

Memorandum

To: CHAIR AND COMMITTEE MEMBERS
CALIFORNIA ROAD CHARGE TECHNICAL
ADVISORY COMMITTEE

TAC Meeting: August 26, 2015

Reference No.: 6.a
Informational Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Gary Gutierrez, Project Manager
Road Charge Pilot Program

Subject: **Focus Group & Telephone Surveys Update**

ISSUE:

The purpose of this memorandum is to update the Technical Advisory Committee (TAC) with the latest developments for gathering road charge baseline data through focus groups and telephone surveys.

UPDATE:

Focus Groups:

Attached is a preliminary report titled Focus Group Results – Preliminary Report and Impact on Survey Questions.

Key themes across all focus groups included:

- Lack of knowledge about transportation funding
- General sentiment that the tax burden is already too high
- Fairness was identified as an important value
- Assumption that road charge is the same thing as tolls
- Choice in reporting methods is important

The initial conclusion of the focus groups was that participants found the concept of a road charge to be fair and reasonable once they understood it. Developing that understanding took time and repeated explanations. Fostering widespread understanding among California citizens of the need for and advantages of a road charge will likewise take time and clear, articulation of information.

Telephone Surveys:

Attached are proposed telephone survey questions titled Table of Proposed Telephone Survey Questions. The table distinguishes the previously approved version of questions against the latest version that includes changes largely based on discoveries from the focus groups.

The telephone surveys will begin on September 8, 2015 and conclude by September 18, 2015.

Focus Groups Results – Preliminary Report and Impact on Survey Questions

Prepared by D'Artagnan Consulting and DHM Research

August 18, 2015





Focus Groups Results – Preliminary Report and Impact on Survey Questions

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Focus Groups Results – Preliminary Report and Impact on Survey Questions

Preface

At its May meeting, the Road Charge Technical Advisory Committee (TAC) recommended undertaking a series of five focus groups in five distinct communities (Oakland, San Diego, Los Angeles, Fresno and Redding) prior to carrying out the planned telephone surveys of a statistically significant sample of California residents on their understanding of road funding in California. This baselining activity falls under the Public Engagement work stream. The purpose of this report is provide a preliminary summary of the results of the five focus groups including to what extent these results may impact the questions that will be used for the telephone surveys to be undertaken in September.



Focus Groups Results – Preliminary Report and Impact on Survey Questions

Executive Summary

Five focus groups – comprising a total of 50 participants – were conducted in cities throughout California during Summer 2015 with the following objectives:

- ▶ Assess attitudes and perceptions toward a proposal for a road charge to establish a baseline from which to measure any change during the pilot project; and
- ▶ Identify communications needs and sensitivities for effective public and stakeholder outreach to inform the TAC in decisions around a pilot program, including ways transportation improvements connect to the values of the general public.

This report identifies the key themes and issues that arose from the focus groups, and makes recommendations for modifications to questions for the telephone survey planned for September 2015, based on those themes and issues.

Key Themes and Issues Uncovered in Focus Groups

Lack of knowledge about transportation funding

Focus group participants had little idea how transportation improvements are currently funded and tended to think very generically about taxes. Participants also had little idea about the predicament California faces due to fuel-efficient and electric vehicles, and most assumed gas taxes have been rising, along with revenues for road maintenance.

Negative initial reactions to road charges

A fee on miles driven was unfamiliar to almost all participants, and their initial reactions tended to be negative. Participants were initially more likely to think that “a system where all drivers pay to maintain the roads based on how much they drive, rather than on how much gas their vehicle uses” was a poor idea (20) versus a good idea (17).

Widespread sentiment that the tax burden is already too high and government is inefficient

One participant commented that, “We don’t need any extra charges. We have enough coming out of our pockets.” This sentiment echoed a recurrent assumption among participants that the road charge would be an additional tax rather than a replacement tax exacerbated this reaction, even though it was clearly noted that the road charge would be a replacement of current gas tax. Many participants suggested that funding was sufficient, but government uses the funding inefficiently.

Fairness was generally identified as an important value, but the understanding of what is “fair” varied

Fairness was far and away the top consideration in talking about the various taxation options, and **discussion of fairness mitigated many of the negative reception of road charges**. However, two general definitions of “fairness” arose in the groups;

- ▶ The first definition echoed a “user pays” principle where all road users (including trucks and bicyclists) should contribute to funding for maintenance.



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- ▶ The second definition cast a wider net and suggested that, because all Californians benefit from roads whether they directly use them or not, everyone should contribute to road maintenance funding.

Assumption that road charges are the same thing as tolls

Once the notion of the “user pays” principle for roadway funding was explained, the most common association people made was with “tolls,” and some participants assumed a road charge would require them to stop periodically and make payment at a toll booth.

Choice in reporting methods is important

The ability to choose different methods of implementation according to personal situations and preferences was important, especially for those who did not want their location to be tracked. Overall, time permits were the most popular, scoring 3.6 in competition with four other methods on a 1 to 5 scale. Mileage permits came second at 3.0, followed closely by an odometer charge at 2.9. Automated mileage reporting with and without location data both scored 2.7. Location data mattered most to those who traveled out of state as they identified that as a potential means to pay less in road charges.

Key Recommendations for Modifications to Upcoming Telephone Survey

- ▶ Do not make assumptions about respondents’ level of understanding of transportation funding (generally) or road charging (specifically).
- ▶ Provide a brief, clear overview of road charging.
- ▶ Consider drawing parallels between services people generally already understand (such as water and electricity bills, pay-as-you-drive insurance) and road charge payment options.
- ▶ Revise question constructs to elicit ranked responses to achieve better differentiation of priorities.

Initial Conclusion

Focus group participants found the concept of a road charge to be fair and reasonable once they understood it. Developing that understanding involved overcoming several obstacles, and it took time and various arguments. Fostering widespread understanding among Californians of the need for and advantages of a road charge will likewise take time and clear articulation of effective arguments.

