

---

# **BRIEFING BOOK FOR THE CALIFORNIA ROAD CHARGE TECHNICAL ADVISORY COMMITTEE**

**Pre-Meeting Background Reading for TAC Meeting #8**

Prepared by D'Artagnan Consulting

August 26, 2015





**Briefing Book for TAC Meeting #8**

**Contents**

Section 1: TAC Decision Summary and Schedule ..... 1

Section 2: Road Charge Pilot Enforcement..... 10



# **Section 1: TAC Decision Summary and Schedule**



**Briefing Book for TAC Meeting #8**

**Based on TAC Decisions Made to Date, the Road Charge Pilot Has the Following Parameters:**

---

**The pilot will offer drivers a choice in account managers**

More than one non-state account manager will be available for pilot participants to choose from. A simulated state account manager will also be offered.

---

**The pilot will offer drivers a choice in mileage recording methods**

Methods under consideration for the pilot include time permits, mileage permits, odometer charges (prepay and post-pay), automated distance charging without location information, and automated distance charging with location information.

---

**Out-of-state vehicles will be included in the pilot and simulate payment for driving on California roads**

Drivers from neighboring states who drive regularly in California will be recruited to participate in the pilot.

---

**The pilot will test an open system design**

Security standards and privacy protections will be required, and data content messaging formats between service providers and the state may be defined. However, the system will otherwise be designed in a way that is technology neutral and allows entry of multiple operational concepts, technologies, and service providers.

---

**The pilot will test the interoperability of California's system with that of other states**

In the event another state does not have a pilot operational concurrent with California's, interoperability will be simulated using account managers.



**Briefing Book for TAC Meeting #8**

**Based on TAC Decisions Made To Date, the Road Charge Pilot Has the Following Parameters (continued):**

---

**The pilot will include individuals, households, businesses, and at least one government agency**

This represents the diversity of vehicle ownership types most common in California.

---

**The pilot will include a cross-section of 5,000 vehicles that are reflective of the fleet currently using California’s public road network**

The pilot will recruit a variety of vehicles with the goal of forming a vehicle pool that reflects the diversity of the fleet currently using California roads according to the matrix of vehicles and participant demographics developed and recommended by the TAC.

---

**The pilot will offer methods to exempt miles driven on private roads or out of state**

Both manual and automated options for claiming mileage exemptions will be tested.

---

**The pilot will feature three approaches for protecting privacy: governance, accountability, and legal protection**

The TAC recommended 12 privacy principles (governance), 4 privacy evaluation criteria (accountability), and privacy protection provisions (legal protection).

---

**The pilot will be evaluated according to criteria recommended by the TAC**

The 50 evaluation criteria adopted by the TAC span 8 categories.

---

**The pilot will test ten data security features**

The TAC adopted security features for authentication, authorization, data modification notification, data masking, encryption, data storage, data transmittal, data destruction, general IT network security, and third party data security system verification.



**Briefing Book for TAC Meeting #8**

**Decisions Schedule-at-a-glance**

<b>MONTH</b>	<b>TOPICS</b>	<b>TAC DECISION POINTS TO BE RAISED</b>
August	Technical Design	What type of enforcement and compliance activities should be demonstrated during the pilot?
September	Policy	Address additional questions raised during the course of TAC meetings.
	Communications	Has the TAC adequately gathered, considered, and addressed public comment on pilot issues?
October	Policy	Address additional questions raised during the course of TAC meetings.
	Report to CalSTA	Feedback on first draft recommendations report.
November	Report to CalSTA	Feedback on second draft recommendations report.
December	Report to CalSTA	Adopt final recommendations report to CalSTA.



**Briefing Book for TAC Meeting #8**

# Detailed Monthly Decision Schedule





**Briefing Book for TAC Meeting #8**

**August: Meeting #8**

FOCUS TOPICS	RELATED SB 1077 STATUTE	TAC ACTIONS
<b>Technical Design:</b> Inputs to Technical Design	3090(e): The TAC shall study road charge alternatives to the gas tax...and shall make recommendations on the design of a pilot program...	<ul style="list-style-type: none"> <li>• What type of enforcement and compliance activities should be demonstrated during the pilot?</li> </ul>
<b>Organizational Design:</b> Update from inter-agency work group	3090(f) 4: In studying the road charge alternatives... the TAC shall take the following into consideration: the ease... of administering the collection of taxes and fees as an alternative to the current system of taxing highway use through motor vehicle fuel taxes.	Informational item
<b>Communications:</b> Focus groups and telephone survey update	3090(e): The TAC shall gather public comment on issues and concerns related to the pilot program...	Informational item



