

Representative Lively and Metro Councilor Dirksen

Joint Committee on Transportation - December 10, 2020

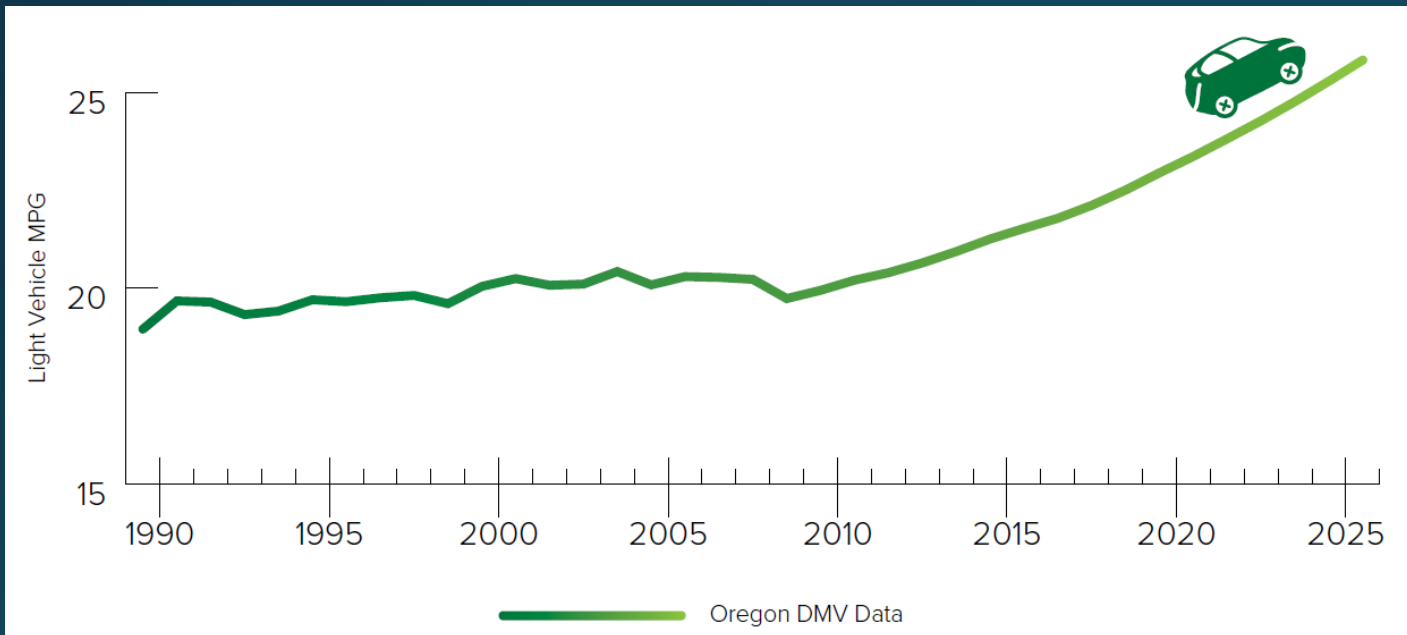
# Report from Road User Fee Task Force

# LC 1698

- Goal: To create a sustainable revenue source to maintain and repair our roadways
- Sponsored by Representative Lively, on behalf of the Road User Fee Task Force, for the 2021 Legislative Session
- Creates a mandatory road usage charge program for most new passenger vehicles beginning in 2027

# Why a road usage charge?

Vehicles are more efficient,  
fuel tax revenue is declining



## Other Considerations

- Fees are not sufficient to recover costs
- All light-duty cars degrade pavement at same rate and should pay accordingly
- Charging by the mile will help to reduce overall VMT
- Road usage charge platform allows for future of congestion management

# Current Road Usage Charge Program

- OReGO is a volunteer program
- OReGO participants pay 1.8 cents for each mile they drive on Oregon roads.
- Money goes into the State Highway Fund for construction, maintenance, and preservation of roads and bridges.
- Participants sign up with an account manager, select a mileage reporting option, and receive a bill for reported miles.
- Drivers of vehicles with 40+ mpg rating have opportunity to lower their registration rates if they join OReGO.
- Program has been operating since 2015 and has been proven to work.
- ODOT continues to refine and enhance the program through demonstration projects.

# LC 1698: Mandatory Road Usage Charge

- All new passenger vehicles, beginning with model year 2027, with a combined rating of over 30 mpg, will be required to enter road usage charge program
- For the first three years of mandatory program, drivers can choose to opt out for \$400
- Enhanced registration and title fee rates will not apply to those enrolled

## ODOT Reporting Requirements

- Implementation report every two years
- Equity report due 2022
- Climate report due 2024 will address how program can be achieved while meeting State's EV adoption goals
- Medium-Duty report due 2026 to examine how to include 8,000-26,001 pound vehicles in road usage charge program

# Road Usage Charge: Nationwide Look

- Road usage charge pilot programs are gaining momentum
- Multiple states have pending RUC legislation (at least 19)
- This bill would keep Oregon at the forefront of establishing an innovative financing program