Next Steps

A telephone survey will be conducted in September 2015 to gather additional input on the public’s understanding of transportation funding and perception of road charging as a replacement to the gas tax. Results from that survey will be reported in the draft Public Engagement workstream report in October, along with a more detailed analysis of the focus groups.



Focus Groups Results – Preliminary Report and Impact on Survey Questions

1. Introduction

In June and July 2015, a series of focus groups – comprising a total of 50 participants¹ – were conducted in cities throughout California as the first step in establishing a baseline understanding of Californians’ attitudes and perceptions toward a proposal for a road charge, including ways transportation improvements connect to the values of the general public. A second objective of the focus groups was to identify communications needs and sensitivities for effective public and stakeholder outreach to inform the TAC in decisions around a pilot program.

The format and guide used for each focus group was very similar, and all five groups were led by the same moderator. The dates and locations of the five focus groups are listed in Table 1 and the Focus Group Guide is attached as Appendix A.

Table 1: Dates and Locations of Road Charge Focus Groups

City/Day/Time	Venue
Group 1: Oakland Sunday, June 28, 2pm-4pm	Quantum Market Research 1000 Broadway Street, Oakland, CA Tel: (510) 286-8000
Group 2: San Diego Saturday, July 18, 10am-12pm	Taylor Research 6602 Convoy Ct #210 San Diego, CA 92111 Tel: (858) 810-8400
Group 3: Los Angeles Sunday, July 19, 10am-12pm	Mondo Downtown 1130 S. Flower St #203 Los Angeles, CA 90015 Tel: 213 765 3302
Group 4: Fresno Tuesday, July 21, 6-8pm	Nichols Research, Inc. 600 West Shaw, Suite 350 Fresno, CA 93704-2464 Tel: 559-226-3100
Group 5: Redding Thursday, July 23, 6-8pm	Red Lion Redding 1830 Hilltop Drive Redding, CA 96002 Tel: 800-7335466

The general approach to the focus groups was as follows:

- ▶ Recruitment targeted 8-9 participants per focus group, including long-distance commuters, urban commuters, and rural residents, with balanced age, gender, and other demographics to reflect each community.
- ▶ Each two-hour focus group discussion was led by the same moderator from DHM Research.
- ▶ Written exercises and other techniques were used to gather baseline attitudes.

¹ One Focus Group has nine participants (San Diego); three had 10 (Oakland, Los Angeles, Redding); and one had 11 (Fresno).



Focus Groups Results – Preliminary Report and Impact on Survey Questions

- ▶ The focus groups were at neutral locations with easy access to public transit and parking.

A more detailed analysis of the written exercises and focus group participants will be included, along with results of the telephone survey, in the final Public Engagement report due Fall 2015. This report discusses the major themes that emerged during the focus groups.

Chapter 2 presents the preliminary focus group findings. Chapters 3 and 4 present our recommendations and next steps, respectively.

Appendix A (Focus Group Topic Guide) comprises the approved topic guide used for the Focus Groups.



Focus Groups Results – Preliminary Report and Impact on Survey Questions

2. Preliminary Focus Group Findings

2.1. Theme 1: Lack of knowledge about transportation funding

Participants had little idea how transportation improvements are currently funded and tended to think very generically about taxes.

- ▶ Asked about current transportation funding, only about 20% of participants mentioned gas or fuel taxes, and most of those were clustered in two groups (Fresno and Redding).
- ▶ Several others pointed in the direction of tolls, vehicle registration and license fees, revenue from traffic and parking citations, and federal grants, but most just talked generically about “taxes.”

Participants also had little idea about the predicament California faces due to fuel-efficient and electric vehicles. Guesses about the amount of the gas tax were all over the map, and most assumed those taxes had been going up and that transportation funding had been increasing, or at least staying the same, in recent years.

2.2. Theme 2: Negative initial reactions to road charges

A fee on miles driven was unfamiliar to almost all participants, and their initial reactions were generally negative toward to the concept.

- ▶ Prior to discussion of the issue, only two participants of 50 mentioned a miles-based fee when asked to propose ways to fund transportation improvements.
- ▶ Prior to discussion of the issue, a fee on miles driven scored lowest of five transportation funding options (1.9 on a 1 to 5 scale). The vehicle registration fee and sales tax options scored highest (3.7 and 3.4, respectively).
- ▶ Once prompted in the groups, by far the most common association with the term “road charge” was “tolls,” and many participants did not initially see a distinction between tolls and payment by mile. “Tolls, pay to use road, fees to drive”—these were all the same thing. Besides tolls, hearing the term “road charge” often led to associations with electric vehicles and charging stations. In the end, fewer than 10 participants associated the term with a fee on miles driven or described a similar concept.
 - > The education effort will have to disambiguate road charges from tolls, electric-vehicle battery charging, and gas taxes.
 - > Given the confusion with tolls and the association with electric vehicles, it may be worthwhile to reconsider the terminology.
- ▶ At first blush, participants were slightly more likely to think that “a system where all drivers pay to maintain the roads based on how much they drive, rather than on how much gas their vehicle uses” was “a very poor idea” (7) versus “a very good idea” (5). Most were in the middle, but still the “poor” outnumbered the “good” by 20 to 17 (with one abstention).

Once the road charge concept was introduced, it required significant explanation, clarification, and discussion before people warmed to the idea—which some never did. **People tended to make inaccurate and often negative assumptions about the program before they knew how it would work.** Several factors contributed to the slow uptake:



Focus Groups Results – Preliminary Report and Impact on Survey Questions

- ▶ Confusion with tolls and gas taxes interfered with the ability to understand what road charges were.
- ▶ Those who did grasp the concept very often reacted by asking, “how would they know how much we have driven?” This question led in turn to concerns about location tracking and government intrusiveness and/or practical concerns such as cost, complexity, enforcement, and other execution issues. “This sounds complicated like doing your income taxes every year.”
- ▶ Many felt they couldn’t control how much they drove, or whether they had access to public transportation. They also questioned the impact of a perceived disincentive of electric and high fuel-efficiency vehicles.
- ▶ Bias against new taxes and/or new bureaucratic or implementation infrastructure led some to oppose the concept to the point of not listening to further arguments. “We don’t need any extra charges. We have enough coming out of our pockets.” The recurrent assumption that the road charge would be an additional tax rather than a replacement tax worsened this reaction.

