



Transportation Funding and California Road Charge Pilot Program Updates



Jim Madaffer
Commissioner
California Transportation Commission
TRB - Future Interstates Committee
February 24, 2017



California Infrastructure Report Card



Pay By The Mile – Road Charge – Mileage Based User Fee

Jim Madaffer | Commissioner | California Transportation Commission

✓ **\$59 Billion** - Deferred Transportation Maintenance

Source: Governor Brown's 2015 Five-Year Infrastructure Plan

✓ **45th** - State Ranking for Overall Highway Performance

Source: Reason Foundation's 21st Annual Report on the Performance of State Highway Systems

✓ **\$296 Billion** - Ten-Year Project Funding Shortfall

Source: California Transportation Commission's 2011 Statewide Transportation Needs Assessment

58% of California Roadways Require Rehabilitation or Pavement Maintenance

87% of California's Counties have an Average Pavement Rating of "At Risk" or "Poor"

25% of Local Streets and Roads will be in "Failed" Condition by 2022 under our Current Funding Levels

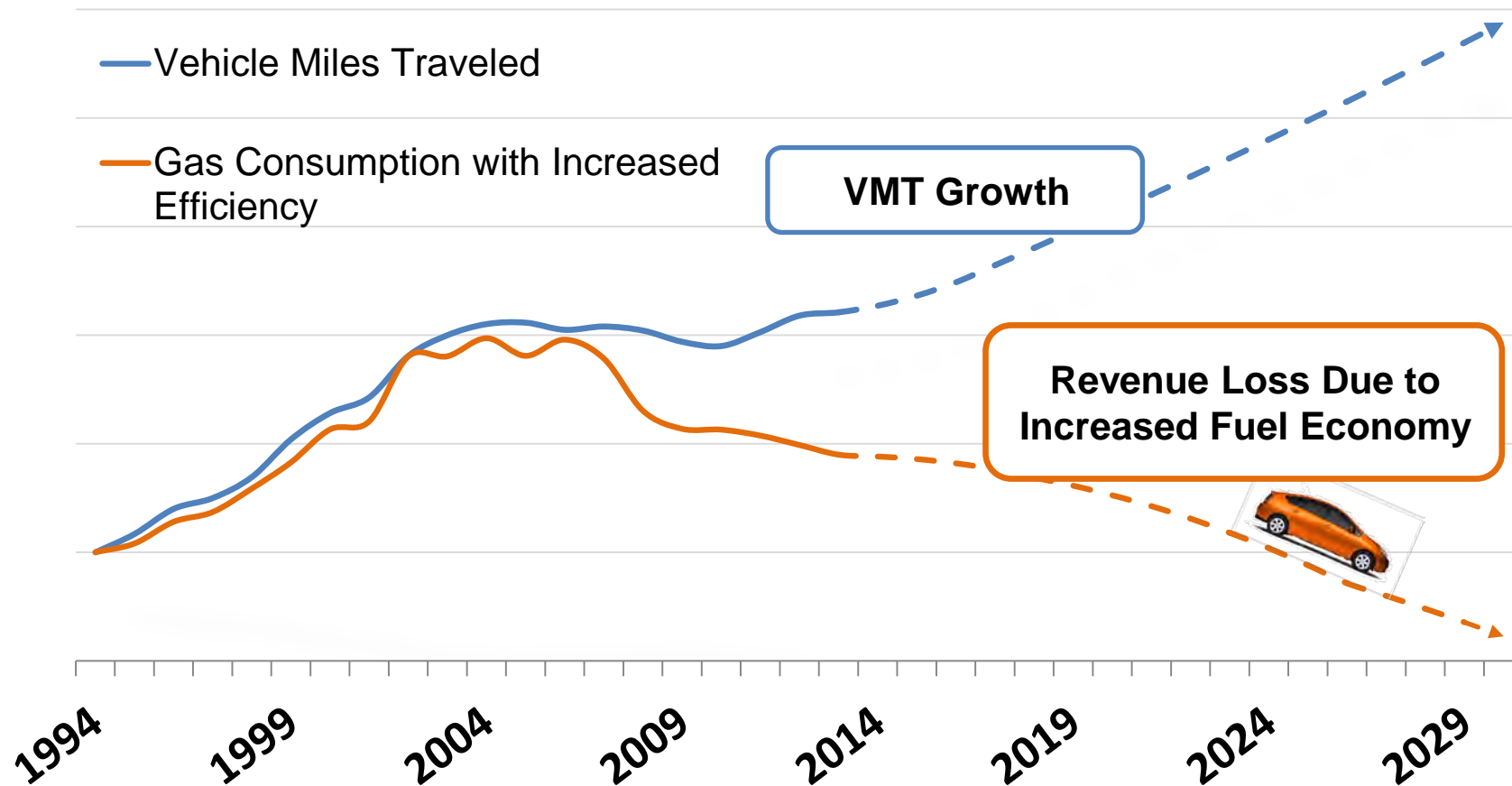
6 of the Nation's 10 Worst Urban Area Pavement Conditions