**Briefing Book for TAC Meeting #8**

**September: Meeting #9**

FOCUS TOPICS	RELATED SB 1077 STATUTE	TAC ACTIONS
<b>Policy:</b> Review of parking lot items	3090(e): The TAC shall study road charge alternatives to the gas tax...and shall make recommendations on the design of a pilot program...	<ul style="list-style-type: none"> <li>• Address additional questions raised during course of TAC meetings</li> </ul>
<b>Communications:</b> Review of TAC public engagement efforts	3090(e): The TAC shall gather public comment on issues and concerns related to the pilot program...	<ul style="list-style-type: none"> <li>• Has the TAC adequately gathered and considered public comment on issues related to the pilot program and addressed them?</li> </ul>



**Briefing Book for TAC Meeting #8**

**October: Meeting #10**

FOCUS TOPICS	RELATED SB 1077 STATUTE	TAC ACTIONS
<b>Policy:</b> Review of parking lot items	3090(e): The TAC shall study road charge alternatives to the gas tax...and shall make recommendations on the design of a pilot program...	<ul style="list-style-type: none"> <li>• Address additional questions raised during course of TAC meetings</li> </ul>
<b>Report to CalSTA:</b> Review of first draft recommendations report to CalSTA	3090(e): The TAC shall study road charge alternatives to the gas tax...and shall make recommendations on the design of a pilot program. The TAC may also make recommendations on the criteria to be used to evaluate the pilot program.	<ul style="list-style-type: none"> <li>• Feedback on first draft report</li> </ul>

**November: Meeting #11**

FOCUS TOPICS	RELATED SB 1077 STATUTE	TAC ACTIONS
<b>Report to CalSTA:</b> Review second draft recommendations report to CalSTA	3090(e): The TAC shall study road charge alternatives to the gas tax...and shall make recommendations on the design of a pilot program. The TAC may also make recommendations on the criteria to be used to evaluate the pilot program.	<ul style="list-style-type: none"> <li>• Feedback on second draft report</li> </ul>



**Briefing Book for TAC Meeting #8**

**December: Meeting #12**

FOCUS TOPICS	RELATED SB 1077 STATUTE	TAC ACTIONS
<p><b>Report to CalSTA:</b> Final recommendations report to CalSTA</p>	<p>3090(e): The TAC shall study road charge alternatives to the gas tax...and shall make recommendations on the design of a pilot program. The TAC may also make recommendations on the criteria to be used to evaluate the pilot program.</p> <p>Section 3091: Based on the recommendations of the [TAC], [CalSTA] shall implement a pilot program to identify and evaluate issues related to the potential implementation of a [road charge] program.</p>	<ul style="list-style-type: none"> <li>• Adopt final recommendations report to CalSTA</li> </ul>



**Briefing Book for TAC Meeting #8**

# Section 2: Road Charge Pilot Enforcement

To be discussed during Agenda Item #13



## Briefing Book for TAC Meeting #8

### Project Team Suggestions in this Briefing Book

Throughout this section of the briefing book the project team offers suggestions that reflect lessons learned from other road charge pilot demonstrations and are meant as a starting point for TAC deliberations. Suggestions are printed in *italic font* and will include the phrase “possibly consider” or “a suggested approach”.



## Briefing Book for TAC Meeting #8

# What is enforcement, and how will it be tested in the California Road Charge Pilot?

Enforcement is the act of compelling observance of or compliance with a law, rule, or obligation.

Effectively, enforcement means any action to make noncompliance with a law or regulation undesirable. Such actions typically include detecting violations, sending infraction notices to those who are believed or determined to have violated the law or regulation, assessing penalties for those infractions, and conducting follow-up activities associated with the violation notices.

Enforcement activities are associated with, but distinct from, compliance activities. Compliance activities are intended to prevent violations from occurring, and consist of actions such as publishing the rule or law in an obvious place and conducting audits as a deterrent to noncompliance. In contrast, enforcement activities take place once a violation has occurred.

Enforcement activities are not necessarily carried out by law enforcement officers. For the road charging pilot, *a possible approach is to have the account management oversight (AMO) entity primarily conduct the enforcement activities.*

