



Impact on State Revenue

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#WeTheStates



Oregon's Road Usage Charge Program

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Topics

- Where Oregon started
- What is RUC?
- Why RUC?
- Challenges
- Next steps



Where Oregon started



Oregon pioneers transportation funding



1919

First gasoline tax



1947

First weight-mile tax
for heavy vehicles



2015

First operational RUC
program



Oregon's Road User Fee Task Force

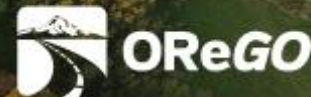
Created in 2001



Legislative Mandate

“Develop a design for revenue collection for Oregon’s roads and highways that will replace the current system for revenue collection.”

RUC Timeline



2001

Oregon forms Road User Fee Task Force

2006

Oregon launches first RUC pilot

2012

Second Oregon RUC pilot

2013

RUC West established

2015

Oregon launches fully-operational OReGO

2016

FAST Act funds first RUC projects

2017

FAST Act funds round 2 RUC projects

Oregon allows EVs option of RUC vs. fees

Utah implements RUC for alt fuel vehicles

Washington pilot with Oregon, Idaho and BC

2019

Oregon demonstrates local area RUC

RUC West implements California-Oregon pilot

20??

Fed calls for nationwide RUC pilot

Telematics implemented with RUC

States mandate RUC

What is RUC?



The “User Pays Principle”



The RUC concept



Collect fuels tax as
prepayment of RUC



Count the miles and
multiply by the RUC rate



Collect the net tax or
credit the difference



**Driver selects
account,
activates tech**



1 In-vehicle mileage counter transmits miles and fuel use to private sector account manager.

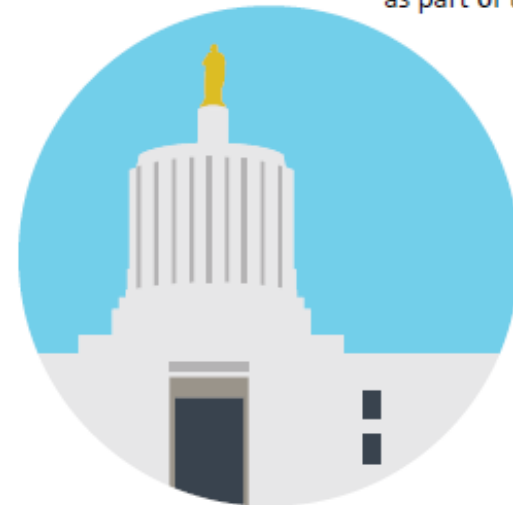
Account manager sends a bill (or refund) to vehicle owner for mileage charge, minus fuel tax.

2

**Car reports miles,
account manager
sends bill**



3 Vehicle owner pays road usage charge as part of total bill.



Account manager sends road usage charges to state

4

**Driver pays bill,
account manager
pays state**

**State improves
roads**



5 Revenue collected through the road usage charge is used to make improvements to the state's transportation system.



Why RUC?



Why we need a road charge



Vehicle: Mercedes-Benz C-Class C200 1.8L 4A 1.8L DOHC 16V
Displacement: 1.8L 16V 16V
License Plate Number: 807 BSE

1. Average and total mileage are reported only for vehicles with a GPS position. A minimum of 100 miles per month is required for a vehicle to be included in the report.

Month	Year	Actual Mileage	Estimated Mileage	Estimated Mileage	Estimated Mileage	Estimated Mileage
12/2015	2015	11,100	11,100	11,100	11,100	11,100
11/2015	2015	11,100	11,100	11,100	11,100	11,100
10/2015	2015	11,100	11,100	11,100	11,100	11,100
09/2015	2015	11,100	11,100	11,100	11,100	11,100
08/2015	2015	11,100	11,100	11,100	11,100	11,100
07/2015	2015	11,100	11,100	11,100	11,100	11,100
06/2015	2015	11,100	11,100	11,100	11,100	11,100
05/2015	2015	11,100	11,100	11,100	11,100	11,100
04/2015	2015	11,100	11,100	11,100	11,100	11,100
03/2015	2015	11,100	11,100	11,100	11,100	11,100
02/2015	2015	11,100	11,100	11,100	11,100	11,100
01/2015	2015	11,100	11,100	11,100	11,100	11,100



- Unsustainable fuel tax revenues due to more efficient vehicles
- Increasing construction costs
- Same pavement degradation profile for passenger vehicles
- Registration (flat fee) pays for access
- Road use charges pay for actual usage



Why we need a road charge

Fuel tax is
unsustainable

RUC is fair

RUC offers
additional benefits



An evolving transportation model

CURRENT INDIVIDUAL OWNERSHIP

PERCEPTION



"My car, my privacy. No mileage tracking."