2.3. Theme 3: Fairness

Fairness was far and away the top consideration in talking about the various taxation options, and discussion of fairness mitigated the negative reception of road charges.

- ▶ Participants had different ideas about what was fair, but nearly everyone embraced the concept that paying for use is fair. “The more you use, the more you should contribute.”
- ▶ Arguments in favor of the gas tax, which people widely accepted as fair, were also based on use. “Tax on gas forces users of roads to pay for the upkeep.” “This would be a use tax based on personal consumption. Fairest.”
- ▶ These sentiments were common, and participants were quick to apply the same reasoning to road charges. Most who rated the road charge as a good or very good idea focused on fairness; “It comes down to usage. If you’re using the roads more, you should be helping to keep the roads maintained.”
- ▶ Two notable fairness issues arose that led some to question the fairness of a road use tax, but others offered persuasive counterarguments:
 - > Saving money on gas is an important incentive for buying electric and hybrid vehicles, which are better for the environment. If we tax based on miles driven, that incentive will weaken and the environment may suffer. Several participants countered this argument by pointing out that high-efficiency vehicles still use the roads and should pay their fair share of infrastructure costs. “There are more and more vehicles that are efficient, hybrid, and electric, and they basically get a free ride. So we’ve got to distribute the cost for this, and this is one way of doing it.”
 - > Many participants have to commute long distances for work, and believe a road charge would penalize them unfairly. This issue led to some interesting discussions, and people came down on both sides. On the one hand: “I don’t think I should pay more because this is the job I need or the job I want than her because she lives six minutes from her job. That is not fair.” On the other hand, people recognized that making choices involved tradeoffs, for which each individual must take responsibility. One participant who rated the road charge as a very good idea said, “I think it’s fair, too. I mean, I drive a lot, like every day, I drive from Korean Town to West LA and it sucks, but that’s on me, that’s a choice I make.”
- ▶ Communications efforts should be prepared to engage in similar debates. Non-judgmental contexts, such as discussions between friends, where feelings on both sides of the issue can be presented, leading to recognition of fairness, may be effective.



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Fairness was also an important factor in questions about how the road charge program would work. If you have to drive for work, will the employer or the employee be responsible? How will shipping and delivery companies be charged? If you drive a light car, will you be charged the same as someone in a Hummer? “Clearly a big truck is going to put more wear and tear than my little, bitty Honda.” Will out of state drivers be charged, and how will that work?

2.4. Theme 4: Alternatives, choice, and other issues

How to construe “use” also came up as an issue. No one argued that miles driven wasn’t a valid measure, but some who favored the broader application of the sales tax pointed out that even the bicyclist and the pedestrian use the roads, and we all consume products delivered by trucks to the point of purchase. “It takes fuel to get your eggs to the grocery store, even if you walk there.”

Many participants favored alternatives like the sales tax and vehicle registration fees because the systems and infrastructure were already in place, and they thought increases would be relatively unnoticed. “I feel like at the end of the day, everyone is going to have to contribute to paying for it. So if we can do it in a way that is the least noticeable or that doesn’t affect us at the moment, then that would be the best.”

The ability to choose different methods of implementation according to personal situations and preferences was important, especially for those who did not want their location to be tracked. Overall, time permits were the most popular, scoring 3.6 in competition with four other methods on a 1 to 5 scale. Mileage permits came second at 3.0, followed closely by an odometer charge at 2.9. Automated mileage reporting with and without location data both scored 2.7. Location data mattered most to those who traveled out of state as they identified that as a potential means to pay less in road charges. Some who objected to location tracking indicated a willingness to pay more (e.g., for the time permit) in order to avoid tracking; this attitude would be worth testing quantitatively, however, since the price points for the various concepts will influence actual preferences.

Despite reluctance to think anything good about the government, participants did not generally prefer private sector implementation. It might be more efficient—there were many complaints about slow and apparently wasteful Caltrans construction projects—but it would also add third party costs and introduce a profit factor, which most did not think was appropriate.

2.5. Initial Conclusions

Focus group participants found the concept of a road charge to be fair and reasonable once they understood it. But developing that understanding involved overcoming several obstacles, and it took time and various arguments. Fostering widespread understanding among Californians of the need for and advantages of a road charge will likewise take time and clear articulation of effective arguments.



Focus Groups Results – Preliminary Report and Impact on Survey Questions

3. Impact on Survey Questions

The focus groups highlighted several issues relevant to the upcoming telephone survey.

- ▶ The survey should not make any assumptions about the level of understanding that respondents will have about road funding generally or road charging specifically. Definition of terms will have to be carefully written, and the survey needs to be programmed in such a way to allow for “don’t know/unsure” answers.
- ▶ Consider adding “insurance company” in addition to “cell phone companies” as an example of a third-party payment option. Participants in the focus groups were aware of pay-as-you-drive insurance programs.
- ▶ Where feasible, pose questions as open-ended rather than constraining choices to allow for better differentiation of priorities.
- ▶ Consider eliminating or revising questions that probe on statewide issues that were broadly ranked “very important” during the focus groups (such as education and healthcare) to make additional time available for road use-related questions.
- ▶ Consider ranked responses options rather than allowing repeated rankings for some sections (e.g., most important elements of road charging) to ensure there will be separation.



Focus Groups Results – Preliminary Report and Impact on Survey Questions

4. Next Steps

A telephone survey will be conducted in September 2015 to gather additional input on the public's understanding of transportation funding and perception of road charging as a replacement to the gas tax. Results from that survey will be reported in the draft Public Engagement workstream report in October, along with a more detailed analysis of the focus groups.