...But our transportation system is in financial crisis



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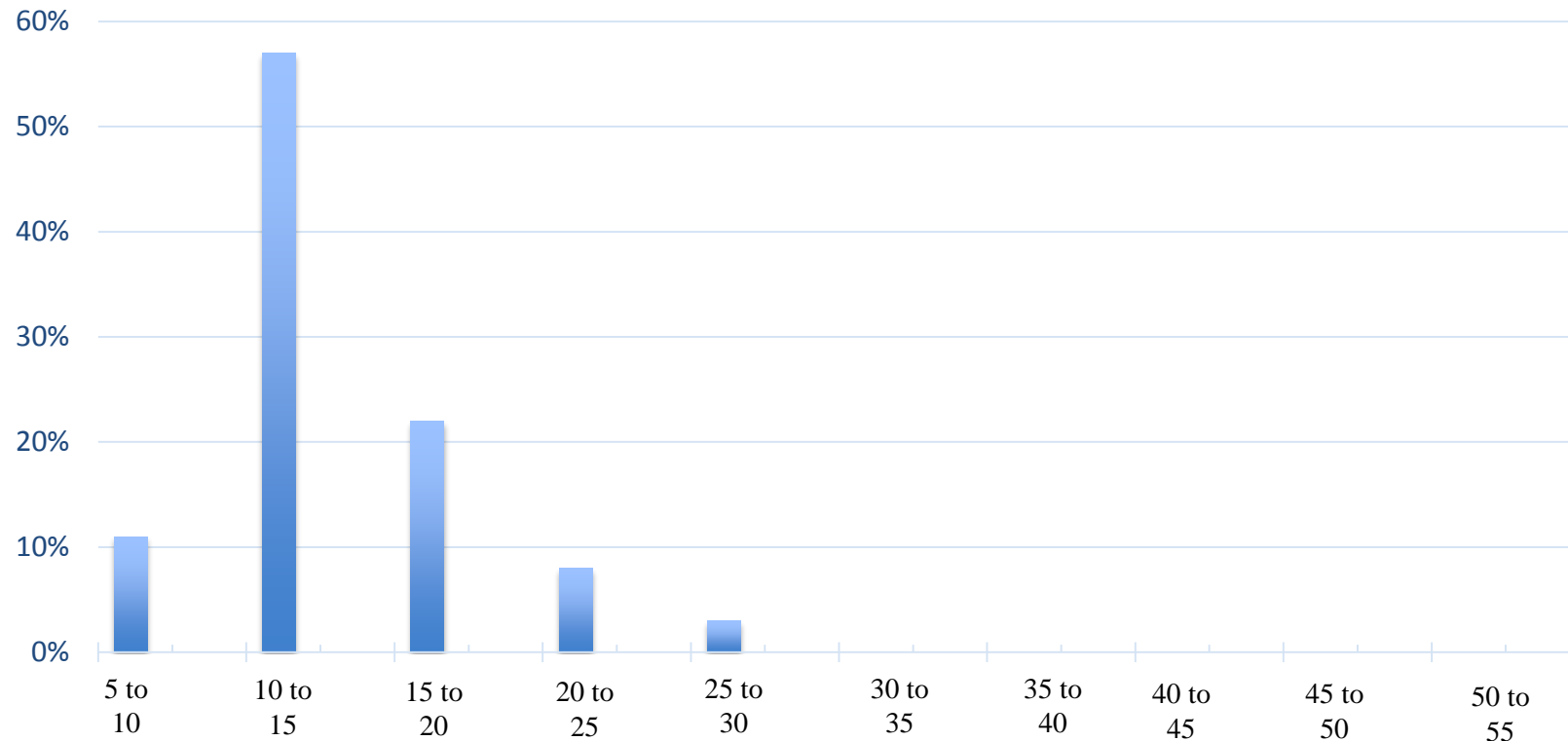
Evolution of Light-Duty Fleet Fuel Economy



