



Washington State Transportation Commission



State Tolling Authority

adopts all state Highway and bridge tolls
sets fares for Washington State Ferries



Proposes transportation policy and finance
recommendations, such as road usage charge

Names new ferries

20-year statewide transportation plan

Public forums on transportation policy

On-line surveys—**Voice of Washington Survey**

Local meetings in 4 locations each year



 **WTP2035**

WASHINGTON TRANSPORTATION PLAN
CONNECTING WASHINGTON COMMUNITIES
FOR A HEALTHY AND PROSPEROUS FUTURE



An independent, 7-member body of citizens

Appointed by the Governor, confirmed by the Senate

Staggered six-year terms

3 from eastern Washington 4 from the Western Washington

WSDOT Secretary and the
Governor's Office *ex officio*



Future of tolling

Tolling to

Build a project—Tacoma Narrows Bridge

Project cost \$735 million

Manage traffic—SR 167

Build a project & manage traffic—SR 520

Project cost \$4.2 billion

Manage a transportation corridor—I-405



Toll facilities authorized

SR 99 AWW Replacement Tunnel



Future of the fuel tax: Road usage charge

A road usage charge is a per mile fee drivers would pay for the use of the road system, rather than paying by the gallon of gas.



Road usage charge assessment

2012 Legislature directed:

Transportation Commission to **assess the feasibility**

2013 Legislature directed:

Transportation Commission to **evaluate the business case**

2014 Legislature directed:

Transportation Commission to **develop a work plan**

WSDOT to **work on interstate travel & interoperability**

State Treasurer **to assess implications** of replacing or modifying the gas tax

2015 Legislature directed:

Transportation Commission to **develop concept of operations; examine rural & urban impacts**

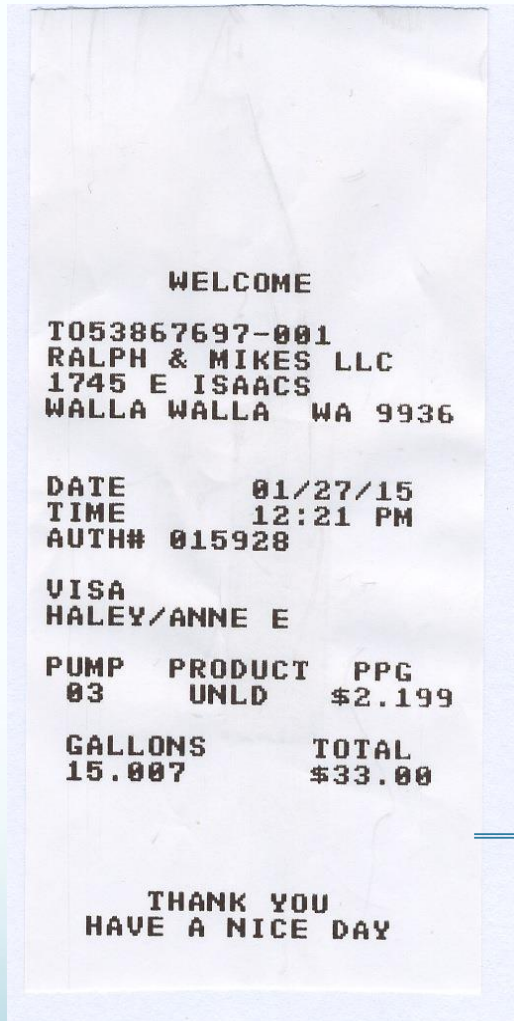
2017 Legislature directed:

Transportation Commission to **develop a pilot project & seek a federal grant**

2018 Transportation Commission: conducting a RUC pilot project statewide



Fuel tax is bundled & invisible

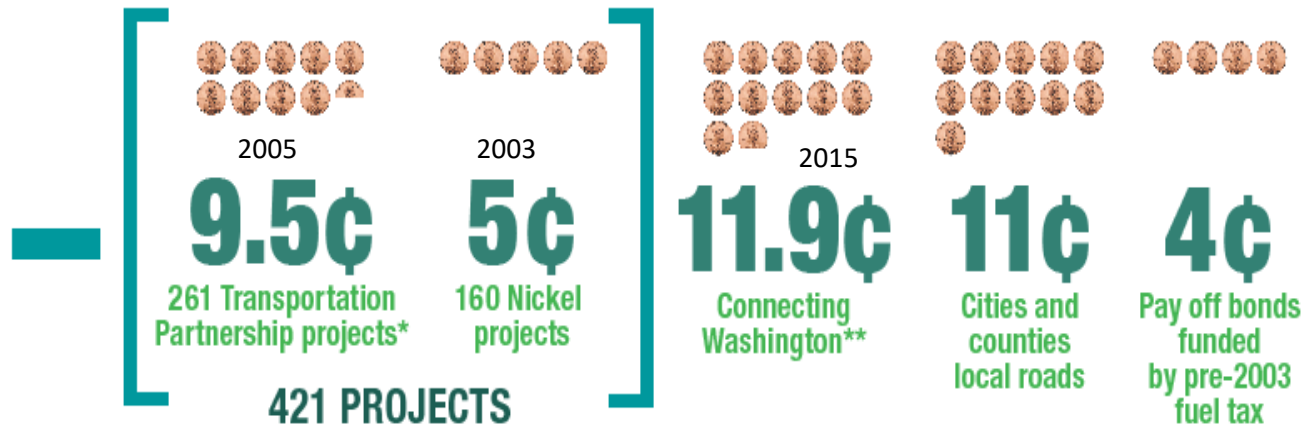


| | |
|----------------------------|---------|
| 15.007 @ \$1.64/gal | \$24.67 |
| Fed fuel tax @ \$0.184/gal | \$ 2.70 |
| WA fuel tax @ \$0.494/gal | \$ 8.33 |
| TOTAL | \$33.00 |



Fuel tax breakdown

49.4¢ PER-GALLON STATE FUEL TAX

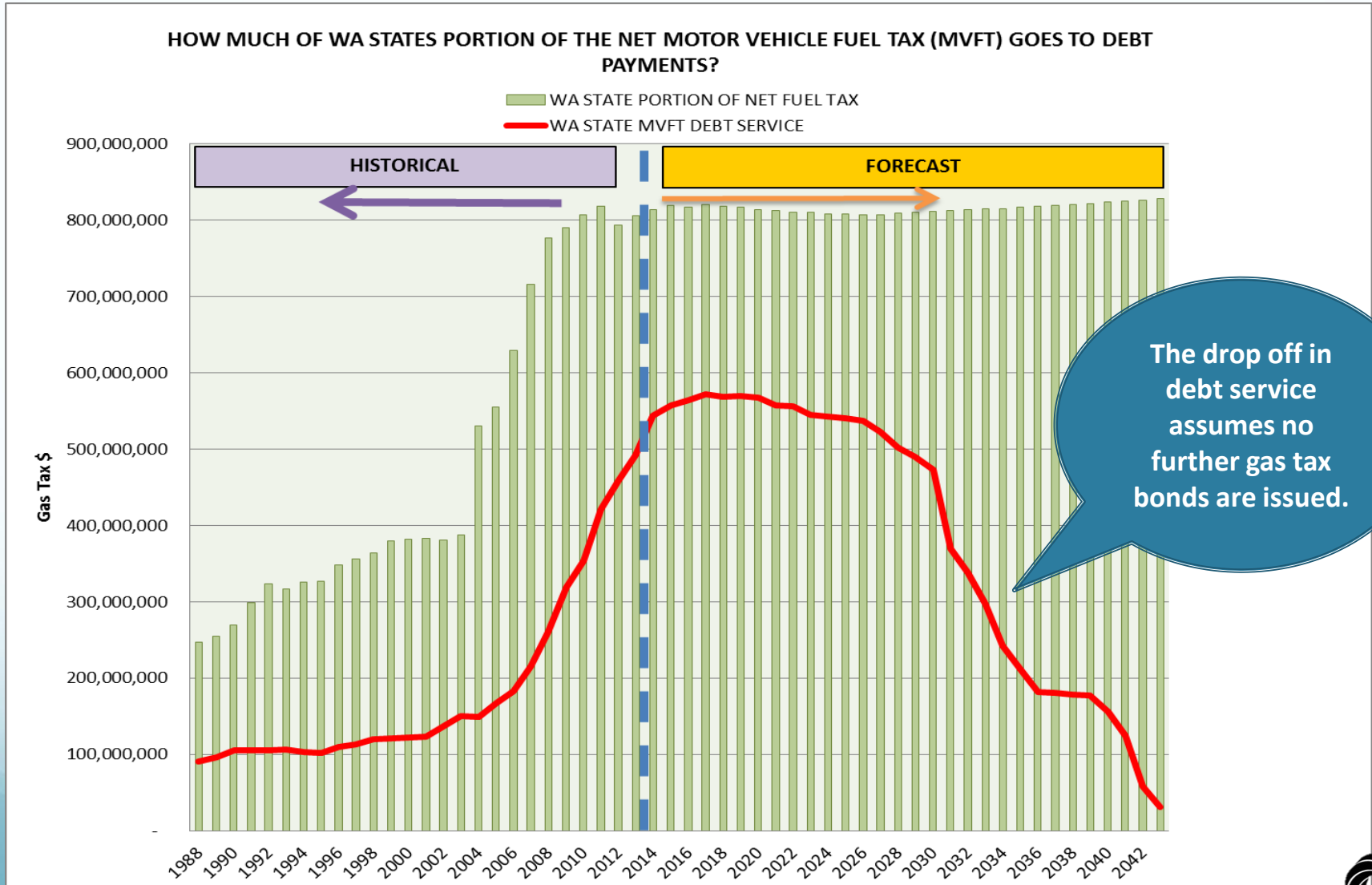


= 8¢ Available for use on state highways, bridges and ferries:

- maintenance and operations
- preservation
- safety improvements



Until 2030, 70% of fuel tax revenue is obligated to pay for the debt used for financing transportation projects.



Fuel efficiency continues to increase

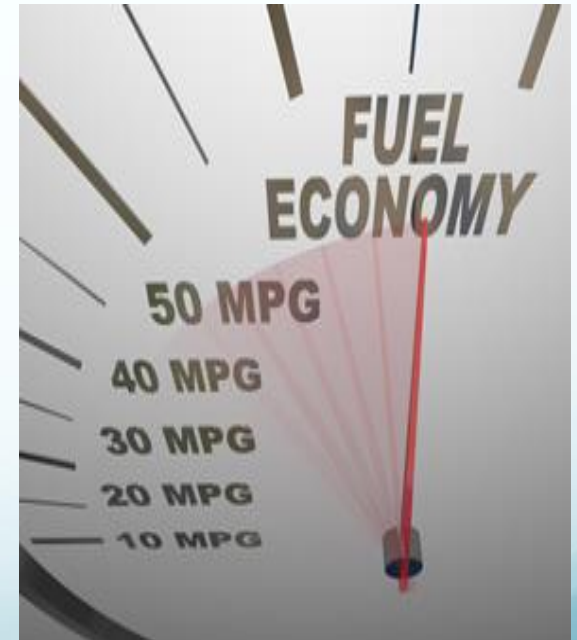
Current federal CAFE Standards: **54.5 MPG by 2025**

Washington state's current average: **20.5 MPG**

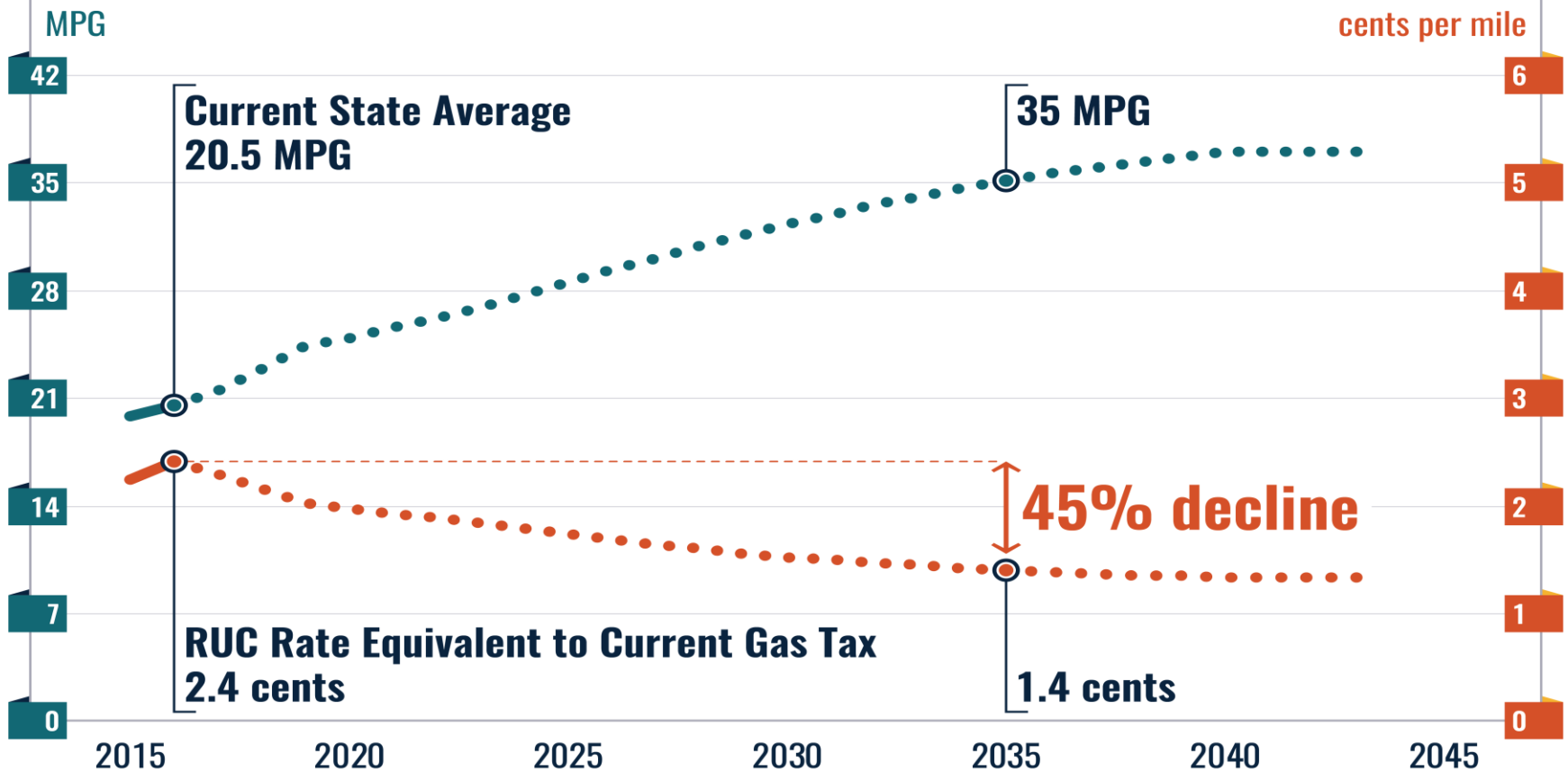
Federal Energy Information Administration conservatively predicts:

All **NEW** cars by 2040 = **48 MPG**

All cars (**new and old**) by 2040 = **37 MPG**



GAS TAX REVENUES DECLINE WITH VEHICLE FUEL EFFICIENCY



Conservative forecasts say Washington's vehicles will reach a 35 MPG average by 2035—a potential 45% reduction in gas tax revenue per mile driven. As vehicle MPG increases, gas consumption decreases, and thus gas tax revenues decrease as well.

The state gas tax increased in 2015-2016.

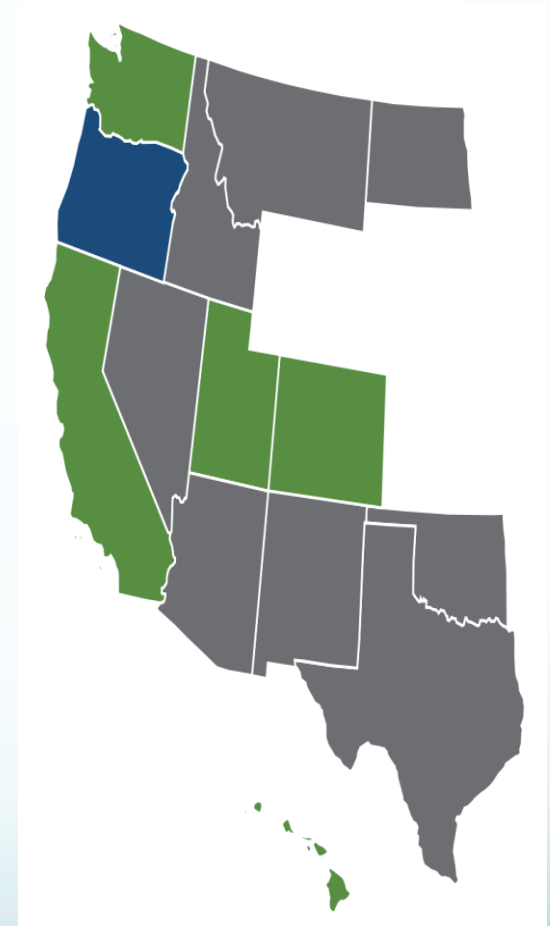


Road usage charge is a potential solution

14 western states are in research, **testing**, or **legislatively enacted programs**

Remaining task: let the public (volunteer participants) “test drive” road usage charge through a pilot test

Federal Highway Administration awarded \$3.847 to Washington State to prepare a statewide pilot test