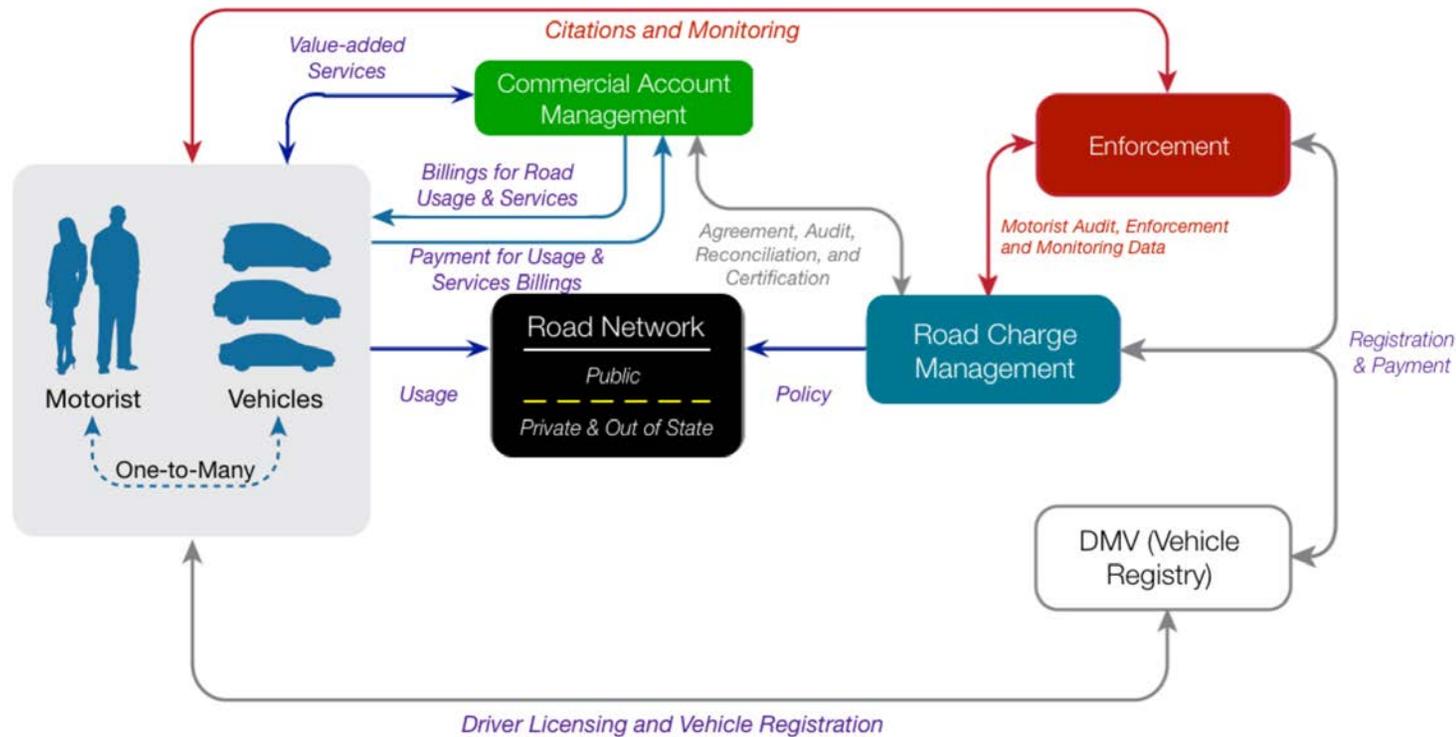
The information provided in this briefing book will equip the TAC to recommend an enforcement program for the pilot that is as similar to an operational system as feasible, but they will not be identical. For example, in an operational road charging system, law enforcement officers may be involved in some aspects of enforcement, but as suggested below, pilot enforcement activities will be accomplished by the AMO to demonstrate and test enforcement methods that are potentially far more efficient than roadside checks by a law enforcement officer.



Briefing Book for TAC Meeting #8

## Testing Enforcement in the Pilot

The pilot is unlikely to include individuals who intentionally try to evade the system. Volunteer-based programs generally do not attract those who are inclined to evade, and there is no financial incentive to evade. Therefore, *possibly consider assigning some volunteers to the role of “violator” so that the road charging enforcement functionality can be tested.*