Once the telephone surveys are completed and analyzed, we will prepare recommendations about future communications efforts and public engagement based on these findings. In addition, we will present draft findings to the TAC at the October meeting.



Focus Groups Results – Preliminary Report and Impact on Survey Questions

Appendix A. Focus Group Topic Guide



Focus Groups Topic Guide

Focus Group Topic Guide

(Part of Pilot Program Communications Baseline)

Prepared by D'Artagnan Consulting and DHM Research

July 19, 2015





Focus Groups Topic Guide

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Focus Groups Topic Guide

1. Introduction

Any discussion of a road charge in California must address questions regarding the policy's real and perceived impacts on California drivers, including those based on differences of location (urban, suburban, or rural drivers), age, ethnicity, gender, and socio-economic status. Engaging and soliciting feedback from the public through carefully designed **focus groups** and telephone surveys provides data with which to:

- ▶ Assess baseline values, priorities and awareness of transportation issues across California's varied communities, and
- ▶ Determine perceptions and attitudes of the general public towards road charging.

1.1. Focus Group Research Objectives

DHM Research and D'Artagnan will conduct five focus groups in different parts of California as agreed with Caltrans.

The key objectives of the focus groups are:

- ▶ Assess attitudes and perceptions toward a proposal for a road charge, including ways transportation improvements connect to the values of the general public.
- ▶ Identify communications needs and sensitivities for effective public and stakeholder outreach to inform the TAC in decisions around a pilot program.

Focus groups will be held at a professional facility with a viewing room, or a hotel/motel meeting room if such a facility is not available. Discussions will be two hours in length and include participant background questionnaires and dynamic discussions led by a professional moderator.

1.2. Approach

We would like to note that the format and guide for each focus group will be the same or very similar for each location (city) in which the focus groups will be carried out. Now that the cities have been determined in conjunction with Caltrans, we have started the screening and recruitment of participants. Based on past experience, it takes about 3 (three) weeks – from the point of deciding the cities in which to carry out the focus groups – to recruit participants and organize the facilities.

Our approach to the focus groups comprises the following:

- ▶ Locations of the five focus groups: Oakland, San Diego, Los Angeles, Fresno and Redding.
- ▶ Recruitment includes 8-9 participants per focus group:
 - Residents of Bay Area, central valley, southern region and northern region.
 - Long distance commuter and urban commuter.
 - Balance of gender, age, and other demographics to reflect each community.
- ▶ Each two-hour focus group discussion led by one DHM moderator.
- ▶ Written exercises and other techniques to gather baseline attitudes.
- ▶ The focus groups are at neutral locations with easy access to public transit and parking.



Focus Groups Topic Guide

- ▶ Videotapes and transcripts of each focus group will be made available (**Redding and Fresno will be transcripts only since the groups are off-site**).
- ▶ TAC members will be invited to observe the focus groups.

1.3. Timeline

Timeline for key milestones concerning planning, conducting and reporting results for the focus groups:

June 26: Final focus group topic guide approved by Caltrans

June 28: Conduct one focus group in Oakland

July 18-23: Conduct four focus groups in identified, additional locations

August 1-15: Analyze data and cross reference with survey questions

August 19: Draft report on results of the focus groups and impact on survey questions (final report to be submitted by August 31).

1.4. Focus Group Locations

Confirmed locations and times for the focus groups:

City/Day/Time	Venue
Group 1: Oakland Sunday, June 28, 2pm-4pm	Quantum Market Research 1000 Broadway Street, Oakland, CA Tel: (510) 286-8000
Group 2: San Diego Saturday, July 18, 10am-12pm	<u>Taylor Research</u> 6602 Convoy Ct #210 San Diego, CA 92111 Tel: (858) 810-8400
Group 3: Los Angeles Sunday, July 19, 10am-12pm	<u>Mondo Downtown</u> 1130 S. Flower St #203 Los Angeles, CA 90015 Tel: 213 765 3302
Group 4: Fresno Tuesday, July 21, 6-8pm	<u>Nichols Research, Inc.</u> 600 West Shaw, Suite 350 Fresno, CA 93704-2464 Tel: 559-226-3100
Group 5: Redding Thursday, July 23, 6-8pm	<u>Red Lion Redding</u> 1830 Hilltop Drive Redding, CA 96002 Tel: 800-7335466



Focus Groups Topic Guide

2. Focus Group Topic Guide

This section presents the focus group topic guide and corresponding written exercises. The focus group topic guide has the following sections with approximate time noted for each section:

- ▶ Participant background questionnaire (prior to start)
- ▶ Project and group introductions (10 minutes)
- ▶ Warm-up & general issues (10 minutes)
- ▶ Transportation priorities and funding (15 minutes)
- ▶ Road charging general discussion and reporting choice (35 minutes)
- ▶ Road charging specific discussion and program elements (40 minutes)
- ▶ Conclusion (10 minutes)
- ▶ **Total: ~ 2 hours in duration**

2.1. Participant Background Questionnaire

During check-in, participants will complete a background questionnaire in order to collect demographic information and other background information.

2.2. Project and Group Introductions [10 minutes]

The moderator leads the discussion and sets the tone of the discussion including moderator and participant introductions.

2.3. Warm-up & General Issues [10 minutes]

Written Exercise 1: What are the most important issues we need to address in the state?

Written Exercise 2: (top) Now thinking specifically about roads and transportation issues, what are the most important issues we need to address in the state? (bottom) In your community?

Written Exercise 3: How are road and highway maintenance and transportation improvements funded in the state? List all the different funding sources you are aware of.

Discussion:

- ▶ What are the most important issues to address in the state (listen for transportation)?
- ▶ What are the most important transportation issues in the state?
- ▶ What are the transportation needs in your community?
- ▶ What's the highest priority in your community? What do you want to see addressed?
- ▶ Is there urgency to address transportation needs / improve transportation network?
 - > Why?
- ▶ What are the funding sources for transportation?