Guiding principles for a road usage charge system

GOAL: SUSTAINABLE, LONG-TERM REVENUE SOURCE

Transparency: how the transportation system is paid for

Cost effectiveness: administration is cost effective & efficient

Equity: all road users pay a fair share

Privacy: respect individual's right to privacy

Simplicity: convenient, transparent without undue burden

Accountability: clear assignment of responsibility & oversight

Enforcement: costly to evade, easy to enforce

System flexibility: adaptive, open to competing vendors

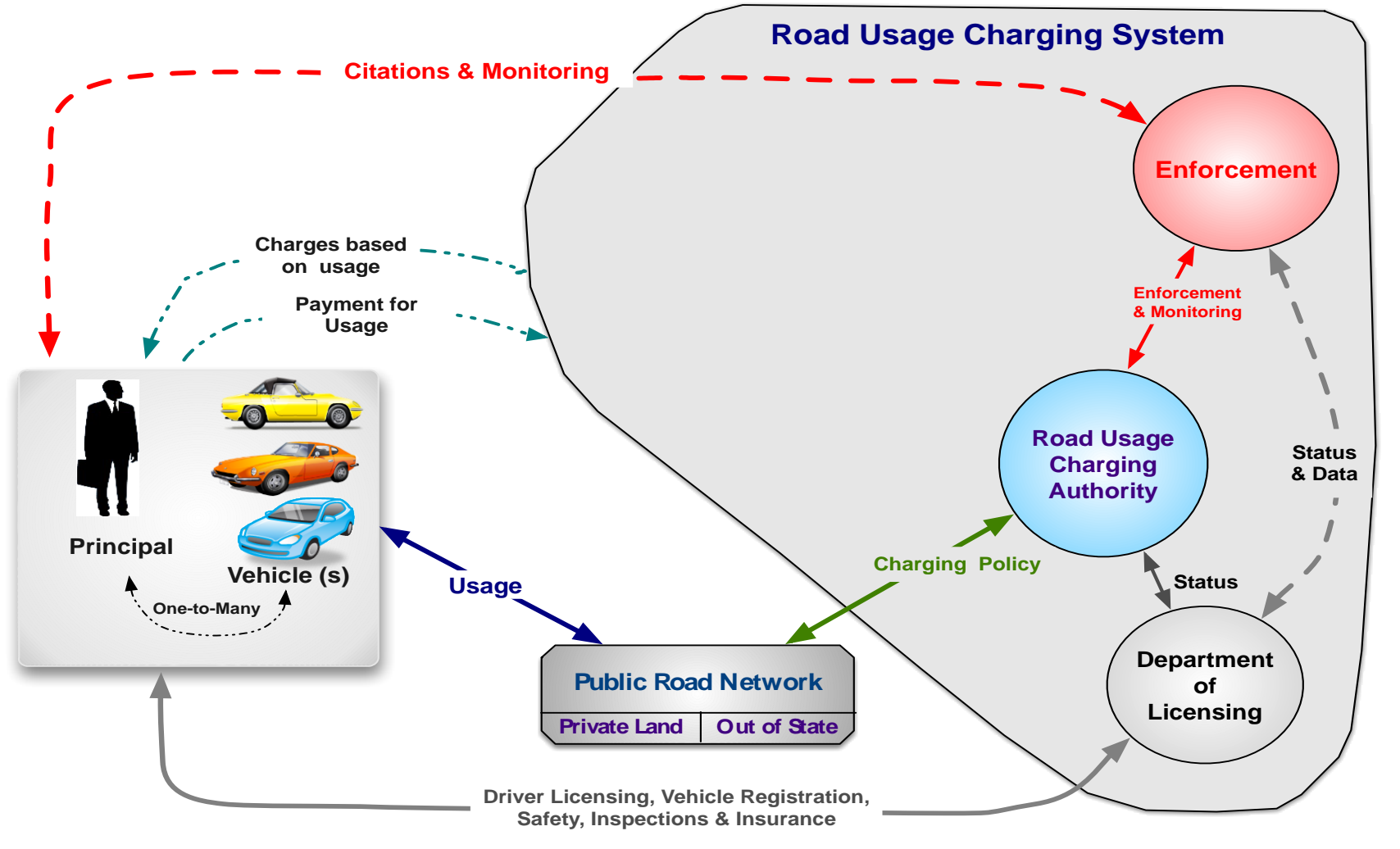
User options: consumer choice considered whenever possible