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Model Year 1975



Source: EPA, Light-Duty Automotive Technology, Carbon Dioxide Emissions, and Fuel Economy Trends: 1975 Through 2014

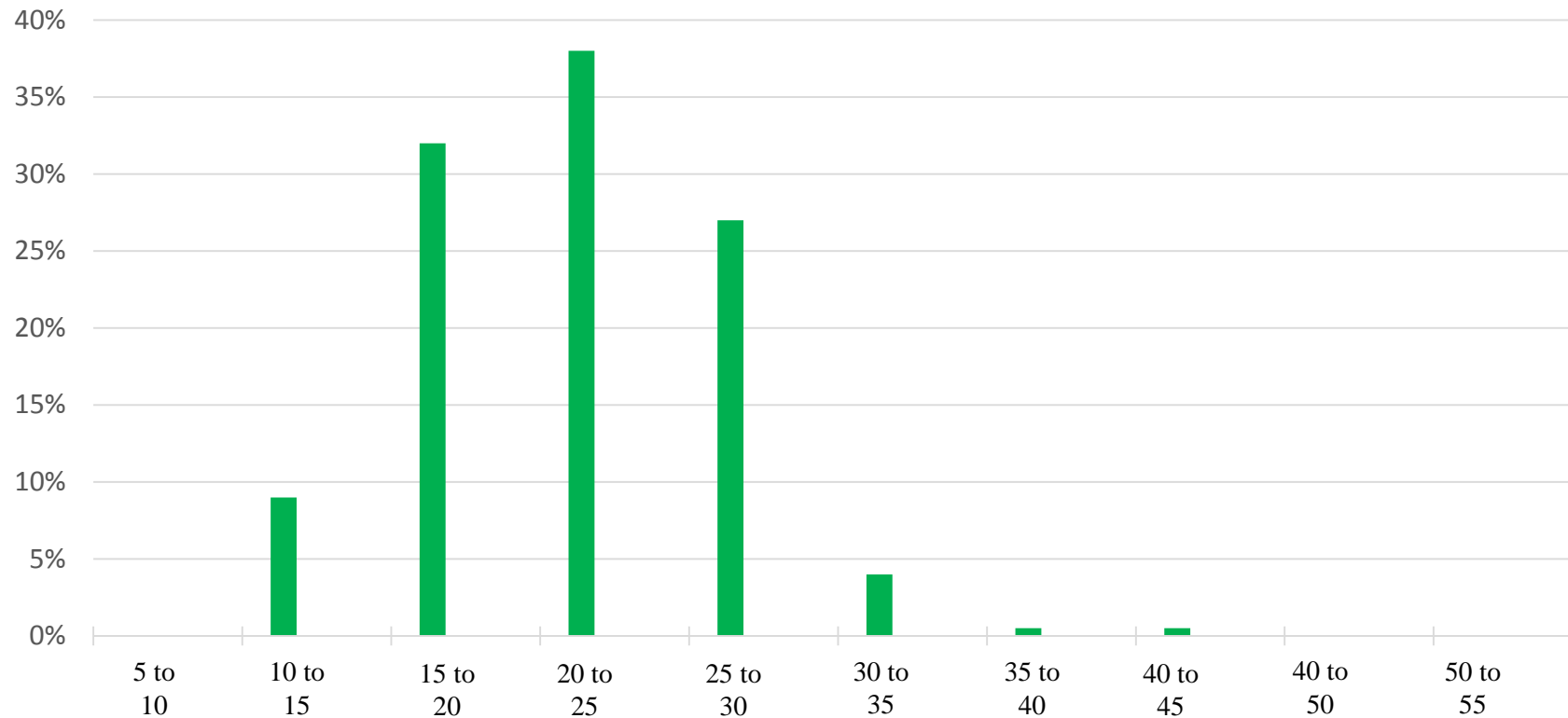
Evolution of Light-Duty Fleet Fuel Economy



