TAC MEETING – APRIL 2019

ROAD CHARGE PROGRAM UPDATE

Carrie Pourvahidi
Road Charge Program Manager
Pilot Conclusion

• Final report complete
• Independent evaluation in separate report
• Sent to stakeholders and partners
• Find reports here: www.dot.ca.gov/road_charge
FAST ACT: STSFA Overview

- Demonstrate user-based alternatives
- 5 year/$95 million grant program
- Eligible to a state or group of states studying road charge
- CA successfully awarded in first three years

California Awards

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Year 1</td>
<td>$750,000</td>
</tr>
<tr>
<td>Year 2</td>
<td>$1,750,000</td>
</tr>
<tr>
<td>Year 3</td>
<td>$2,030,000</td>
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<tr>
<td>Total</td>
<td>$4,530,000</td>
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Year 3 & 4
Over $40 million available
FAST Act California – Planning

**Pay-at-the-Pump**
- Explored the feasibility of the concept
- Investigated technologies

**Organizational Design**
- Assessed which agencies could administer a statewide program

**Public Attitudes**
- Continued qualitative and quantitative public perception research
Pay-at-the-Pump/Charge Point

• Focused on three goals:
  1) Developing a method of payment
  2) Selecting technology
  3) Preparing a plan for demonstrating
Organizational Design

- Conducted stakeholder interviews:
  - Air Resources Board
  - Bureau of Automotive Repair
  - California Highway Patrol
  - California Agriculture Commission
  - California Transportation Commission
  - CDTFA formerly BOE
  - California Department of Insurance
  - Department of Motor Vehicles
  - Federal Highway Administration
- Discussions around organizational design scenarios
- Main finding = use existing agencies
- Selected DMV for purposes of the research

Diagram:

- State of California
  - California State Transportation Agency
    - Department of Motor Vehicles (DMV)
      - Account Management Oversight
        DMV – New Unit
      - Audit & Economic Compliance
        DMV – New Unit
Public Attitude Research

• Research conducted in 2018
• Targeted statewide online surveys
• 1,300 surveys completed
• Three distinct marketing segments emerged from survey respondents:
  1) The “Road Conditions and Funding Stability” segment (n = 641)
  2) The “Tell Me More” segment (n = 442)
  3) The “How It Works” segment (n = 217)
Public Attitude Research

- Research conducted in 2018
- Conducted statewide focus groups
- 6 in English / 1 in Spanish
- Tested messaging and potential campaign concepts
- The most effective messages were straightforward and transparent
- These messages included words like “stable” and “sustainable”
- Addressing the program’s fairness was important to participants

Top Concerns About Road Charge:

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<tr>
<th>COST</th>
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<td>“Will it be more than the gas tax?”</td>
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<table>
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<tr>
<th>COLLECTION METHOD</th>
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<tr>
<td>“How will miles be documented? How often will bills come?”</td>
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<th>FAIRNESS</th>
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<td>“Will special circumstances of certain drivers be taken into account?”</td>
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FAST Act California – Demonstration

Scope of Work
• Created scope of work that includes year 2 and 3 phasing of multiple demonstrations

Multi-Phased Demonstration
• Pay-at-the-pump
• Usage-based insurance
• Transportation Network Companies
• Autonomous Vehicles

Evaluation
• Evaluate the technology used in all phases of the demonstrations
Additional State Funded Research

**Disadvantaged Communities**
- Caltrans partnering with the Foundation of California Community Colleges (FCCC)
- Whitepapers
- Field research
- Website refresh

**Emerging Vehicle Technology**
- Usage-based insurance
- Autonomous vehicles
- Transportation network companies
- Advanced road charge modeling

**Administration & Financial Analysis**
- Federal excise tax administration
- Intersection of battery electric vehicles and internal combustion engine vehicle cost savings
Road Charge Around the Nation

Map showing states participating in various road charge programs:
- **Oregon (OR)**: Ongoing Road Charge Program
- **Washington (WA)**: Conducted Road Charge Pilot
- **California (CA)**: Conducting Road Charge Pilot
- **Colorado (CO)**: Road Charge Studies through RUC West Membership
- **Minnesota (MN)**: STSFA Grant Recipient FY 2018
Thank You!

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