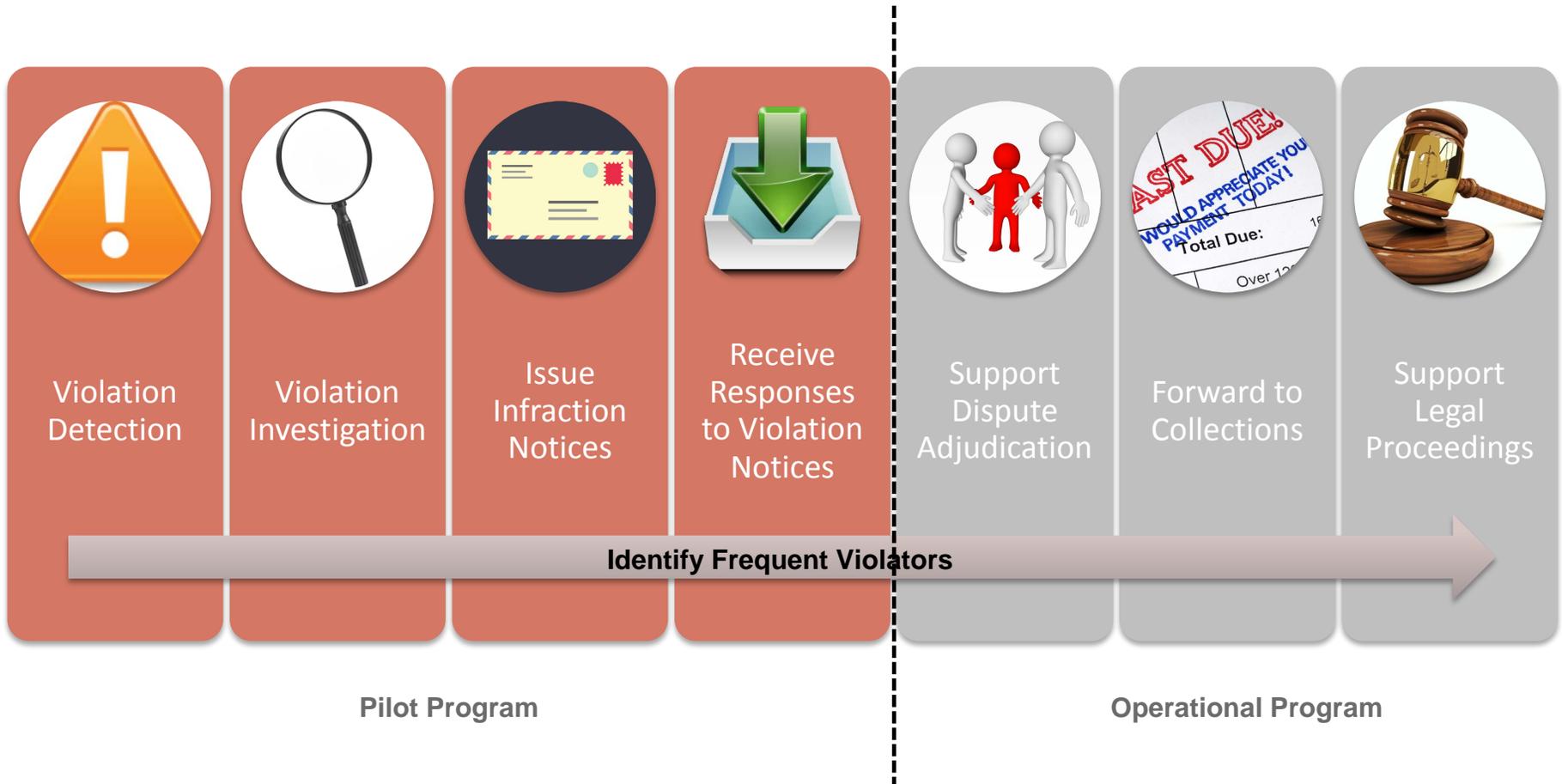




Briefing Book for TAC Meeting #8

# The Enforcement Process

Each of the following stages in the enforcement process is explained on the next page.



**Briefing Book for TAC Meeting #8****Stages in the Enforcement Process**

- ▶ Violation Detection: Activities, such as data mining and/or analysis, undertaken to detect suspicious activity that may indicate a violation has occurred
- ▶ Violation Investigation: Any activities undertaken to determine whether a suspicious activity was indeed a violation—a follow-up to Violation Detection or other indication of suspicious activity
- ▶ Issue Infraction Notices: Sending infraction notices to motorists if investigation confirms a violation
- ▶ Receive Responses to Violation Notices: Process the responses received from violation notices, including receipt of payment (admission of being at fault) or notice of dispute
- ▶ Support Dispute Adjudication: Provide supporting documentation to an independent government body tasked with reviewing and resolving disputes
- ▶ Forward to Collections: When infraction notices receive no response or the motorist disappears from the proceedings at a later stage, the violation is forwarded to collections
- ▶ Support Legal Proceedings: Support court activities that may follow when motorist does not comply with the decision of the adjudication body (e.g., the adjudication body upholds a violation)
- ▶ Identify Frequent Violators: In cases where penalties increase for repeat violations, retain violation data in account records for prescribed period



## Briefing Book for TAC Meeting #8

### Violation Detection Procedures

Violation detection procedures vary by operational concept. There are three groups of violation detection activities by operational concept, as follows:

- ▶ Time permit
- ▶ Mileage permit and odometer charges
- ▶ Automated mileage recording and reporting



## Briefing Book for TAC Meeting #8

### Violation Detection Procedures – Time Permit

Time permit enforcement activities will vary depending on whether the time permit requires only registration of the time permit with a license plate number via phone, internet, smartphone application, or at a retail location, or whether the time permit also requires a physical decal or sticker (e.g., on the windshield, rear window, or license plate).