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Model Year 1995



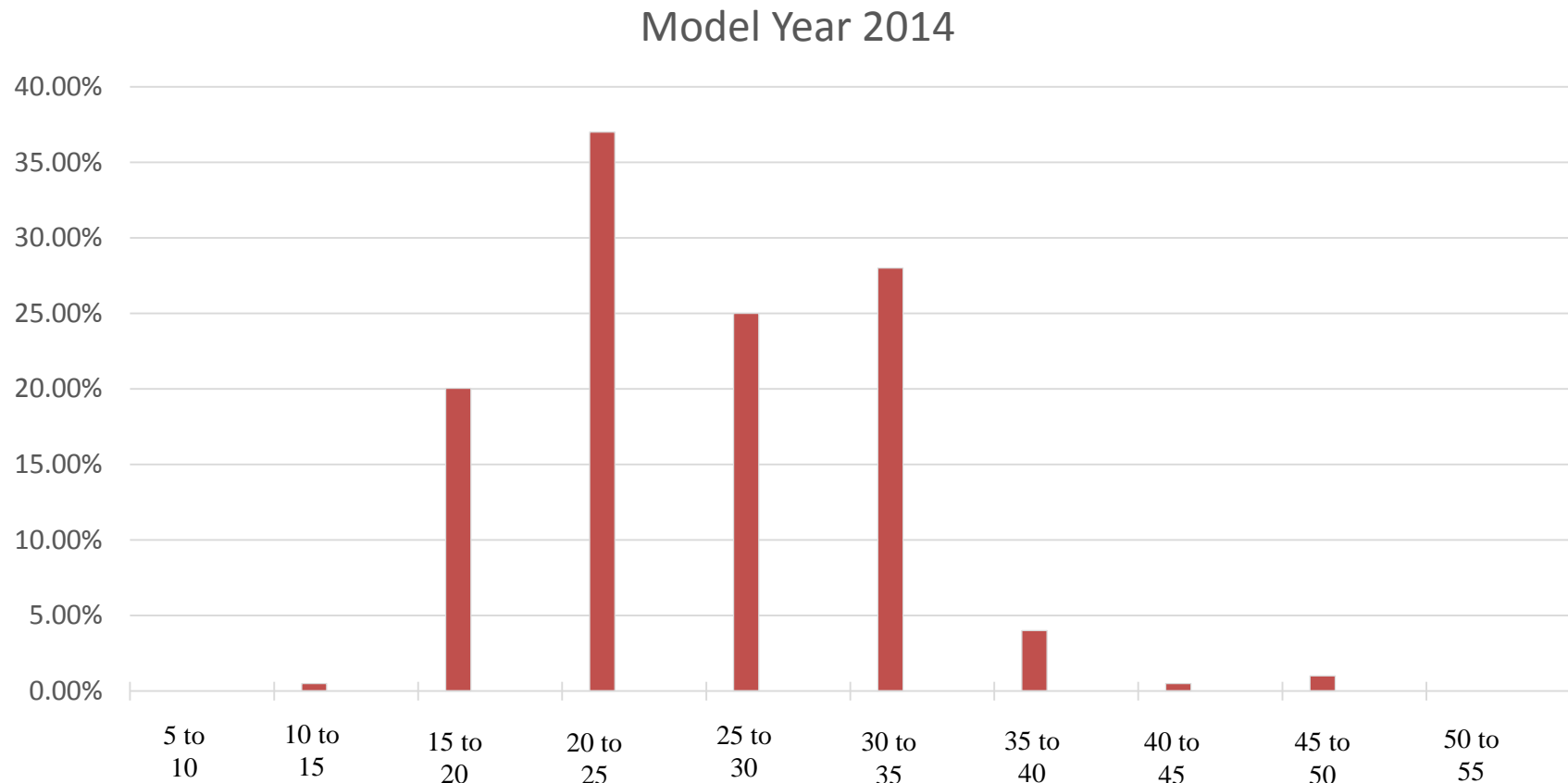
Source: EPA, Light-Duty Automotive Technology, Carbon Dioxide Emissions, and Fuel Economy Trends: 1975 Through 2014

