

Executive

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Project Title:
Alternative Transportation Finance

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Western Road Usage Charging (RUC) Consortium - RUC West, TPF-5(288)

California Department of Transportation supports a collaborative multi-state road charge transportation research and development efforts.

WHAT IS THE NEED?

The Consortium is a voluntary coalition of Departments of Transportation, provincial Ministries of Transport, and other regional, state or provincial transportation agencies from western North America. Members are interested in collaborative research and development of a potential new transportation funding method that would collect a road usage charge (RUC) from drivers based on actual road usage.

The Consortium's vision is to develop RUC systems that:

- Are open systems to foster competition in the market for providing RUC services;
- Allow for motorist choose in how a RUC would be assessed and paid;
- Are compatible with readily-available and affordable consumer products and technologies (such as smartphones, in-vehicle navigation systems, and other data-dependent vehicle technologies);
- Are designed to achieve the primary purpose of collecting taxes to fund roadway maintenance and improvements.

Members are free to determine how they wish to implement RUC systems – they are not required to adopt the system(s) used by other members.

The Western Road Usage Charge Consortium (WRUCC) was created by adoption of an organizational Charter that further details the Vision; Goals; Guiding Principles; Organizational



DRISI provides solutions and knowledge that improves California's transportation system

Structure (including membership and minimum funding requirements); Governance; and Administrative Duties.

WHAT ARE WE DOING?

In August 2013, Oregon Department of Transportation (DOT) and Washington State DOT invited the other DOTs who are members of Western Association of State Highway and Transportation Officials to join the consortium. As of today, nine other states have joined WRUCC, and several other states have expressed interest.

The WRUCC has made progress on finalizing the charter, operating procedures, and the first-year work plan. The United States DOT has approved the WRUCC as a federal Transportation Pooled Funds Study. Topics under consideration include: handling of non-resident drivers, establishment of a communications task force and vetting of the Oregon RUC system.

RUC West brings together leaders from state transportation organizations to share best practices, ideas, and information on RUC. This group acts as a go-to source for anyone who has any interest in RUC. Whether watching the story unfold, or considering implementation of a RUC, RUC West is the place to find a clear, factual, non-biased picture of how RUC has worked and is working in other states. It also provides case studies, best practices, and the most up-to-date information on RUC available anywhere.

WHAT IS OUR GOAL?

- Examine current programs (Oregon)
- Address out-of-state drivers in a RUC system
- Learn about effects of RUC on rural residents
- Understand public knowledge of RUC
- Define impacts of a changing vehicle fleet economy on state transportation funding
- Create road map to inform RUC implementation

- Learn about ongoing public concerns about privacy
- Identify evasion and potential policies
- Create RUC Vendor Certification Program
- Determine parameters for the basis of a RUC
- To be a one-stop shop for all RUC information

WHAT IS THE BENEFIT?

RUC West is the foremost authority on road usage charging in the United States, bringing together leaders from 15 state transportation organizations to share resources and explore innovative funding solutions for preserving the future of the transportation network.

RUC is determined to be the most equitable fund solution for the transportation system in the 21st century.

- Economically: if a road charge program were implemented, the impact on individual households would depend on particular circumstances. In general, hybrids and electric cars are more expensive and likely to be purchased by those in higher income brackets. Drivers of such vehicles pay little or no gas tax even though they still contribute wear and tear to the roads, while those who drive older and less fuel-efficient vehicles pay more because they purchase more fuel.
- Rural: rural households currently pay more gas tax per mile driven because they tend to own vehicles with lower fuel efficiency than urban and suburban households. Under a RUC system, they would potentially pay the same amount per mile driven as owners of higher miles per gallon vehicles, so the cost to pay for roads could be spread among all drivers more equitably. In every state, the impact on individual households would depend on their circumstances.
- Alternatives: There are alternative options to increase funds for road maintenance including increasing vehicle licensing and registration fees, levying new or additional fees on sales of electric vehicles, applying

revenues from general sales taxes to transportation, creating transportation reinvestment zones, increasing public / private partnerships, indexing gas taxes to a variety of economic indicators, and tolling more state highways. Many states are currently researching and exploring all these alternatives. A RUC, however, may be a sustainable option for addressing the systemic problems of the current gas tax funding model.

WHAT IS THE PROGRESS TO DATE?

- The RUC West Pilot Project officially started with all participating states and the consultant project team attending a kickoff meeting on April 12, 2017 in Seattle, Washington.
- The RUC West Pilot Project team conducted the first project workshop in July 2017. This effort included a draft outline of the Concept of Common Operations (CCO). The CCO is the primary deliverable for the RUC West Pilot Project and defined the operational, functional, and administrative scenarios for the regional pilot.
- The CCO project is complete, culminating with interviews of four private sector vendors, and synthesized the discussions for RUC West in a white paper titled Steps Forward: Vendor Perspectives.
- The project team attended RUC West's Quarterly Meeting on June 11, 2018 in Rapid City, South Dakota, where the team made a brief presentation regarding policy and implementation considerations for the next phase, and over the longer term. These considerations were based on all work completed and input received from RUC West member states during Regional RUC System Definition and Pilot Planning Project. This overall effort has officially concluded. The next phase for RUC West is the regional RUC pilot demonstration between Oregon and California.

More Information: <https://www.rucwest.org/>

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