Exploring Road Usage Charge in California

Presented to the California State Association of Counties
Revenue Loss Due to Increases in Fuel Economy

- Revenue Loss
- Loss Due to Increases in Fuel Economy
- Vehicle Miles Traveled
- Gas Consumption with Increased Efficiency
- VMT Growth
- Revenue Loss Due to Increased Fuel Efficiency (New CAFE Standards)

Caltrans
California Department of Transportation
Highway Trust Fund Insolvency

Receipts, Outlays, and Balance or Shortfall for the Highway Account Under CBO’s April 2014 Baseline

Billions of dollars

Actual - Projected

Outlays

Receipts

End-of-Year Balance or Shortfall


CONGRESSIONAL BUDGET OFFICE

JUNE 2014
What is California Doing?

- **California Transportation Infrastructure Priorities (CTIP) Workgroup**
  - Road Usage Charge (RUC) Identified for Exploration
  - Developed High-Level Goal and Guiding Principles
  - Recommended Demonstration Program Characteristics
  - Upcoming Revenue Options Subgroup

- **Coordinating Research**
  - Western Road Usage Charge Consortium
  - Mileage-Based User Fee Alliance

- **Senate Bill 1077 (DeSaulnier)**
Senate Bill 1077 (DeSaulnier)

- Signed by Governor Jerry Brown on 09/29/14
- Vehicles - Road Usage Charge Pilot Program

Requirements:

- 15 member Road Usage Charge Technical Advisory Committee (TAC) creation
- California Transportation Commission (CTC), TAC and CalSTA roles and responsibilities
- Policy considerations for the TAC
- Public and stakeholder input
- Pilot program implementation schedule
- Final Report to the TAC, CTC and Legislature
- Issues for inclusion in Final Report
SB 1077 Schedule

Road Usage Charge Activity Timeline

- **Technical Advisory Committee Kickoff**
  - January 2015

- **Preliminary Investigation**
  - January 2014

- **Demonstration Development**
  - January 2016

- **Live Demonstration**
  - January 2017

- **Final Report to Legislature**
  - June 2018

**Exploration of the potential for RUC in California will take several years, beginning with a preliminary investigation and feasibility analysis, which is currently underway. Under SB 1077 a Demonstration Program will begin by January 2017 and a final report will be completed by June 2018. Full implementation would require future legislation.**

**Future Legislation**
- TBD
Proposed RUC Organizational Structure

PLANNING PROCESS

California State Transportation Agency
CTIP/RUC Subgroup
- Caltrans
- DMV
- BOE
- ARB

Technical Advisory Committee

CTC

RUC DEMONSTRATION

Live Demonstration
Phase 1

Final Report
Phase 2
THANK YOU