Evolution of Light-Duty Fleet Fuel Economy



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Source: EPA, Light-Duty Automotive Technology, Carbon Dioxide Emissions, and Fuel Economy Trends: 1975 Through 2014



Why Explore a Road Charge?



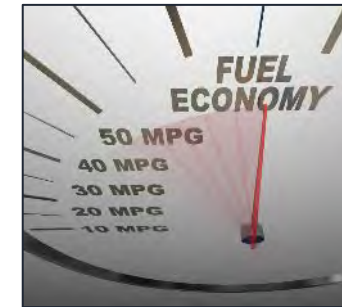
**Aging
Infrastructure**

**Shrinking
Funding**



**Increased
Requirements**

**Fuel
Efficiency**



The Evolution of Road Charge in the United States



- **2006 & 2012** – Researched and conducted two pilots
- **2015** – OReGO launches first mileage-based program for light vehicles

Oregon

RUC West

- **2013** – The Western Road Usage Charge Consortium formed a voluntary coalition of 14 western state departments of transportation



- **2014** – SB 1077
- **2016** – Launched largest live pilot with over 5,000 participants statewide
- **2017** – Final Report to the Legislature

California

FHWA

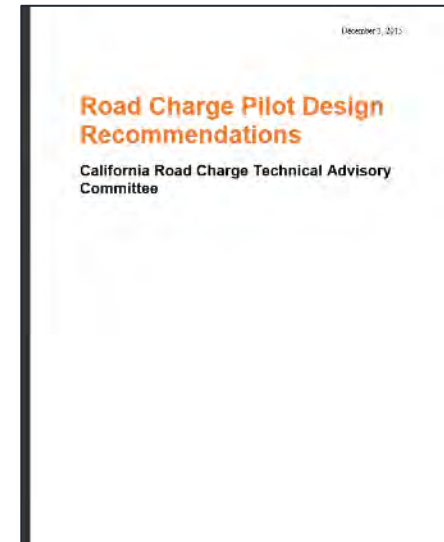
- **2015** – FAST Act signed into law by President Obama
- The strength of a Federal partner moving forward



Pilot Background

Included:

- Senate Bill 1077 passed in September 2014
- CTC formed a Road Charge Technical Advisory Committee (TAC)
- The TAC developed their pilot design recommendations in 2015
- CalSTA in charge of implementing the Road Charge Pilot Program





The Pilot by the Numbers



Pilot breakdown:

- 9 month pilot period
- 5,000+ participating vehicles
 - 4,540 private vehicles
 - 55 heavy commercial trucks
 - 243 light commercial trucks
- 5 different reporting methods
 - 83% using an automated method
 - 17% using a manual method

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Total miles driven in the pilot so far!

