)
- Oregon's First Pilot Program (2006-07)
- Nevada Studies (2008-2011)
- Texas Studies (2009-2011)
- University of Iowa Field Tests (2008-2010)
- Minnesota Pilot Program (2011-12)
- Washington Steering Committee (2012)
- Oregon's Second Pilot Program with Washington and Nevada (2012-13)
- Colorado announces pilot program (2014)



... and there was legislation

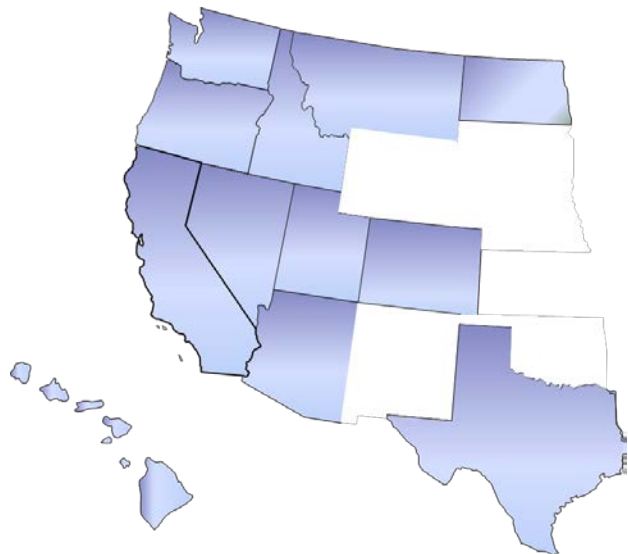
- Oregon enacts HB 3946 creating the Road User Fee Task Force and mandating a per-mile charge pilot (2001)
- Washington enacts legislation creating the Road Usage Charge Steering Committee (2012)
- Oregon enacts SB 810 creating the Road Usage Charge Pilot Program for 5,000 volunteers (2013)
- California enacts SB 1077 creating the Road Usage Charge Technical Advisory Committee and mandating a per-mile charge pilot (2014)
- Utah passes legislation to research road usage charge (2015)
- Florida ... is working hard to pass legislation to study the per-mile charge in 2015



... and states working together



I-95 Corridor Coalition: 17 states



Western Road Usage Charge Consortium: 12 states



Fundamentals of Road Usage Charging



Essential System Components for Per-Mile Charge Operations

- **Mileage data gathering (the “front end”)**
 - Data generation
 - Data reporting
 - Data accuracy
- **Accounting system (the “back end”)**
 - Account generation
 - Invoicing
 - Account management
 - Data feeds into state accounting system
- **Operations**
 - Compliance
 - Auditing
 - Troubleshooting
 - Enforcement



Road Usage Charge Data Collection and Account Management

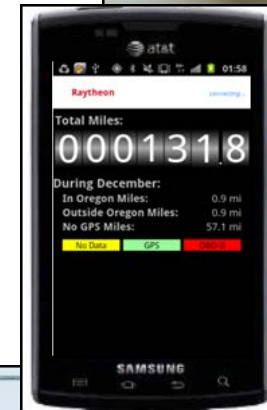
The Options

- Government only collection
- Establishment of a commercial market for collection
- Combination of commercial and government collection



Categories for Mileage Reporting

1. Reporting all miles driven
2. Reporting miles by location
3. Changeable reporting of miles
4. Assume maximum annual miles



025
DATE: November 2012

PAY TO THE ORDER OF: Oregon Department of Transportation \$ 135.00

One Hundred Thirty Five Dollars and 00/100 DOLLARS

MEMO: Joe Motorist

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Key Issues Facing Road Usage Charging



Key Issues Impeding Adoption of Road Usage Charging in the United States

- Privacy protection
- Evolution of technologies
- Scalability of systems
- Flexibility of systems for policy adaptations
- Complexity of implementation
- Difficulty of operations
- Making compliance simple and easy
- Interoperability among states
- Data security
- Cost of administration
- Equity by income, geography and vehicle type
- Transition



- ✓ Key Issues Resolved in Oregon
- ❖ Key Issues Requiring Continual Development
- Key Issues Not Yet Resolved