Because in a live, operational system, having electronically registered time permits are less costly and easier to enforce uniformly, *it is suggested for the purpose of the pilot that time permits are administered through electronic registration.* When registered electronically, the database of time permit holders can be automatically checked to see which permits are nearly expired or fully expired. If no electronic record exists, enforcement can only be performed by officers who visually inspect vehicles.

- ▶ Enforcement of time permits that consist entirely of physical decals (no registration in the road charge database) consists of spot enforcement by police officers.
- ▶ Enforcement of electronic time permits involves a daily automated scan of the road charging database to detect the following:
  - > Time permits that are close to expiring
  - > Time permits that have just expired but are still within any established grace period
  - > Time permits that are expired and in violation of the road charge



**Briefing Book for TAC Meeting #8****Violation Detection Procedures – Time Permit (continued)**

The state may wish to provide time permit holders the option to receive courtesy reminders about their time permit expiring. Three reminders may be helpful: one before the time permit expires; one on the day that the permit expires, and one on the day any established grace period ends and penalties begin to be assessed. *For purposes of the pilot, a possible approach would be to offer reminders by email and/or text message.*

With electronic time permits, additional time may be added to a current time permit:

- ▶ Before it expires (the additional time simply extends the validity period); or,
- ▶ After the permit expires, but during a grace period, by retroactively paying for days for which no time permit was purchased (assuming that driving occurred on those days, or that continuously valid time permits are required).

*For the purpose of the pilot, a 7-day “grace” period to simulate the lapsing and extension process is suggested for TAC consideration. This would mean that the motorist has 7 days after the last day of the time permit to buy a new block. The new time permit will apply retroactively if purchased within this grace period.*

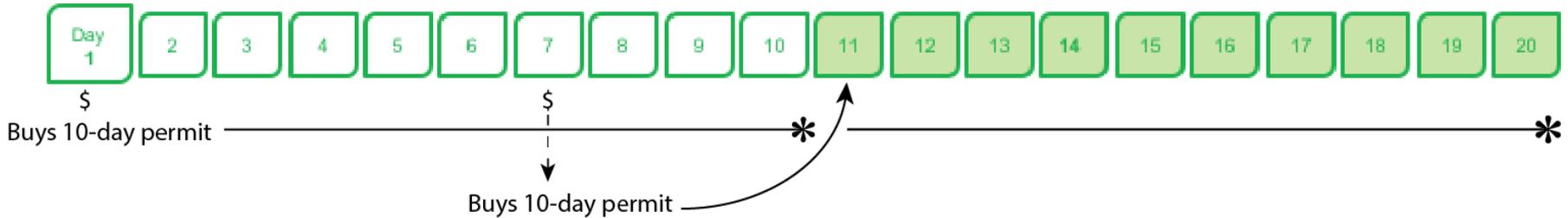
**Example 1:** Earl purchases a 10-day time permit and activates it on day 1. It is good for days 1-10. Even if he activates another 10-day time permit on day 7, the 10 days on the new permit add to the original 10 days on the current permit, so he has paid through day 20. This is illustrated in Figure 1 below:



Briefing Book for TAC Meeting #8

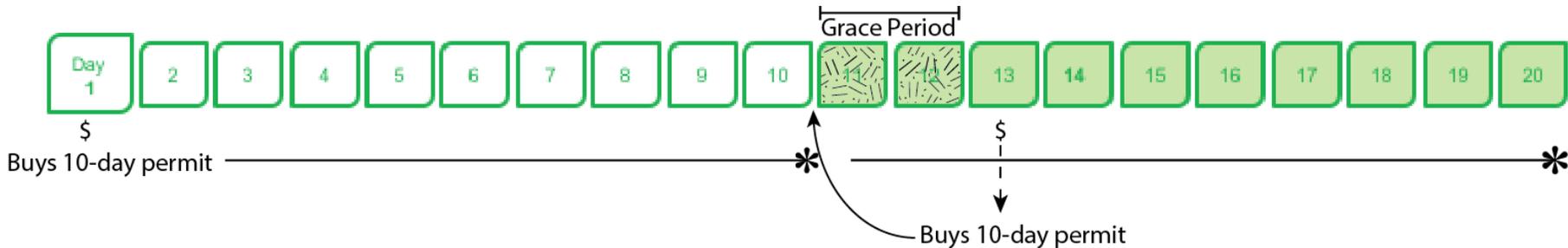
## Violation Detection Procedures – Time Permit (continued)

Figure 1



**Example 2 (with grace period):** Janet purchases a 10-day permit and activates it on day 1. It is good days 1-10. She drives on days 11 and 12 but does not activate another time permit until day 13. She is still within the proposed 7-day grace period, so the new permit first applies retroactively to any unpaid days (in this case, 2 days) and then extending to the expiration date of the permit. No violation exists. This example is illustrated in figure 2 below.