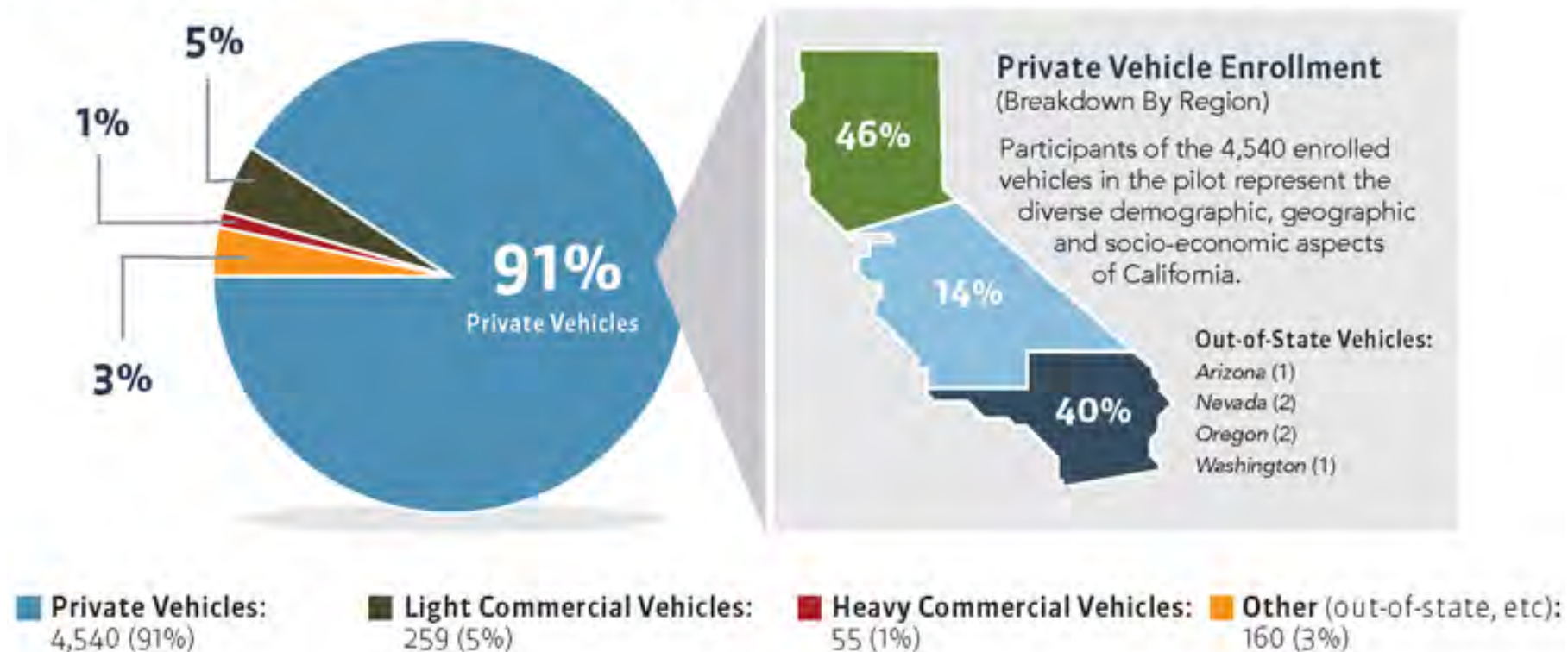




CA Pilot Enrollment Overview

ENROLLMENT OVERVIEW

The chart below represents the breakdown of the 5,014 total vehicle enrollments by category:



Mileage Reporting Methods



Low Technology Options



Time Permit



Mileage Permit

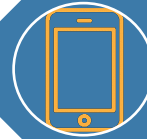


Odometer Charge

High Technology Options



Plug-in Device



Smartphone App



Built-In Technology

Vehicles by Account Manager



57%

- Plug-in Device (with and without location)
- Smartphone App (with and without location)



22%

- Plug-in Device (with and without location)
- Smartphone App (with and without location)
- Telematics



20%

- Time Permit
- Mileage Permit
- Odometer Charge
- 350 agency vehicles

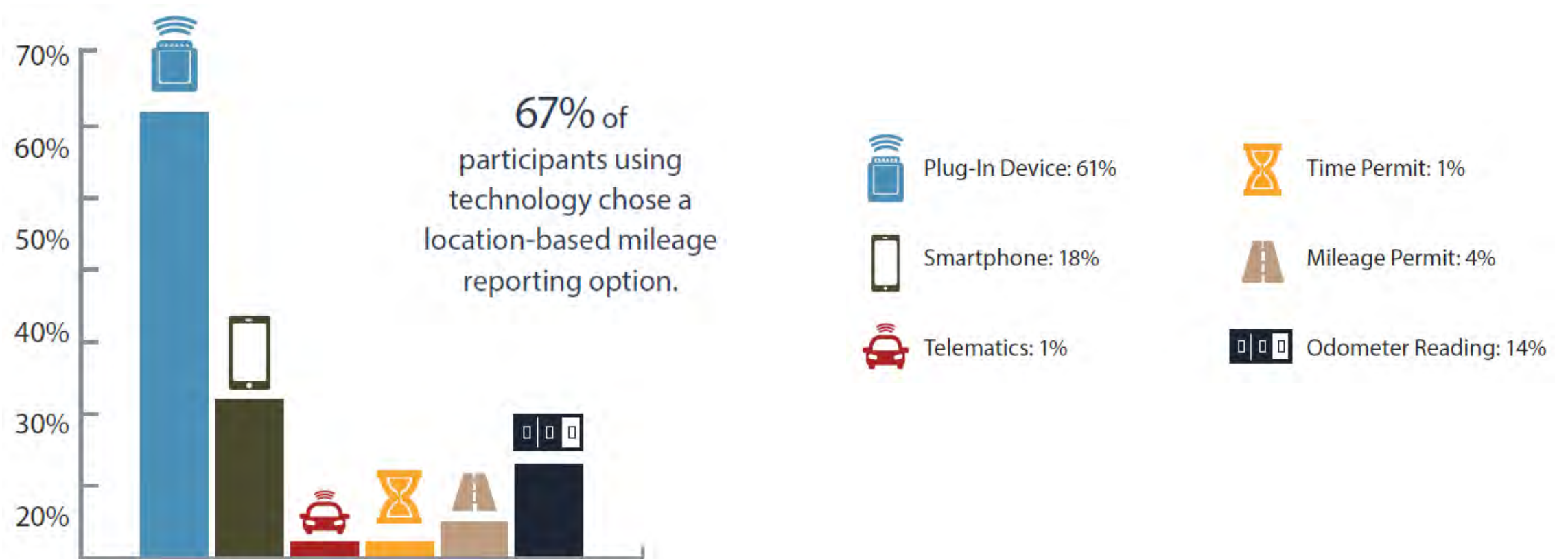


1%

- 55 Heavy Commercial Trucks
- EROAD's FMCSA-compliant electronic logging device



Enrollments of Private Vehicles by Method





Participant Feedback



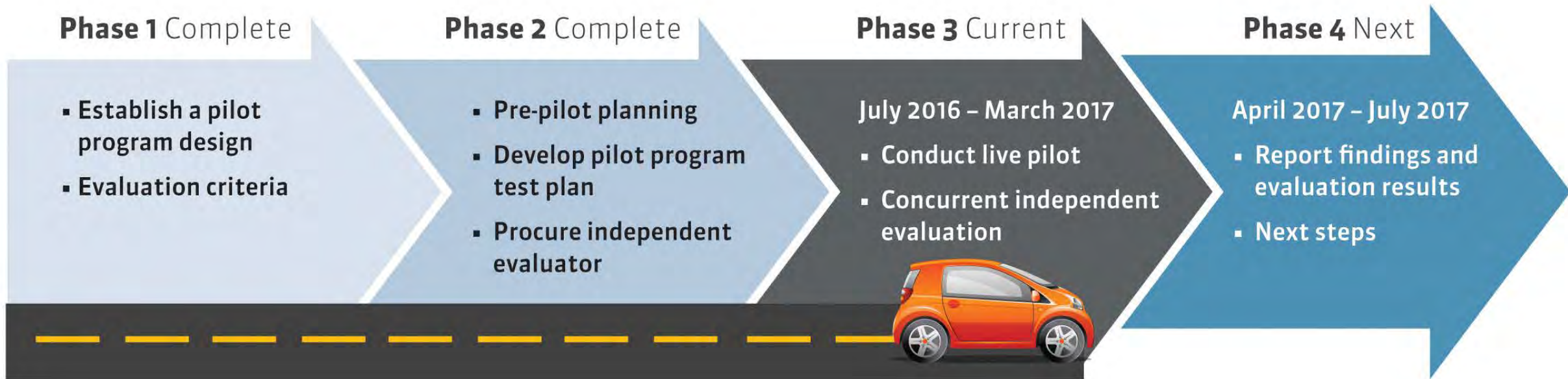
Survey results:

- **90%** Satisfied with reporting method
- **86%** Found participated in the pilot easy
- **83%** Overall satisfied with the pilot
- **71%** Think a road charge is more fair than a gas tax





The CA Pilot Timeline



What's Next?



The timeline includes:

- March 31, 2017 – pilot closeout
- April through June 2017 – develop final findings report
 - Caltrans and CalSTA
- June 2017 – CalSTA releases the final report