Focus Groups Topic Guide

2.4. Transportation Priorities and Funding [15 minutes]

Written Exercise 4: Make a list of ways the state could fund transportation improvements over the next 10 years. It's ok to be expansive; don't limit your ideas.

Written Exercise 5: Handout #1: Rank your preferred options to fund transportation improvements (rank 1 for your most preferred, 2 for second, etc.):

- Fee on fuel or gas
- Tolls
- Fee on miles driven
- Vehicle registration fee
- Sales tax

Discussion:

- ▶ What are the benefits of a strong transportation network (listen for connection to jobs, quality of life, etc.)?
- ▶ How important is stable funding?
- ▶ Is there adequate funding to address transportation needs?
 - > Why do you feel that way?
- ▶ Funds have been decreasing, what are some reasons?
- ▶ As funds decline, how will this impact your community?
- ▶ Around the table for funding suggestions – Written Exercise 4
- ▶ Around the table for top funding option.
 - > Why?
- ▶ Around the table for least preferred funding option.
 - > Why?

2.5. Road Charging General Discussion and Reporting Choice [35 minutes]

Written Exercise 6: When I say “road charging,” what is the first thing that comes to mind?

Written Exercise 7: A road charge is a system where all drivers pay to maintain the roads based on how much they drive, rather than on how much gas their vehicle uses.

Do you believe this is a very good idea, good, poor, or very poor idea to fund transportation improvements in the state?

Written Exercise 8: What would you like to know about road charging? What questions do you have?



Focus Groups Topic Guide

Discussion:

- ▶ What is road charging?
- ▶ Are you aware of similar examples of this approach being used in other industries or businesses (listen for insurance, electricity, etc.)?
- ▶ What comes to mind when you hear “road charging”?
- ▶ What are some benefits of road charging?
- ▶ What are some weaknesses of road charging?
- ▶ Do you have any concerns about road charging?
- ▶ Is it a good or poor idea
 - > Why?
 - > What do you like/dislike about it?
- ▶ What questions do you have about it?
 - > What do you want to know?

Written Exercise 9: Handout #2: Possible Options for Implementing a Road Charge
(mileage reporting choices: time permit, mileage permit, odometer charge, automated mileage reporting with no location data, automated mileage reporting with location data)

Rank your first choice, second choice, etc. And why for first choice? Why for last choice?

Discussion:

- ▶ Around the table for first choice and why?
- ▶ Around the table for last choice and why?
- ▶ Discuss pros and cons of each device.
- ▶ Like/dislike about time permit.
- ▶ Like/dislike about mileage permit.
- ▶ Like/dislike about odometer charge.
- ▶ Like/dislike about automated mileage reporting without location data.
- ▶ Like/dislike about automated mileage reporting with location data.

2.6. Road Charging Specific Discussion and Program Elements [40 minutes]

Written Exercise 10: (top) What is the benefit of having the government implement a road charge?
(middle) What is the benefit of having the private sector implement a road charge?
(bottom) Do you prefer the government or private sector to implement a road charge?

Written Exercise 11: Handout #3: Program Elements for a Road Charge (rank top 5)

Discussion:

- ▶ What do you believe to be barriers of implementing a road charge in California? (listen for equity, rural/urban, etc.)
- ▶ Why is that important to consider?



Focus Groups Topic Guide

- ▶ Do you have any concerns about a road charge for drivers in rural areas or commuters?
- ▶ What concerns do you have about government implementation? (listen for privacy, big brother, general skepticism, etc.)
- ▶ What concerns do you have about private sector implementation?
- ▶ Who should implement a road charge?
- ▶ Which road charge program elements resonate most with you?
 - > Why?
- ▶ Which road charge program elements resonate least with you?
 - > Why?
- ▶ Do you believe a road charge will create a more stable funding source?
- ▶ If it creates stable funding and maintains roads, how would your attitude change?

2.7. Conclusion [10 minutes]

What message do you have for the state as they consider how to address and fund transportation needs and improvements?

- ▶ Last comments and final feedback



Focus Groups Topic Guide

Handout #2 (Written Exercise 9)

Possible Options for Implementing a Road Charge

1. Time Permit

Motorists buy a permit to drive an unlimited number of miles for a given period of time (such as a year, half-year, quarter, or month). Permits might be sold at retail outlets like gas stations or grocery stores, or could be purchased on-line.



2. Mileage Permit

Motorists buy a permit to drive a set number of miles (1,000 miles, for example). When they get close to their mileage limit, they purchase a new permit. Permits might be sold at retail outlets like gas stations or grocery stores, or could be purchased on-line. Roadway use is recorded by the vehicle’s odometer and the driver reports an odometer reading periodically using a website, smartphone app, postcard, or in person at the DMV. You have the option of pre-paying for the year (or in quarterly installments) or paying as you go on a quarterly or annual basis.



3. Odometer Charge

Roadway use is recorded by the vehicle’s odometer and the driver reports an odometer reading periodically using a website, smartphone app, postcard, or in person at the DMV. You have the option of pre-paying for the year (or in quarterly installments) or paying as you go on a quarterly or annual basis.



4. Automated Mileage Reporting with No Location Data

You would either install a small after-market device in your car (you can do it yourself – no mechanic required) or download an app to your smartphone and then pair it to your car. The device and app measure how many miles you have driven and send that number to an account manager. You would receive a bill by email or USPS and would have the option of paying on-line by credit card or by cash or check. Because no location data is captured or recorded, you will be billed for all the miles you drive, but there could be a way for you to request a deduction for miles you drive outside California or on private property.



5. Automated Mileage Reporting with General Location Data

You would either install a small after-market device in your car (you can do it yourself – no mechanic required) or download an app to your smartphone and then pair it to your car. The device and app measure how many miles you have driven and whether those miles are inside California or outside the state or on private roads. An account manager would send your bill by email or USPS. You would have the option of paying on-line by credit card or by cash or check. This option is different from option 4 because it does use location data to automatically deduct any miles you drive outside California or on private roads and you are not billed for them.