Figure 2



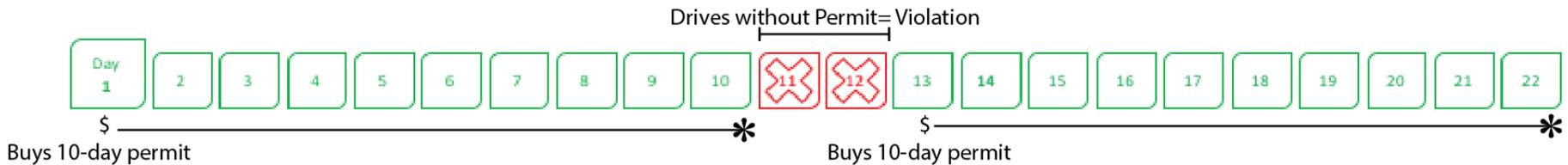


**Briefing Book for TAC Meeting #8**

**Violation Detection Procedures – Time Permit (continued)**

**Example 3 (without grace period):** Connie purchases a 10-day permit and activates it on day 1. It is good days 1-10. She drives on days 11 and 12 but does not activate another time permit until day 13, and no grace period exists. The new permit applies to days 13-22 and the motorist is in violation for days 11-12, since the vehicle was driven on a public roadway during these days. Even though the motorist eventually purchased additional time, she will receive a violation notice and potential penalty for the late purchase. Note that while this example did not include a grace period for illustrative purposes, grace periods are generally advantageous.

**Figure 3**



Enforcement on out-of-state motorists with time permits would be the same as enforcement on in-state motorists with time permits. To accommodate out-of-state vehicles, the road charging database would need to be designed to accept license plate numbers from other jurisdictions.

**Briefing Book for TAC Meeting #8**

## Violation Detection Procedures – Mileage Permit and Odometer Charges

Motorists selecting either the mileage permit or the odometer charge (pre-pay or post-pay) will be required to submit odometer readings on a periodic schedule. Some of these may be self-reported (unverified) odometer readings, while others may be required to be official (verified) odometer readings. In addition to submitting odometer readings on a periodic schedule, motorists will be required to submit odometer readings when switching to another operational concept.



*A possible approach for implementing the odometer charge concept would be to require four odometer readings over the duration of the pilot: at the start of the pilot; at the 3- and 6- month marks; and at the end of the pilot would provide an adequate sample for this operational concept.*

*Similarly, a possible approach for implementing the mileage permit concept would be to consider three odometer readings over the duration of the pilot: at the start, midpoint (between 4 or 5 months) and end of the pilot would provide an adequate sample for this operational concept.*

Unofficial (or unverified) readings may be submitted by web, smartphone app, or mail. Verified readings will need to be taken by an authorized official. During the pilot, the authorized official may be any member of the pilot project staff, commercial account manager, or other organizations with which the pilot program enters into an agreement for odometer readings.

**Briefing Book for TAC Meeting #8**

## **Violation Detection Procedures – Mileage Permit and Odometer Charges (continued)**

*For the purposes of the pilot, it is proposed that motorists receive reminders one to two weeks prior to an odometer reading due date.* When motorists do not submit an odometer reading by a certain due date, they will be committing an infraction. In addition, if an official/verified odometer reading reveals an unverified reading to have been incorrect, the motorist has committed an infraction, whether intentionally or unintentionally.

With the mileage permit concept, if any odometer reading, verified or unverified, reveals that the motorist did not purchase sufficient miles, the motorist has committed an infraction. *For the pilot, a possible approach would be to offer a 300-mile “grace” mileage, i.e., the motorist has 300 miles beyond the last mile on the mileage block to buy a new block. The new block of mileage will apply retroactively if purchased within this grace period.*

Enforcement on out-of-state vehicles is challenging for the odometer-based charges. Requiring an official odometer reading every time a visitor enters the state is impractical. In addition, for safety reasons, we recommend against asking police officers to perform odometer readings in the course of traffic stops, both for in- and out-of-state motorists. Thus all odometer readings for out-of-state motorists would be unverified, which is a clear invitation for tax evasion. For these reasons, and for the sake of the pilot, *one suggestion related to out-of-state participants is not to offer the odometer charge concept or the mileage permit concept to out-of-state participants as options in the pilot.*



## Briefing Book for TAC Meeting #8

### Detecting Odometer Rollback

In an operational road charging system that includes odometer-based charges, a crucial element of enforcement would be detecting odometer rollback. However, checking for odometer rollback during the pilot is problematic for the following reasons:

1. Odometer fraud is already illegal and a significant enforcement effort is in place. In federal law, odometer rollback is a felony. It is punishable by up to 3 years in prison, a substantial fine, or both. California DMV has an office dedicated to investigating odometer fraud.
2. Because it is illegal, pilot participants, who are probably not individuals prone to evade the system, would be unlikely to engage in this behavior.
3. Despite our recommendation to simulate certain types of infractions/violations, simulating this activity for the pilot would itself be illegal.