 - To the Fiscal and Policy Committee's of the Legislature, CTC and the TAC
- December 2017 – CTC Annual Report
 - Includes recommendations to the Legislature

The RCPP final report will include:



- Insights and findings from the pilot
- Pilot volunteers' feedback
- Stakeholder input

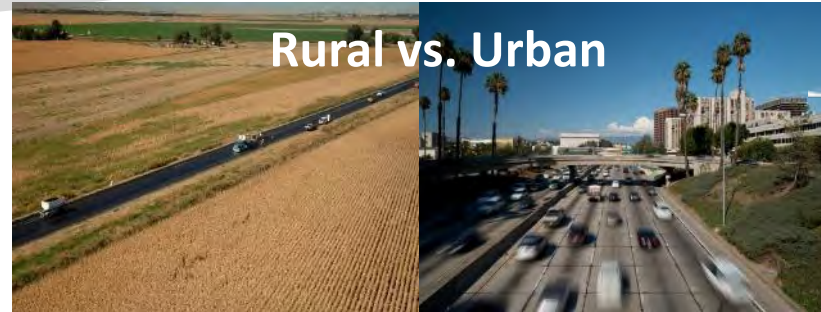
Final Report Policy Perspectives



Data Security



Privacy



Rural vs. Urban



Other State Policies



Fleet Parity



Rate Setting



Income Equity



Admin Costs

Pilot Insights – What Has Worked?



1. Successful Stakeholder Relationships
2. Diverse Input from the Road Charge Technical Advisory Committee (TAC)
3. Cohesive Program Branding
4. Continuing the Conversation



FAST Act Grants – Additional RUC Studies



The RUC West Regional Study:

- Builds on RUC West-funded projects
- Includes 11 western states
- Leverages state DOT relationships and agreements
- Utilizes lessons learned from existing road charge projects



The CA pilot enhancement:

- Education and outreach plan
- Organizational Structure & Compliance Program Development
- Pay-at-the-Pump/Charging Station Investigation

Conclusion – Questions?



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