Focus Groups Topic Guide

Handout #3 (Written Exercise 11)

Program Elements of a Road Charge

1. Road charge is a more stable funding source than a gas tax
2. Road charge is a replacement and not a supplement or addition to a gas tax
3. All users of the road pay their fair share
4. Out-of-state users also pay a road charge
5. Users choose how to pay
6. Road charge uses existing technology, new technology is not required
7. Location or GPS is not required
8. User privacy and data security is in place to safeguard information
9. Road charge can be part of a bundled service such as insurance
10. Value added services can be part of road charging like young driver monitoring, fuel monitoring and efficiency improvement advice, remote emissions testing, parking location, insurance discounts, emergency dispatch, etc.
11. Private sector can administer the collection of a road charge

Table of Proposed Telephone Survey Questions

Prepared by D'Artagnan Consulting and DHM Research

August 19, 2015





Table of Proposed Survey Questions

Table of Proposed Questions

The following table of proposed telephone survey questions is grouped into the following categories:

- ▶ Quotas
- ▶ Warm-Up
- ▶ Transportation Priorities and Funding
- ▶ Future Vehicle Ownership
- ▶ Demographics

Sample introductory text:

“Hello, this is ___ and I’m calling from DHM Research to get opinions on issues in your community. This is not a sales call. I’d like to ask you some questions on a strictly confidential basis, and it will take about 10 minutes of your time.”

Question Category	Previous Question (V09)	Revised Questions	Comments
1) Quotas			
	Are you 18 or older <ul style="list-style-type: none"> • Yes – continue • No – ask for adult in household – term if no referral • Refused – term 	1. Are you 18 or older <ul style="list-style-type: none"> • Yes – continue • No – ask for adult in household – term if no referral • Refused – term 	No change to the original question
	Gender (by observation)	2. Gender (by observation)	No change to the original question
	Record city (Record from sample) Record county (Record from sample)	3. Record city (Record from sample) Record county (Record from sample)	No change to the original question
2) Warm-Up			
	I am going to read a list of issues facing the state. Using a scale of 0 to 10, where 0 means that you are not at all concerned, and 10 means you are very concerned, please rate the following issues. You can use any number between 0 and 10 and you can re-use numbers. (Randomize) <ul style="list-style-type: none"> • The economy and jobs 	I am going to read a list of issues facing the state. Using a scale of 0 to 10, where 0 means that you are not at all concerned, and 10 means you are very concerned, please rate the following issues. You can use any number between 0 and 10 and you can re-use numbers. (Randomize) <ol style="list-style-type: none"> 4. The economy and jobs 5. The quality of local and state roads 	Both schools/education and healthcare were repeatedly listed as “most important” at every Focus Group, so we already know those are widespread concerns. We intend to categorize the answers if offered by the person being surveyed, but we



Table of Proposed Survey Questions

Question Category	Previous Question (V09)	Revised Questions	Comments
	<ul style="list-style-type: none"> • The quality of local and state roads • Schools and K-12 education • Healthcare • The environment • Drought relief and increasing water supplies 	<ul style="list-style-type: none"> 6. The environment 7. Drought relief and increasing water supplies 8. (DON'T READ) Schools and K-12 education 9. (DON'T READ) Healthcare 10. (DON'T READ) Other 	<p>won't actually offer them as potential answers.</p>
<p>3) Transportation Priorities and Funding</p>	<p>Thinking about the driving you do on California roads, I'd like to read a list of transportation priorities over the next 10 years. Which one of these options do you think should be the highest priority (choose only one from the list)</p> <ul style="list-style-type: none"> • Maintain and repair California's roads, highways and bridges • Build new roads, highways, and bridges • Promote alternative fuel vehicles like hybrids and electric vehicles • Promote alternative modes to driving like bus and rail service, bicycling, and walking • Improve traffic congestion bottlenecks <p>(DON'T READ) Don't Know</p> <p>How would you rate the quality of local streets and roads in your area?</p> <ul style="list-style-type: none"> • Excellent • Fair • Good • Poor • No opinion 	<ul style="list-style-type: none"> 11. Thinking about the driving you do on California roads, I'd like to read a list of transportation priorities over the next 10 years. Which one of these options do you think should be the highest priority (choose only one from the list). • Maintain and repair California's roads, highways and bridges • Build new roads, highways, and bridges • Promote alternative fuel vehicles like hybrids and electric vehicles • Promote alternative modes to driving like bus and rail service, bicycling, and walking • Improve traffic congestion bottlenecks • (DON'T READ) Don't Know <ul style="list-style-type: none"> 12. How would you rate the quality of streets and roads in your neighborhood? • Excellent • Fair • Good • Poor • No opinion 	<p>Improved how the question is phrased. Introducing the 10 year forecast is peripheral and distracting to the actual question.</p> <p>Improved how the question is phrased by using more familiar terms.</p>