*Thus, checking for odometer rollback during the pilot is not suggested.*



## Briefing Book for TAC Meeting #8

### Detecting Odometer Rollback (continued)

In an operational road charging system, the main method of detecting odometer rollback would be monitoring odometer records, including state records (from title transfers, emissions inspections, and verified odometer readings for the road charge), as well as odometer records from commercially-available vehicle history services such as CarFax (which collect odometer readings from other sources such as mechanic vehicle records). Note that all odometer records can include faulty data, so one odometer record indicating odometer rollback would not be a definite indicator—rather, it would indicate the need for an investigation.

It should also be noted that the financial motivation from evading a road charge to commit odometer fraud would be comparatively small—perhaps a few hundred dollars per year at most—while the existing penalties are very steep.

Finally, for as long as the fuel tax continues to be charged at the pump and issued as a credit against road charges, there is little financial motivation to commit odometer fraud. That is because the motorist will have already paid the fuel taxes. In order for the motorist to receive a credit for fuel taxes paid, he or she will have to declare the full mileage traveled, and thus pay the full road charges owed. Alternately, the motorist could roll back the odometer and only declare a small number of miles traveled, but would then not be credited for the fuels taxes already paid. When the fuel taxes are removed, this motivation will be eliminated, but by that time, fraud reduction mechanisms for the road charge may have matured to reduce or eliminate odometer fraud.

#### A device for altering a digital odometer

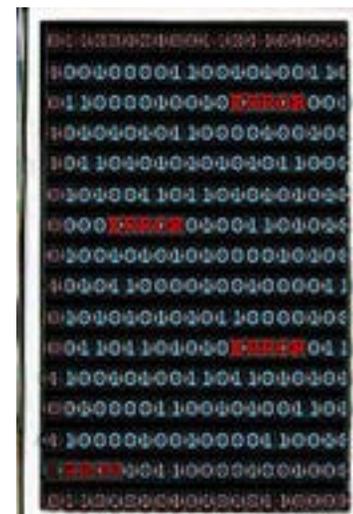


**Briefing Book for TAC Meeting #8**

## Violations Detection Procedures – Automated Distance Reporting

For both of the automated distance measurement operational concepts, *a suggested approach for detecting possible violations during the pilot would be by reviewing electronic logs provided by those devices.* The types of logs and possible violations vary by mileage meter technology, as follows:

- ▶ Onboard Diagnostics Port (OBDII)-based mileage meter: automated activity logs report instances of device removal and insertion (both time and duration), as well as various device failures, such as communications failures or Global Positioning System (GPS) failures (for those participants who opt for GPS). Occasional brief device removals are not suspicious (they are, for instance, necessary for taking the vehicle to the mechanic).
- ▶ Automaker vehicle telematics: automated activity logs may report various device failures, such as communications failures or GPS failures; however none of these failures are inherently linked to fraud. Very few types of fraud are possible with automaker telematics.
- ▶ Smartphone application: automated activity logs and database validation activities may identify instances of suspected driving without a phone in the vehicle; in addition, periodic odometer images may be used to verify that no additional miles were driven without the phone in the vehicle.
- ▶ Commercial vehicle mileage meter: depending on the device, it may resemble the OBDII-based mileage meter; or it may resemble the automaker vehicle telematics mileage meter.



Out of state enforcement with these methods are the same as for in-state enforcement.



## Briefing Book for TAC Meeting #8

### Violation Investigation

In the violations investigation stage, the enforcement group of the account management oversight investigates suspected violations to determine if the evidence supports an actual infraction.

Time Permit violations with electronically registered time permits would generally be clear-cut cases: if a time permit has expired and the established grace period has been exceeded, no further investigation is needed.

Mileage permit violations may also be clear-cut cases: if an odometer reading shows that insufficient mileage blocks have been purchased (including any grace mileage), then no further investigation may be needed.