Interoperability: with other states & Canadian provinces

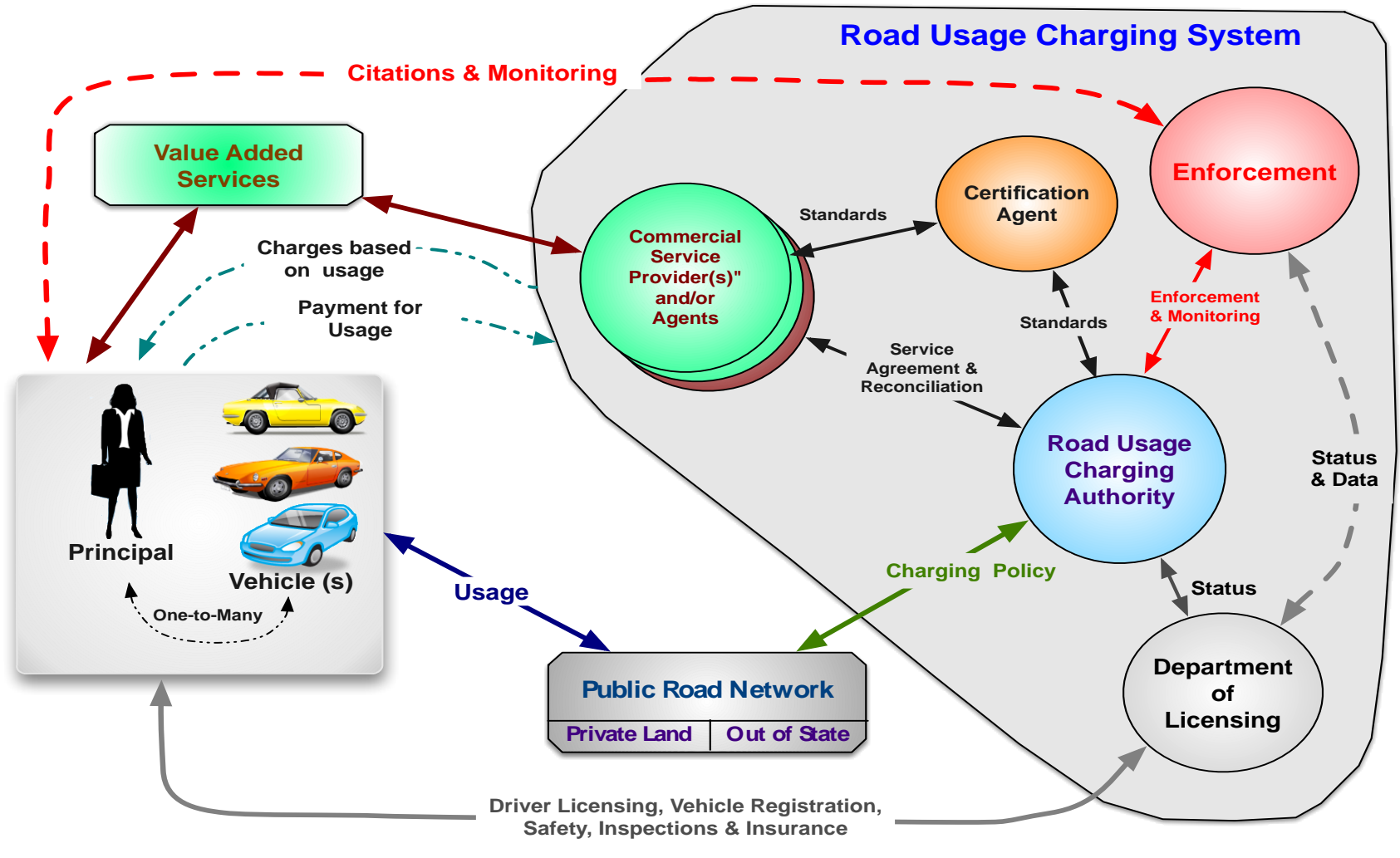
Phasing: in the deployment & implementation