Table of Proposed Survey Questions

Question Category	Previous Question (V09)	Revised Questions	Comments
	<p>How would you rate the quality of state highways in your area?</p> <ul style="list-style-type: none"> • Excellent • Fair • Good • Poor • No opinion 	<p>13. How would you rate the quality of state highways in your area?</p> <ul style="list-style-type: none"> • Excellent • Fair • Good • Poor • No opinion 	<p>No change to the original question</p>
	<p>Which one of these two statements comes closer to your view?</p> <ul style="list-style-type: none"> • We have roadway repair and maintenance needs in our state that need to be addressed now. • Roadway repair and maintenance needs in our state can wait until the economy gets better. • (DON'T ASK) Don't know 	<p>14. Which one of these two statements comes closer to your view?</p> <ul style="list-style-type: none"> • We have roadway repair and maintenance needs in our state that need to be addressed now. • Roadway repair and maintenance needs in our state can wait until the economy gets better. • (DON'T ASK) Don't know 	<p>No change to the original question</p>
	<p>Road repair and maintenance are mostly funded through a tax on gasoline. How much do you think the gas tax is per gallon? (Record response)</p>	<p>15. Road repair and maintenance are mostly funded through a tax on gasoline. How much do you think the gas tax is per gallon? (Record dollar amount)</p>	<p>No change to the original question</p>
	<p>How much do you think you pay for gas taxes per year for your primary vehicle? (Record response)</p>	<p>16. How much do you think you pay each year for gas taxes that are used to repair streets and highways? (Record response)</p>	<p>The added language is meant to clarify the question. During the Focus Groups it became evident that many believe gas taxes support CHP, DMV, etc., and don't go to roadway repair.</p>
	<p>For every gallon of gas you buy In California, local, state, and federal taxes are 64 cents per gallon. Is this gas tax</p> <ul style="list-style-type: none"> • More than you thought you were paying • About the amount you thought you were paying 	<p>17. For every gallon of gas you buy in California, local, state and federal taxes are 61 cents per gallon. Is this:</p> <ul style="list-style-type: none"> • More than you thought you were paying • About the amount you thought you were paying 	<p>Revised gas tax to current rate and based on the Focus Groups findings, we are not going to read "not aware of paying this tax", but will keep it as a categorical answer.</p>



Table of Proposed Survey Questions

Question Category	Previous Question (V09)	Revised Questions	Comments
	<ul style="list-style-type: none"> • Less than you thought you were paying • You were not aware you were paying this tax? • (DON'T READ) Don't know 	<ul style="list-style-type: none"> • Less than you thought you were paying • (DON'T READ) Not aware of paying this tax • (DON'T READ) Don't know 	
	<p>How familiar are you with the concept of a road charge, where drivers pay a fee based on the number of miles they drive instead of the gas tax? Are you:</p> <ul style="list-style-type: none"> • Very familiar • Somewhat familiar • Not too familiar, or • Not familiar at all? • (DON'T READ) Don't know 	<p>18. How familiar are you with the concept of a road charge, where drivers pay a fee based on the number of miles they drive instead of paying the gas tax? Are you:</p> <ul style="list-style-type: none"> • Very familiar • Somewhat familiar • Not too familiar, or • Not familiar at all? • (DON'T READ) Don't know 	<p>No change to the original question</p>
		<p>These next few questions are about a road charge. In road charging, instead of paying a gas tax based on how many gallons you use, you pay a fee based on the total miles you drive on California roads. A road charge would replace the gas tax.</p>	
	<p>Because of improving fuel efficiency and the increasing number of zero or low emission vehicles, revenue generated by the gas tax is not keeping up with repairing streets and roads. One idea to ensure all users help pay for the transportation system is to eliminate the gas tax and replace it with a charge on the number of miles you drive. Do you believe paying a road charge based on the number of miles you drive would be:</p> <ul style="list-style-type: none"> • More fair, • Less fair, or • About the same? • (DON'T ASK) Don't know 	<p>19. Because of improving fuel efficiency and the increasing number of electric and hybrid vehicles, revenue generated by the gas tax is not keeping up with the cost of repairing streets and roads. One idea to ensure all users help pay for the transportation system is to eliminate the gas tax and replace it with a charge on the number of miles you drive. Do you believe paying a road charge based on the number of miles you drive would be:</p> <ul style="list-style-type: none"> • More fair, • Less fair, or • About the same • (DON'T ASK) Don't know 	<p>Edited question because people understand the term "electric" or "hybrid" better than "zero emission" or "low emission".</p>



Table of Proposed Survey Questions

Question Category	Previous Question (V09)	Revised Questions	Comments
	<p>If the state were to consider a road charge, which one of the following four options would you prefer?</p> <ul style="list-style-type: none"> • Purchase a permit to drive unlimited miles for one year • Self report total miles driven annually • Automatically pay using an in-car device that determines the total number of miles driven • Automatically pay using an in-car device that determines the number of miles driven on public roads in California only 	<p>20. If the state were to consider a road charge, which one of the following four options would you prefer?</p> <ul style="list-style-type: none"> • Purchase a permit to drive unlimited miles for one year • Self report total miles driven annually • Automatically pay using an in-car device that determines the total number of miles driven • Automatically pay using an in-car device that determines the number of miles driven on public roads in California only • (DON'T ASK) Don't know 	<p>Added “don’t” know” as a valid response</p>
	<p>In general, do you strongly support, somewhat support, somewhat oppose, or strongly oppose the idea of a road charge as a replacement for the gas tax?</p> <p>Strongly support Somewhat support Somewhat oppose Strongly oppose (DON'T ASK) Don't know</p>	<p>deleted</p>	<p>Focus Groups generally demonstrated unfavorable opinions of road charging until after significant explanation and time. Asking this question at this point in the telephone survey is likely to bias responses to the next set of questions.</p>
	<p>There are many ways to measure miles driven for purposes of a road charge, from reporting your odometer reading to having mileage transmitted wirelessly to a billing system such as your cell phone provider or bank. Would you be more or less supportive of road charges knowing you could choose how to report and pay for your miles driven?</p> <ul style="list-style-type: none"> • More supportive • Less supportive • No difference • (DON'T READ) Don't know 	<p>21. There are many ways to measure miles driven for purposes of a road charge, from reporting your odometer reading to having mileage transmitted wirelessly to a billing system such as your cell phone provider or insurance company. Would you be more or less supportive of road charges knowing you could choose how to report and pay for your miles driven?</p> <ul style="list-style-type: none"> • More supportive • Less supportive • No difference 	<p>Modified language to offer options the Focus Group participants were familiar with (PAYD insurance)</p>



