WESTERN ROAD USAGE CHARGE CONSORTIUM

Randal Thomas, Administrator
Western Road Usage Charge Consortium/RUC West
What is RUC WEST?

• Created in 2013
• RUC West is a voluntary assemblage of state DOT’s
• Purpose – build public sector organizational capacity and develop expertise for the potential of mileage-based road usage charging
  • Address policy, administrative, and technology issues
• Collaborative forum – facilitate resource sharing, functions as a best practices: discuss issues, observe and lessons learned
  • Opportunities to achieve economies of scale by joint testing
• Facilitate joint research projects
  • Approved as a Transportation Pooled Fund (TPF) study by FHWA
• Members are free to determine if or how they wish to advocate testing or implementation of RUC systems in their states—they are not required to adopt or advocate a system used by another member
Who is RUC West?

14 MEMBER STATES

Arizona
California
Colorado
Idaho
Hawaii
Montana
Nevada
New Mexico
North Dakota
Oklahoma
Oregon
Texas
Utah
Washington
• RUC West is **not** an advocacy organization

• **States are in different places (3 Tiers)**
  
  TIER 1 – states that are following the RUC concept, which may include a research project
  
  States: AZ, HI, ID, MT, ND, NM, NV, OK, TX, UT, WA

  TIER 2 – includes states that are testing road usage charging, which may include a pilot program
  
  States: CA, CO

  TIER 3 – includes states that have policy enacted to implement a road usage charging program in full or in part
  
  States: OR

• **Governance: Charter & Operating Procedures**
RUC West Organizational Charter  *(Revised & Approved 7/15/14)*

From Section 1.0 Introduction: “This Organizational Charter provides the basis for broad, multi-jurisdictional coordination, organized around a common agenda and facilitated through a cooperative support structure.”

**Governance & Organizational Structure:**

**Board of Directors:**
Director/Secretary of Member DOT's

**Steering Committee:**
Each Member DOT designates a person

**Work Plan & Budget**
- Developed and managed by Steering Committee
- Reviewed by Board

**Work Groups** (as needed)

**Consultants** (as needed)
Three reasons:

1. Perceptions of impending and recurring revenue losses
2. Emotions ranging from desperation to curiosity
3. Opportunity to reduce research costs and learn from other states
Sampling of RUC Issues

- Privacy Concerns
  - Location / non-location based
  - Data security
- Technology Options
  - Potential manual approaches
- Standards & “Open Architecture”
- Compliance and Enforcement
- System Costs (Administration)
- Fairness (urban vs. rural drivers)
- “Double Taxation”
  - RUC as a replacement or supplement to fuel tax
- Vehicle Types and Exemptions
- Rate Structures
- Interoperability Between States
- Implementation / Phase-In Approaches
- Roles of Public and Private Sector
  - RUC as a value added
- Responsible Government Entity
  - Role of DMV / Toll Agencies
- Role and Concerns of Automotive Industry (and “Connected Vehicles”)
- Political Will
  - State and Federal
Research Projects

- Strategic Communications Plan (website/branding/messaging) – *underway*
- Peer review of Oregon’s RUC program – *completed*
- How to address out-of-state (and international) drivers in a RUC system – *(phase 1 competed; phase 2 underway)*
- Effects of a RUC system on rural residents – *underway*
- Impacts of changing fleet fuel economy on state revenue – *completed*
- Online calculator for consumers to estimate a RUC – *underway*
- Compilation of best practices to create a “roadmap” for DOT consideration of a RUC system – *underway*
- Privacy: Public expectations and solutions – *underway*
- Certification process: available to multiple states – *underway*
- Parameters of a RUC Rate – *Funded*
- Regional Pilot Plan (Phase 1 of Regional Pilot) – *underway*
- 2016 Work Plan includes “carryover” and member suggested projects
Roadmap for Consideration of a Road Usage Charge System

**Issue to address:** while a number of states are examining the feasibility of implementing a RUC, there is no known compendium of their efforts, or those of other entities that have implemented RUC-like funding schemes.

**Major Goals:**

Analyze range of implementation scenarios (examples are shown for context and are not exhaustive).

Present an interpretive framework for understanding differences in outcomes from various implementation schemes.

Analyze successes/failures for context (e.g. type of project, targeted market, nature of fee).

Clearly identify alternative pathways states might follow.
Addressing Out-of-State Drivers in a RUC System (Phase 1 of 2)

Issues to address:
- How does Roamer interact with the RUC system?
- How does the RUC state deal with the out-of-state motorist?
- How do the states interact with each other (reconciliation of revenues, etc.)?
- How might private sector RUC service providers participate or assist?

Initial policy options for states to handle out-of-state motorists:
- Do nothing
- Fuel tax
- Vignette (i.e., mileage permits)
- RUC
- State-level reconciliation only
- Others?
Addressing Out-of-State Drivers in a RUC System (Phase 1 of 2)
Effects of RUC on Rural Residents

Issues to address:
• Is RUC an unfair burden to rural residents?
• Are technological and compliance requirements different for rural residents?

Expected Deliverables:
• Research report and executive summary that addresses the following impacts:
  • Technological
  • Behavioral
  • Vehicular and
  • Financial
• A public acceptance framework for RUC in rural communities
RUC West – Regional RUC Pilot

- Applied for FY16 grant funds for Pilot “predevelopment”
  - Section 6020 of the FAST Act
- All member states provided a letter of support for a pilot
- 12 members will participate in predevelopment activities
  - Design, business rules, technology interface
- 4 members anticipate participating in a pilot demonstration
  - Flexible entry / exit – allow each member state to join the regional pilot on terms that reflect the sensitivity and appropriateness for each state
  - Interoperable between states (common standards for data flow)
  - Open systems – fit each state’s objectives but yet able to interoperate with the other participating state pilots
- User Choice
- Regional Pilot Plan will provide action plan and outline for the pilot
Thank you!