Oregon’s Road Usage Charge Program

AAMVA, Region 4
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User Pays Principle
User Pays = Cost responsibility

• Principle that
  – those who use public roads should pay for them,
  – users should pay in proportion to the road costs for which they are responsible.

• Oregon has used for more than 70 years for financing its roads

• Part of Oregon constitution
Oregon’s Pioneering Bicycle Legislation

Governor T.T. Geer

Petal Pedal
Getting Oregon “Out of the Mud”

1913 – Highway department is formed

1919 – Legislature enacts the first gas tax in the nation
## History of User-Pays in Oregon:

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tr>
<td>1919</td>
<td>Oregon Legislature enacts the nation's first gas tax.</td>
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<td>1943</td>
<td>Oregon passes Use Fuel Taxes for non-gasoline fuels.</td>
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<td>1947</td>
<td>Oregon enacts weight-mile tax for commercial vehicles in excess of 20,000 pounds.</td>
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<td>2001</td>
<td>Oregon forms the Road User Fee Task Force to explore new ways of funding the state's transportation system.</td>
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<td>2006-2007</td>
<td>First Road User Fee Pilot Program. 300 vehicle test.</td>
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<td>2012-2013</td>
<td>Oregon welcomes 88 volunteers for a Road Usage Charge Pilot Program.</td>
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Reasons for a Road Usage Charge Program
Motivations for Change in Road Funding

Changes to nation’s vehicle fleet.

CAFE standards increasing - 54.5 MPG by 2025.

Construction costs are going up.
The economy needs to keep moving.
We need to modernize our transportation system.

We also need to modernize how we pay for it.

Emergency services depend on a reliable transportation system.
Road User Fee Task Force

Created in 2001

Legislative Mandate

To develop a design for revenue collection for Oregon’s roads and highways that will replace the current system for revenue collection.
Oregon’s Early Per Mile Charge Pilot Programs

1. Road User Fee Pilot (2006-07)
   - Mileage reporting and payment at fuel pump

2. Road Usage Charge Pilot (2012-13)
   - Mileage reporting wirelessly from machine to machine
   - Private sector account manager
How the program works
What is a Road Usage Charge?
A fee charged for the distance a vehicle is driven. 

Collect fuel tax as a prepayment of RUC.

Count the miles and multiply by the rate.

Collect the net tax or refund the difference.
The Road Usage Charge Program (7/1/2015)
FULLY OPERATIONAL FOR UP TO 5,000 VOLUNTEER - Senate Bill 810 (2013)

- 1.5 cents per mile
- Fuel tax credit
- Mileage reporting *choices*
- GPS *not* required
- Open system
- Private sector administration option
- Penalties for fraud
- Protects personally identifiable information
Volunteer Experience

Sign Up

Step 1. Register Your Vehicle
Enter the VIN of the vehicle registered with In-Drive.

Step 2. About You

Sign up and select mileage reporting method

Install/activate mileage reporting device

Drive
Volunteer Experience

Payment

Account settlement (varies by account manager)

Nature of billing | Timing of payment | Method of payment
Taxing by the Mile, Not the Gallon

November 05, 2015 | By Elaine S. Povich

SALEM, Oregon—Evan Burroughs plugged into his 1996 Subaru Outback and pointed to a green plastic box tucked below the steering column. It blinked once. As Burroughs eased the car out of the parking lot and drove toward the highway, the box kept track of his speed and braking, but most importantly, of how many miles he drove.

The green box, part of a pilot program, sends the data to a private contractor like a GPS device manufacturer, which reports the miles to Oregon, which calculates Burroughs' tax bill—1.5 cents per mile.

As revenue from the standard per gallon gas tax diminishes, states are looking for other ways to pay for the construction and maintenance of roads and bridges. California recently authorized its own mileage tax pilot project. Between 2003 and 2014, at least 19 states considered 55 measures related to mileage-based fees, according to the National Conference of State Legislatures.

National Recognition

National Association of State Chief Information Officers (NASCIO), 2015 IT Recognition Award Winner in the Emerging & Innovative Technologies category

National Association of Government Communicators (NAGC), 2016 Blue Pencil & Gold Screen (BP&GS) Award for branding OReGO.
The most enrolled vehicle type is a Toyota Prius, followed by an F-150 and the Subaru Outback.
Future of road usage charging in Oregon
The Next Stage of Development
Strategic Plan for a mandatory road usage charge system:

What is the end state for per mile charge?

What is replaced?

Which vehicles are in the program?

What will the rate structure be?

What is the transition plan?
Western Road Usage Charge Consortium

Member States

Arizona
California
Colorado
Idaho
Hawaii
Montana
Nevada
New Mexico
North Dakota
Oklahoma
Oregon
Texas
Utah
Washington
QUESTIONS?

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