Table of Proposed Survey Questions

Question Category	Previous Question (V09)	Revised Questions	Comments
4) Future Vehicle Ownership	<p>Thinking about paying a road charge per mile driven instead of the gas tax, how important are each of the following issues to you? Very important, somewhat important, not too important, or not at all important:</p> <ul style="list-style-type: none"> • Ensure that I not pay both a per-mile charge and a gas tax • Provide choices in how I report and pay for miles driven • Protect my personal privacy • Ensure all motorists pay their fair share for road use • Ensure visitors from out of state pay for their road use 	<ul style="list-style-type: none"> • (DON'T READ) Don't know <p>Thinking about paying a road charge based on the number of miles driven instead of the gas tax, tell me which is the most important issue to you?</p> <p>22. Ensure that I not pay both a per-mile charge and a gas tax</p> <p>23. Provide choices in how I report and pay for miles driven</p> <p>24. Protect my personal privacy</p> <p>25. Ensure all motorists pay their fair share for road use</p> <p>26. Ensure visitors from out of state pay for their road use</p> <p>I'd like to read that list again. This time, tell me which is the second most important to you?</p> <p>27. Ensure that I not pay both a per-mile charge and a gas tax</p> <p>28. Provide choices in how I report and pay for miles driven</p> <p>29. Protect my personal privacy</p> <p>30. Ensure all motorists pay their fair share for road use</p> <p>31. Ensure visitors from out of state pay for their road use</p>	<p>Based on Focus Groups responses, we expect pretty much everyone to say "they are all important". The revised construct forces respondents to choose a "most important" followed by a "second most important" and should produce better differentiation of priorities than the earlier construct.</p>
	<p>Please consider the importance of these factors in your next vehicle. You may have other priorities but please consider the importance of the following list. What are your top two most important priorities: (Read list)</p> <ul style="list-style-type: none"> • Price • Safety • Fuel efficiency/miles per gallon 	<p>32. When buying or leasing a vehicle, what are your top two most important priorities? (Open, use precodes)</p> <ul style="list-style-type: none"> • (DON'T ASK) Price • (DON'T ASK) Safety • (DON'T ASK) Fuel efficiency/miles per gallon • (DON'T ASK) Performance 	<p>Rephrased the question and changed the general construct to allow for open-ended answers, and remove possibility of leading a response.</p>



Table of Proposed Survey Questions

Question Category	Previous Question (V09)	Revised Questions	Comments
	<ul style="list-style-type: none"> • Performance • Type or style of vehicle • (DON'T ASK) Don't know 	<ul style="list-style-type: none"> • (DON'T ASK) Type or style of vehicle • (DON'T ASK) Do not intend to buy a vehicle • (DON'T ASK) Don't know 	
	<p>If you were to purchase or lease a vehicle, how likely are you to consider an electric or hybrid vehicle? (Note likelihood)</p> <ul style="list-style-type: none"> • Very likely • Somewhat likely • Not too likely. • Not at all likely • (DON'T ASK) Don't know 	<p>33. If you were to buy or lease a vehicle, how likely are you to consider an electric or hybrid vehicle? (Note likelihood)</p> <ul style="list-style-type: none"> • Very likely • Somewhat likely • Not too likely. • Not at all likely • (DON'T ASK) Don't know 	<p>No change to the original question</p>
5) Demographics			
	<p>How many vehicles does your household currently own or lease? (Record number)</p>	<p>34. How many vehicles does your household currently own or lease? (Record number)</p>	<p>No change to the original question</p>
	<p>Are any of your vehicles hybrid or electric?</p> <ul style="list-style-type: none"> • Yes (If yes, record number) • No • (DON'T ASK) Don't know 	<p>35. Are any of your vehicles hybrid or electric?</p> <ul style="list-style-type: none"> • Yes (If yes, record number) • No • (DON'T ASK) Don't know 	<p>No change to the original question</p>
	<p>Thinking about your primary vehicle, how many total miles do you put on it in one year? Your best guess is fine. (Record number)</p>	<p>36. Thinking about the vehicle you use the most, about how many miles do you drive each year? Your best guess is fine. (Record number)</p>	<p>No change to the original question</p>
	<p>Roughly how many miles per gallon does your primary vehicle get? (Record number)</p>	<p>37. Roughly how many miles per gallon does your primary vehicle get? (Record number)</p>	<p>No change to the original question</p>
	<p>If you have a second vehicle, how many total miles do you put on it in one year? Your best guess is fine. (Record number)</p>	<p>38. If you have a second vehicle, how many total miles do you put on it in one year? Your best guess is fine. (Record number)</p>	<p>No change to the original question</p>



Table of Proposed Survey Questions

Question Category	Previous Question (V09)	Revised Questions	Comments
	Roughly how many miles per gallon does your secondary vehicle get? (Record number)	39. Roughly how many miles per gallon does your secondary vehicle get? (Record number)	No change to the original question
	What is your total household income before taxes: <ul style="list-style-type: none"> • Less than \$25,000 • \$25,000 to less than \$50,000 • \$50,000 to less than \$75,000 • \$75,000 to less than \$100,000 • \$100,000 to less than \$150,000 • \$150,000+ • (DON'T READ) Refused 	40. What is your total household income before taxes? (Record number)	Changed construct to allow respondent to provide income. This will allow us to cross-reference responses against county-level median income data.
		41. How many people live in your household? (Record number)	New question – knowing household size in addition to income will allow us to cross-reference responses against county-level median income group data.
	Which of the following best describes your race or ethnicity? <ul style="list-style-type: none"> • White/Caucasian • African American/Black • Hispanic/Latino • Asian/Pacific Islander • Native American/American Indian • Other • (DON'T READ) Refused 	42. Are you of Hispanic, Latino, or Spanish origin? <ul style="list-style-type: none"> • Yes • No • (DON'T READ) Refused 43. Which of the following best describes your race? <ul style="list-style-type: none"> • White/Caucasian • African American/Black • Asian/Pacific Islander • Native American/American Indian • Other • (DON'T READ) Refused 	Disaggregated ethnicity from race. Asking the question this way allows us to directly cross-reference survey responses to census data and data collected from other surveys. If we combine ethnicity and race into one question, we won't be able to make those direct comparisons. I can change the question back but we might lose some valuable analysis down the road.