For all cases based on self-reported odometer readings, if an odometer reading is lower than a previous odometer reading, then either the new or the previous reading must be incorrect; this is not necessarily an infraction, but a mistake that should be corrected, and the motorist should be notified immediately. If a given odometer reading is much higher than a previous reading, an error or infraction is possible. In such an instance, the motorist should be notified immediately. Potentially, an explanation could be requested of the motorist. However, only in cases of a very substantial change in odometer readings (>50,000 miles/year) is fraud likely. Fraud can also be detected by observing audit trails of odometer readings from public sources such as mechanic's records, which may be included in vehicle reports from services such as CarFax,





## Briefing Book for TAC Meeting #8

### Violation Investigation (continued)

In general, motorists should be provided an opportunity to correct an erroneous odometer entry. Motorists should receive an “Are you sure?” message via mail / e-mail / text message when an illogical odometer reading is received by the account manager.

For automated distance reporting, the enforcement organization needs to investigate the issue directly, or the commercial account manager can investigate directly and report back to the enforcement organization. For the sake of the pilot, *one possible suggestion is to assign the account managers the responsibility to resolve minor issues and report all such issues to the Account Management Oversight (AMO). Such an approach could demonstrate the functionality of account manager’s role in resolving issues.* Problems with mileage meters that could lead to suspicious signals include the following:

- ▶ A broken OBDII port
- ▶ Physically broken recording/reporting device
- ▶ Intentional removal of the device from the vehicle

To investigate, the enforcement unit (of the account manager and/or AMO) should compare the signals to similar cases in their files, which they will accumulate as the program grows, examine the mileage device, and also ask the motorist for an explanation of the issue.



**Briefing Book for TAC Meeting #8**

**Violation Investigation (continued)**

Regardless of the roles ultimately assigned to the account manager and AMO regarding enforcement, a clear set of standards that assign the proper level of evidence necessary to constitutes a violation will need to be developed. In an operational road charging system, audit trails of odometer readings (which may be included in vehicle reports from services such as CarFax) can also be used to check for fraud.



## Briefing Book for TAC Meeting #8

### Issue Infraction Notices

There will be no penalties in the pilot because no cash will be exchanged, however it will be important to engage the pilot participants should a possible infraction be identified. *To simulate the infraction process during the pilot, one possible approach is that motorists receive a notice of infraction that explains the issue and directs them to call their account manager for resolution.*

In an operational, revenue generating road charging system, motorists will be notified via postal mail of infractions, as postal mail is the generally accepted channel for legal communications. Optionally, motorists could receive notification via e-mail or online message on their accounts. This would be in addition to, not in place of, a mailed infraction notice.

The infraction notice will also indicate the penalty for the infraction. For some types of minor infractions, such as failure to purchase a mileage block or time permit on time, the state may choose to overlook the first infraction, or downgrade it to a simple late payment penalty.

For simple violations, small fines will generally be appropriate. For repeated violations or violations involving larger sums of money, larger penalties may apply. In general, the penalties will be based on lookup tables established in law or regulation. To establish penalties, the law authorizing a road charge would prescribe penalties and/or empower one or more California agencies to determine them.

Recipients of infraction notices will either pay the fine, or appeal the infraction through adjudication. In the pilot, no fines will be issued, so there is no need for formal adjudication.



**Briefing Book for TAC Meeting #8**

**Issue Infraction Notices (continued)**

Penalties that are upheld or paid will be recorded and retained in the road charging database, so that the appropriate repeat offense penalty can be applied to any future violations. Older penalties may be expunged from the database.



---

**Briefing Book for TAC Meeting #8**

## Receive Responses to Infraction Notices

*To complete the simulation of an infraction cycle, it is suggested that account managers are equipped to field calls from those who receive infraction notices.* The customer service representatives will seek to understand, resolve, and document the issue that led to the infraction. During the pilot, customer service representatives will be instructed that those responding to infraction notices are not to be thought of as “violators.” In fact, these participants are providing a valuable service for the pilot by either intentionally or unintentionally having simulated a violation. Thus, they are to be treated with the same kindness and respect as all participants.

In an operational, revenue generating system, the agency will simply collect the fine paid and close out the penalty, or move the penalty to adjudication if the motorist so chooses.



---

**Briefing Book for TAC Meeting #8**

## Summary and Next Steps

While there are many ways to identify road charge violations, the primary mechanism considered for the pilot is an administrative approach for the identification of violations through analysis of the road charge database. This method supports enforcement for both in-state and out-of-state drivers.

While we are not recommending any road charge specific efforts toward detecting odometer fraud during the pilot, due largely to the fact that a significant odometer fraud detection program is already in place, it should be noted that the motivation to defraud the road charging system will be low in any situation in which the gas tax actively exists since fuel tax rebates will be calculated using miles driven.

The data gathered during the pilot from detecting, investigating, and resolving road charge violations will be used to inform the final road charge pilot report to the legislature.