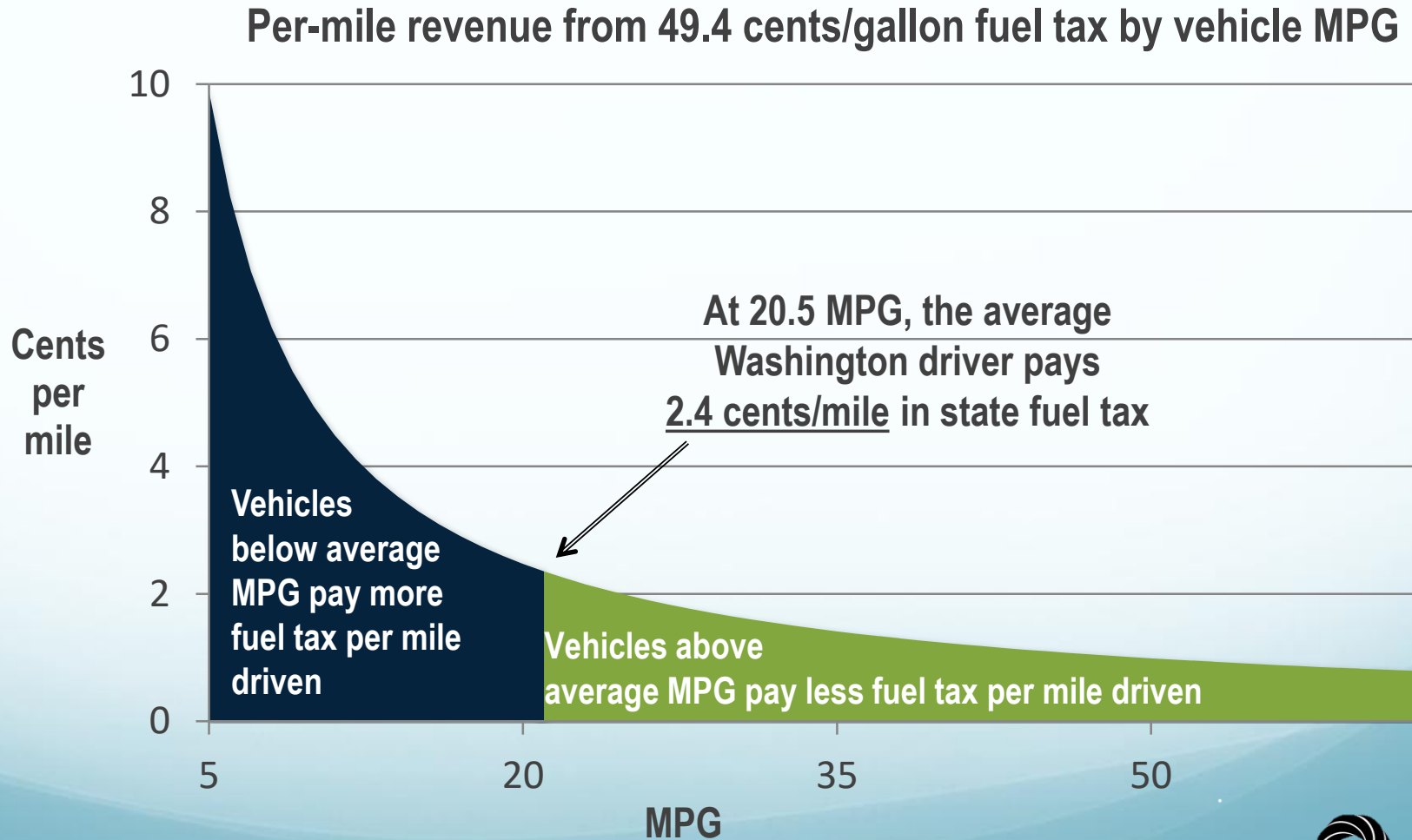
System Overview



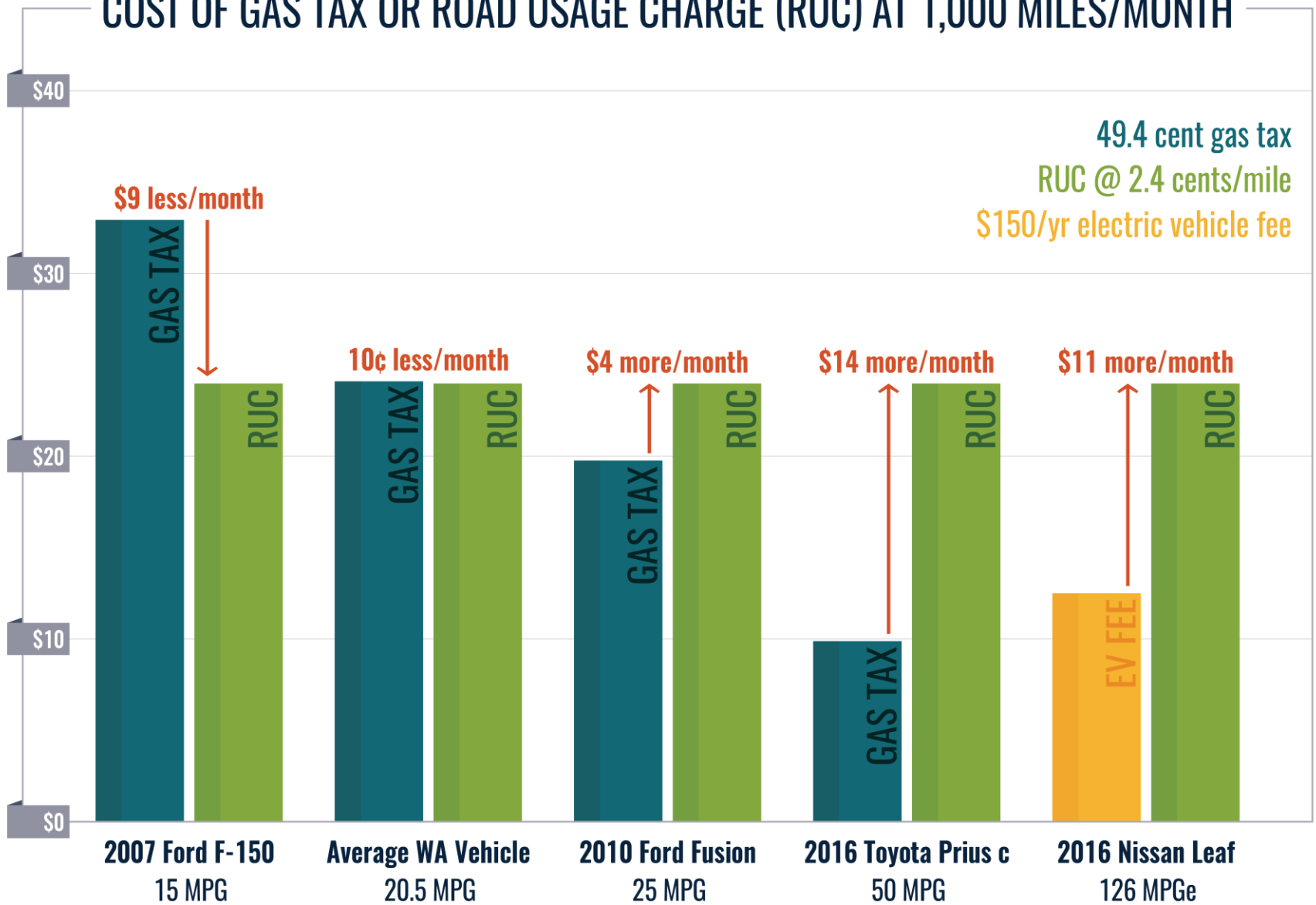
System Overview with Third Party Provider