RELATIONSHIP WITH TRANSPORTATION



"My vehicle serves me."

USER PAYS



GAS TAX

EMERGING SHARED MOBILITY

PERCEPTION



"Using my smartphone I'm tracking a car I will use as I need it"

RELATIONSHIP WITH TRANSPORTATION



"A fleet of vehicles serve my community."

USER PAYS



USER BASED FEE PER MILE



Challenges



It's unfair!





Photo: Newsbound / AP



4/12/2019

SOUTH

31







Data Security



Rate

Addressing Challenges

Business
Disruption

Rapidly
changing
technologies

Impacts on
revenue



OReGO

Next steps



Develop a connected vehicle ecosystem



Transportation systems are becoming information systems

Roadways are influenced by digital messages, not just physical infrastructure

Can improve safety & mobility

Leverage FAST Act Federal Grants

**Expand the
Market**

**Increase Public
Awareness**

**Evaluate
Compliance**

**Explore
Interoperability**



Work on Interoperability

The Vision



One account for road usage charges, parking, and other services



Funds are collected accurately



Funds get to the correct jurisdiction (state, city, county, port authority, etc.)



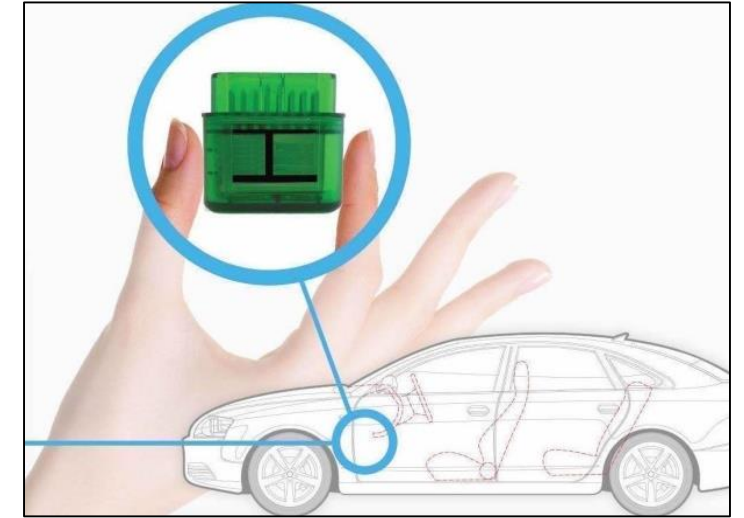
Evaluate RUC for local governments



Three simultaneous pilots
Summer, 2020

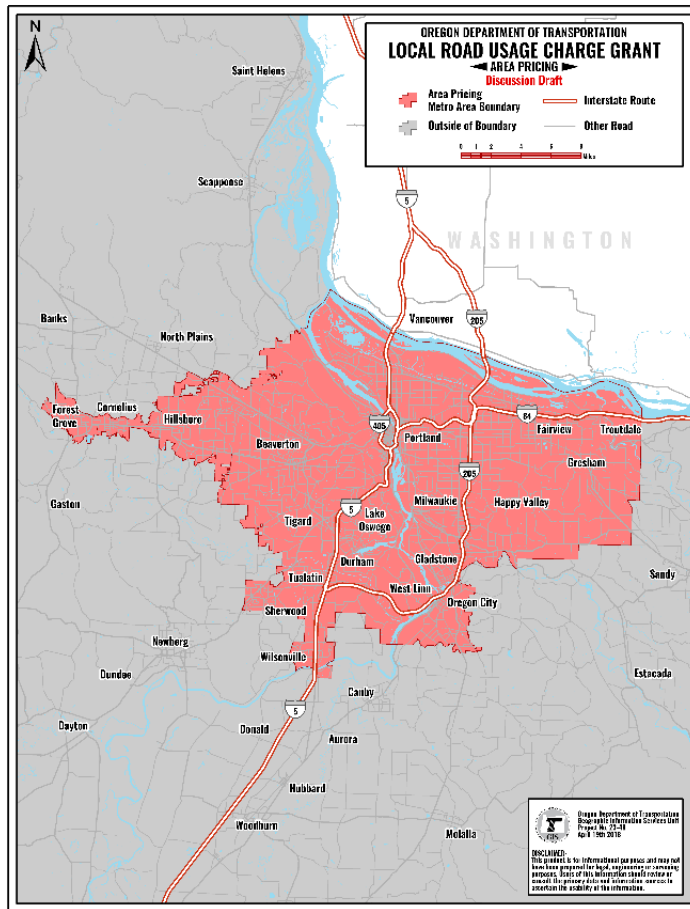


in Portland Metro

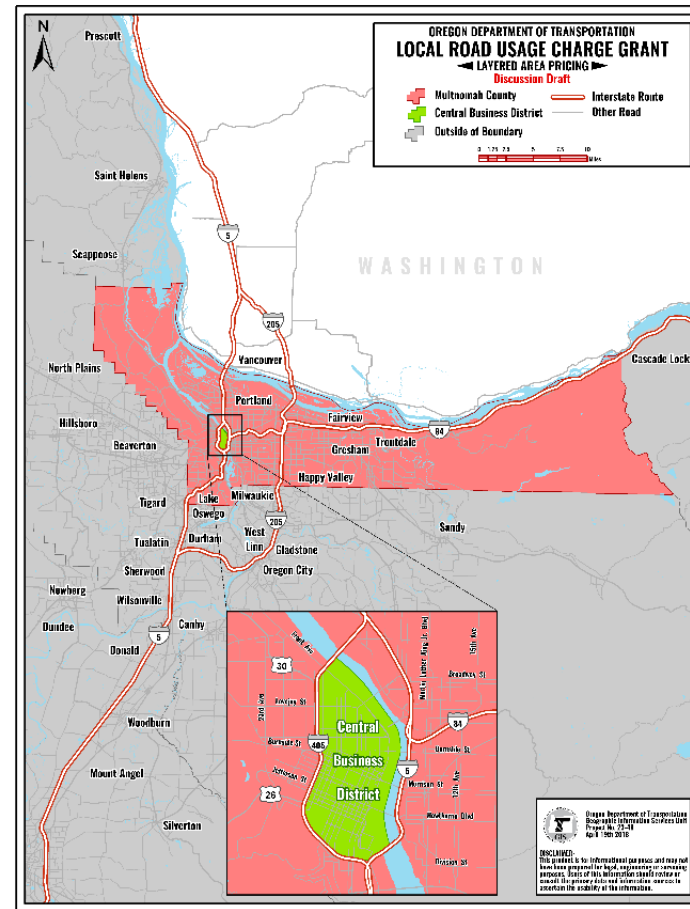


to see if road charging
can be a funding option
for local governments

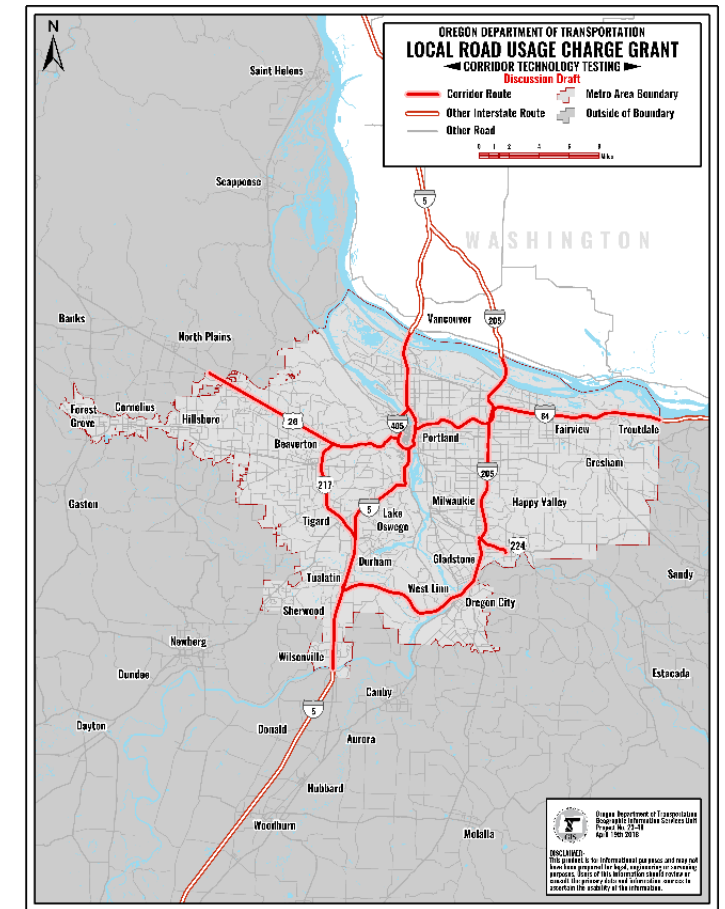
Evaluate as a funding option for local governments



Static and variable rates



Layered options



Corridor options

Share the Mobility Marketplace Vision

- Interoperable
- Integrated user experience
- A market for service delivery business partners



Questions?

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