

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: May 28, 2015

Reference No.: 4.3
Information

From: WILL KEMPTON
Executive Director

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

ISSUE:

Since the last Commission meeting, the Road Charge Technical Advisory Committee (TAC) has met twice, on March 27, 2015 in Irvine and April 24, 2015 in Monterey. At the April 24, 2015 meeting, Supervisor Lisa Bartlett – 5th District Supervisor for Orange County, joined the TAC as the newest urban elected official member replacing Supervisor Scott Haggerty from Alameda County who resigned from the TAC in March.

At the March and April meetings, the TAC discussed and made preliminary decisions regarding road charge pilot program operational concepts, enabling technology and system architecture, considering issues including privacy, equity, and data security. Below is a summary of preliminary decisions made to date by the TAC, subject to further refinement and adjustment throughout the TAC deliberative process.

The following methods and concepts will be further explored and/or tested in the road charge pilot program:

- Manual measurement and reporting methods including: a Time Permit, a Mileage Permit, and Post/Pre-Pay Odometer Charge.
- Technology-based measurement and reporting methods including: Usage Based Insurance (UBI) devices with a location and non-location option, smart phone platform, and in-vehicle telematics.
- Out-of-state vehicle owners driving on California roads.
- Interoperability with other states considering road charging.
- Multiple account managers.

Stakeholder engagement in the pilot program development process is critical. To facilitate stakeholder input, a Road Charge Workgroup consisting of approximately 20 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 a 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; building and construction, and 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 convened on April 20th and will meet monthly as needed to coordinate and provide feedback to the TAC.

To further facilitate stakeholder feedback on road charge pilot program design, an outreach letter was issued to elected officials on April 20th soliciting feedback on the concept of road charging. To date, Commission staff has provided informational briefings and gathered input from the following elected officials and/or their staff:

State Controller Betty Yee
George Runner, Vice-Chair of the Board of Equalization
Insurance Commissioner Dave Jones
Assembly Member Bill Dodd (D – Napa)
Staff of Senator Joel Anderson (R – Alpine)
Staff of Senator Hannah-Beth Jackson (D – Santa Barbara)

On May 6th an outreach email was sent to a wide variety of stakeholders representing various business and community interests to provide an overview of the TAC's efforts and to solicit participation and feedback on the development of a road charge pilot program. The email included a stakeholder letter from TAC Chair Jim Madaffer as well as a fact sheet with links to online resources and information.

Caltrans, in consultation with the Commission and the California State Transportation Agency (CalSTA), launched an interactive website which will serve as an important tool to provide information regarding the TAC's efforts, gather public input on the design and evaluation of a road charge pilot program, and share resources regarding the concept of road charging. The California Road Charge Pilot Program website can be accessed at www.CaliforniaRoadChargePilot.com

The next TAC meeting will be held May 29, 2015 in Fresno and will focus on equity and privacy policy considerations as well as the introduction of a road charge business case analysis and evaluation strategy.

The TAC will continue to undertake an open and inclusive process to gather public input during its study of road usage 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.