

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: October 21, 2015

Reference No.: 4.3
Information

From: WILL KEMPTON
Executive Director

Subject: **ROAD CHARGE TECHNICAL ADVISORY COMMITTEE & PILOT PROGRAM UPDATE**

ISSUE:

The Road Charge Technical Advisory Committee (TAC) met on September 16th in Eureka. At the September meeting, the TAC considered the type of enforcement and compliance activities to be demonstrated during the pilot program and had a comprehensive review of the TAC policy and design recommendations made to date.

The TAC made the following decisions at the September meeting subject to further refinement and adjustment throughout the TAC deliberative process:

- The TAC removed the pre-pay odometer charge operational concept from consideration.
- The TAC added “other location-based devices” to the array of technologies recommended in the pilot test. At the April TAC meeting, this category of technologies was not recommended for approval. For trucks volunteering for the pilot, this category of technology is necessary to allow automated measuring and reporting of mileage.
- For the type of enforcement activities to be demonstrated in the pilot, the TAC adopted eight approaches to check for anomalies. These approaches include: checking for anomalies, testing enforcement, administering time permits, administering mileage permits and odometer charges, detecting odometer fraud, detecting violations in automated distance reporting, anomaly investigation, and issuance of infraction notices.
- The TAC determined that online and mail payment options should be simulated during the pilot.

Stakeholder engagement in the pilot program development process is critical. To facilitate stakeholder input, a Road Charge Workgroup consisting of 22 members was formed to meet specific consultation requirements outlined in Senate Bill (SB) 1077 and to support the TAC as a resource to efficiently gather and provide expert input on the design and evaluation of the road charge pilot program. The workgroup is chaired by Anne Mayer, Executive Director of the Riverside County Transportation Commission. Workgroup participants include representatives from a wide variety of areas including: vehicle users; vehicle manufacturers; fuel distributors; tribal governments; social equity and sustainability advocates; taxpayers; state, local, and regional transportation agencies; and building, construction, business and economy interests. As a resource for the TAC, the workgroup is complementary to the larger public engagement process being undertaken by the TAC.

The workgroup held a teleconference on September 10th to discuss the policy issues to be considered by the TAC at the September 16th meeting. In addition to feedback received from the workgroup, the TAC also received comments and feedback through the California Road Charge Pilot Program website: www.CaliforniaRoadChargePilot.com. All comments are posted online as received.

In addition to the ongoing stakeholder outreach and public engagement process, a statewide telephone survey was conducted in September to establish baseline information for use in designing and implementing a road charge pilot program in California. A draft report of the results will be submitted to the TAC in October.

The next TAC meeting will be held October 23, 2015 in Oakland. The meeting will consider development of, and issues associated with, the draft TAC recommendations report.

The TAC will continue to undertake an open and inclusive process to gather public input during its study of road charge alternatives to the gas tax and development of recommendations on pilot program design. TAC meetings are webcast and all meeting materials are available online at: http://www.dot.ca.gov/road_charge/tac/meetings.html

BACKGROUND:

On September 29, 2014 the Governor signed Senate Bill 1077 (DeSaulnier, Road Usage Charge Pilot Program) mandating the Commission Chair, in consultation with the California State Transportation Agency (CalSTA) Secretary, to create a 15-member Road Usage Charge Technical Advisory Committee (TAC) to study road usage charge alternatives to the gas tax, gather public input, and to make recommendations on the design of a pilot program. CalSTA must implement a road usage charge pilot program by January 1, 2017 based on the recommendations of the TAC and submit to the Legislature, the TAC, and the Commission, a report of its findings by June 30, 2018. The Commission is required to include its recommendations regarding the pilot program in its annual report to the Legislature.

California Road Charge Technical Advisory Committee

Road Charge Pilot Design Recommendations

California Transportation Commission
October 21, 2015

Road Charge Pilot Design Recommendations

Privacy

- Protecting privacy

Data Security

- 10 data security features

Technical & Organizational Design

- Account managers
- Mileage recording methods
- Out-of-state vehicles
- Open system
- Interoperability
- Individuals, households, businesses, and at least one government agency
- At least 5,000 vehicles
- Exemption of miles

Road Charge Pilot Design Recommendations

Evaluation Criteria

- 8 criteria categories

Enforcement

- Anomalies in mileage reporting

Other Policy Issues & Recommendations

- Rate setting for the pilot
- Payment simulation options for the pilot
- Income equity implications of a road charge
- Potential differential impacts on urban vs. rural residents

Road Charge Pilot Program Timeline

- **December 2015:** The TAC will finalize the parameters of the road charge pilot program.
- **Summer 2016:** Road charge pilot program will begin.
- **Summer 2017:** The pilot project will be complete and its results will be reported back to the TAC, the California Transportation Commission (CTC) and the Legislature.
- **December 2017:** The CTC will provide commentary and recommendations to the Legislature.

Questions

For more information:
www.CaliforniaRoadChargePilot.com