Impact on State Revenue

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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

Car reports miles, account manager sends bill

Driver pays bill, account manager pays state

State improves roads
Why RUC?
Why we need a road charge

• 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

4/12/2019
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!
NOT!

YOU ARE BEING TRACKED
Data Security

Rate
Addressing Challenges

- Business Disruption
- Rapidly changing technologies
- Impacts on revenue

OR eGO
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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