Exploring A Road Charge for California – One Mile at a Time Gas Tax Alternative for Funding Road Maintenance and Improvements

- WHO: The California State Transportation Agency (CalSTA) through the California Department of Transportation (Caltrans) is launching a statewide pilot program to explore road charging as a potential long-term replacement for the gas tax. The purpose of the pilot is to study how a road charge funding model could work in California. The pilot's parameters were developed through <u>the recommendations</u> of a 15-member Technical Advisory Committee (TAC), composed of representatives from diverse interests. To develop the pilot, the TAC engaged in a robust yearlong stakeholder engagement process by holding 12 public meetings throughout the state, meeting and soliciting feedback from hundreds of groups of stakeholders, and gathering their input and feedback on the design of the pilot. The TAC and pilot program are a creation of Senate Bill 1077 (Statutes of 2014, De Saulnier).
- **WHAT**: Road charging is a funding mechanism where drivers pay to maintain the roads based on the miles they drive, rather than the amount of gasoline they consume. The free pilot will give participants a variety of manual and technological choices for reporting the miles they travel, as well as a choice for submitting simulated payments. There will be no cost for volunteer participation in the pilot program. The pilot will also employ strict data security and privacy requirements to protect drivers' personal information.
- WHY: The revenues currently available for highways and local roads are inadequate to preserve and maintain existing road infrastructure, reduce congestion and improve service. The gas tax cannot meet California's current and long-term transportation funding needs because it is ineffective and outdated, and will continue to generate less revenue as cars become more fuel efficient. By 2030 as much as half of the revenue that could have been collected from the gas tax will be lost to fuel efficiency. The state needs to explore a sustainable transportation funding model to generate adequate revenue for its road maintenance and improvement needs.
- WHEN: The nine-month road charge pilot will be launched in the summer of 2016. At that time, 5,000 Californians will be part of the effort to test road charging as volunteers. At the conclusion of the pilot an independent third party will evaluate the pilot results, and CalSTA will submit a report to the Legislature, the California Transportation Commission (CTC) and the TAC by July 2017. This report will include the results of the pilot, a summary of the pilot volunteers' experience and stakeholder input received throughout the entire pilot program. The CTC will include recommendations regarding the pilot program to the Legislature in their December 2017 Annual Report. The Legislature will make the final decision on whether and how to enact a full-scale permanent road charge program.
- **HOW**: Anyone interested in learning more about the program or who would like to sign up to participate in the free pilot study should visit <u>www.CaliforniaRoadChargePilot.com</u>.