Fuel tax has fairness & equity challenges



COST OF GAS TAX OR ROAD USAGE CHARGE (RUC) AT 1,000 MILES/MONTH



What you drive will determine the cost impact of RUC:

- Less fuel efficient vehicles will see a decrease in the amount of taxes paid
- More fuel efficient vehicles will see an increase in the amount of taxes paid
- The total effect is that all drivers pay the same rate to use the roads—regardless of their vehicle's MPG



Oregon road usage charge pilot 2013

From :
Sanef S.A.
8130 SW Beaverton-Hillsdale Hwy
Portland, Oregon
97225

On Behalf of :
Road Usage Charge Pilot Program
355 Capitol St. NE MS 32
Salem, Oregon
97301-3871



To :
Anne Haley
644 Boyer Ave
Walla Walla, Washington
99362

Account No: 8759946-USD
Statement Month: December 2012
Issue Date: Jan 7 2013

ROAD USAGE CHARGE PILOT PROGRAM **ACCOUNT STATEMENT**

| Item Description | Amount | Rate (\$) | Subtotal |
|---|---------------|----------------------------------|--------------|
| Vehicle: Ford Explorer License Plate Number: 376-WBS PLAN: ADVANCED | | | |
| Mileage Tax | | | |
| Total Mileage | 1290.00 miles | | |
| Washington Taxable Miles | 1287.50 miles | \$0.0187 | 24.07 |
| Fuel Tax Refund | 66.41 gals | \$0.3750 | -24.93 |
| | | Subtotal | -0.86 |
| | | | |
| | | New charges / credits this month | -0.86 |
| | | Your total account balance | -0.86 |

**As you have a credit balance there is nothing for you to pay.
No actual refunds are due to RUCPP participants outside of Oregon. This statement is for information only.**

Customer Support

If you have any questions about this invoice or the Road Usage Charge Pilot Program in general, please don't hesitate to contact us using the methods below :

Email: support@sanef-oregon.com
Phone: 1-855-797-1266

Drivers must have a choice for how to pay a road usage charge



Four ways to assess a road usage charge:

Time Permit: A flat fee to drive an unlimited number of miles for a given period of time (month or year)



Odometer Charge: A per-mile charge measured by odometer readings



Automated Distance Charge: A per-mile charge measured by in-vehicle technology that can distinguish between in-state and out-of-state travel with periodic billing

Smart Phone Application: A smartphone application would be used for total mileage collection.



Key take aways

Drivers will pay the fuel tax or a road usage charge, but never both

Out-of-state drivers & vehicles over 10,000 pounds will continue to pay the state fuel tax at the pump

Car owners can choose no-tech to high-tech mile recording methods according to their needs and interests



STATEWIDE PILOT TEST

Up to 2,000 vehicles from anywhere in Washington may participate, focusing in 5 regions

Drivers from Surrey, BC will test the international border crossing

Drivers from Vancouver who commute into Portland, OR will test interoperability between two states

Four payment options will be tested from no-tech to high-tech





**Be a part of shaping our state's
future.**

www.waroadusagecharge.org

Questions? info@waroadusagecharge.org

Want to talk? (833) WASH-RUC