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Key Issues Not Yet Resolved

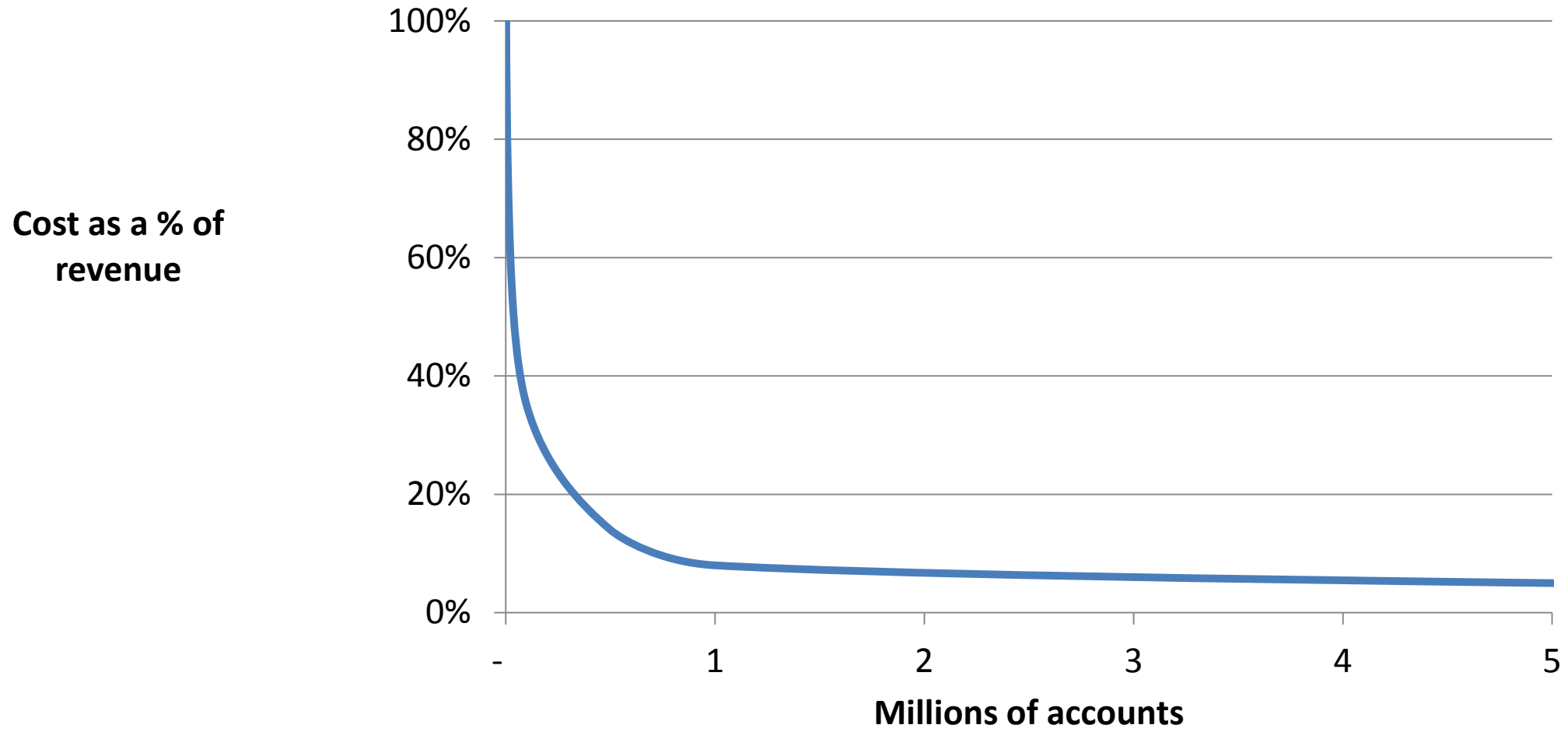
Cost of administration

Equity by income, geography and vehicle type

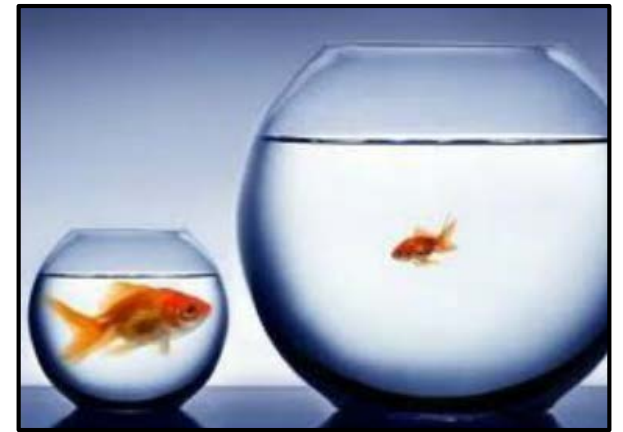
Transition



Cost of Per-Mile Charge Administration



Equity



- **Rural drivers**
 - Pay fuel tax now
 - More off-road driving
- **Less affluent drivers**
 - Pay fuel tax now
 - Tend to drive older, less fuel efficient vehicles
- **Fuel efficient vehicles**
 - Currently not paying fair share for road use
 - Already avoid cost of fuel
 - Road Usage Charge not a large burden
- **Non-resident driving**
 - Until regional system developed, still pay fuel tax
 - Western RUC Consortium addressing solution

Transition Options

- All vehicles
- All light vehicles
- All new light vehicles after a set date
- All vehicles rated at 22 mpg and above
- All new vehicles rated at 22 mpg and above
- All vehicles rated at 35 mpg and above
- All new vehicles rated at 35 mpg and above
- All vehicles rated at 55 mpg and above
- All new vehicles rated at 55 mpg and above
- Phase it in over many years
- Per mile charge reduction for green vehicles



The Most Important Thing To Remember

- Resolution of key issues will not advance the cause unless effective communications follows.

