

Memorandum

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

TAC Meeting: October 23, 2015

Reference No.: 7.a.
Information Item

From: NORMA ORTEGA
Chief Financial Officer



Prepared by: Carrie Pourvahidi,
Project Manager
Road Charge Pilot Program

Subject: **Follow-Up Questions from September 16, 2015 Meeting**

ISSUE:

The purpose of this memorandum is to clarify the project team's responses to questions that were posed by the committee members during the September 16, 2015 Technical Advisory Committee (TAC) meeting. Below, the questions and corresponding responses are grouped under general category headings.

UPDATE:

Surveys

Q – Can the TAC see a copy of the topline survey results in early October instead of waiting for the full draft report on public opinion in late October?

A – The telephone survey effort was completed on September 30. The project team provided topline survey results to the TAC, and to the report writing subcommittee, on October 16.

Customer Service and Violation Enforcement Outsourcing

Q – The TAC suggests that the project team contact the Transportation Corridor Agencies (TCA) about their experiences with customer service and back office operations outsourcing to reduce costs and staff turnover?

A – Yes, the project team will look to TCA and other toll agencies in California for lessons learned on staffing, outsourcing, and customer service.

Volunteers

Q – Given that the pilot launch is approximately nine months away, what can we do to engage people who have expressed interest in volunteering through the website so that we maintain their interest at this early phase of the effort?

A – A recent email update was released in late September to members of the public who expressed interest in the pilot. A plan for participant recruitment is also being developed, which will address how to generate interest broadly over the next nine months as the project moves into the pilot preparation phase. In addition, we are also developing strategies on how to maintain interest among those who have expressed it. The project team will be listening during the October meeting for TAC member ideas on how they can engage with their own constituencies to recruit prospective participants in the pilot. These

ideas will be reflected in the participant recruitment strategy.

Q – When enrolling volunteers into the pilot, is it possible to give them a choice that is “Indifferent – assign me a choice?”

A – The project team will implement this suggestion during the participant enrollment process to ensure that genuinely indifferent volunteers can be assigned a choice. This should give the project team increased flexibility and ensure that quotas for each operational concept can be met.

Fuel Tax Refunds

Q – The concept of “fuel tax refunds” could be confusing, since the ultimate objective of road charging is to replace the gas tax. Can we remove this from the description of the operational concepts?

A – In response to this suggestion, the project team will ensure that the language used to help participants select an operational concept does not address the notion of fuel tax refunds; rather, it will be made clear that the road charging concept *in general* is being explored as a potential replacement for the fuel tax. However, to provide participants with a sense of relative impact, we recommend that any invoices or other information sent to participants feature an estimate of fuel taxes paid alongside road charges assessed.

Time Permit

Q – How should the time permit be priced?

A – The project team will prepare information to guide discussion of this question for the October meeting. Key points to recall are that the time permit is an option available alongside other options, including the manual mileage permit, manual odometer charge, and automated options that use technology such as in-vehicle telematics and smartphones. Since the time permit is priced for a unit of time rather than a unit of distance, in a real system, it is important to price it in a way that avoids revenue collapse.

Standing

Q – Beyond a pilot, in a real road charge system, how could taxpayers hold the state accountable for enforcing their contracts with account managers, specifically with regard to the privacy and data security provisions? Is there a private cause of action?

A – Historically, the doctrine of sovereign immunity has protected federal and state governments (and their employees) from being sued without their consent. However, in the last century, this doctrine has slowly eroded. The most direct way to allow private citizens a cause of action against the state (or its agents) is through passage of laws that provide specific legal recourse against the state for breach of a public duty.¹ The road charge privacy legal protection provisions adopted by the TAC create a similar public duty to protect personal information and confer rights upon motorists allowing inspection and correction of records. There is no guarantee that individuals would have standing to bring legal action against the state for failure to protect personal information unless such provisions were to be enacted by the Legislature in a road charge program.

¹ The federal Privacy Act of 1974 is an example of how a public duty was created (protection of personal information); rights were conferred upon US citizens (access to agency records; right to demand corrections); legal standing recognized (individuals can bring civil suits); and specific remedies provided (actual damages of not less than \$1,000, and attorneys fees).

Table of Telephone Survey Questions (Final) with Top-Level Results

Prepared by D'Artagnan Consulting and DHM Research

October 8, 2015





Table of Survey Questions

Introduction

In September 2015, 600 registered voters and 300 additional Californians completed the following telephone survey. Registered voters were randomly selected from voter registration lists. Other (unregistered) respondents were randomly selected. Of the 900 respondents, 28% live in Northern California, 15% in Central California, and 57% in Southern California. This report presents preliminary high-level results from the survey. Questions 1-3 were used to determine eligibility to participate in the survey (age over 18 years, California resident, etc.) and are not reported below.

Throughout this document, reported responses may not total to 100% due to rounding or the exclusion of invalid responses.

Table of Questions

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

- ▶ Quotas (omitted here)
- ▶ Warm-Up
- ▶ Transportation Priorities and Funding
- ▶ Future Vehicle Ownership
- ▶ Demographics



Table of Survey Questions

Question Category Questions

2) Warm-Up

(screening questions 1-3 [quotas] omitted)

4. 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*)**

Response Category	% Scoring 8, 9, or 10	Mean	Don't Know
The economy and jobs	58%	7.5	1%
The quality of local and state roads	37%	6.4	1%
The environment	56%	7.4	1%
Drought relief and increasing water supplies	72%	8.2	1%

3) Transportation Priorities and Funding

5. Thinking about the driving you do on California roads, I'd like to read a list of transportation priorities. Which **one** of these options do you think should be the highest priority? **(Choose only one from the list) (Randomize*)**

Response Category	N=900
Maintain California's existing roads	39%
Promote alternative modes to driving like bus and rail service, bicycling, and walking	38%
Build new roads and wider roads	22%
(DON'T READ) Don't know	2%



Table of Survey Questions

Question Category Questions

6. I am going to read that list again. Which of the options is your *second*-highest priority? **(Randomize*)**

Response Category	N=900
Maintain California’s existing roads	41%
Build new roads and wider roads	28%
Promote alternative modes to driving like bus and rail service, bicycling, and walking	27%
(DON’T READ) Don’t know	4%

7. How would you rate the quality of **streets and roads** in your **neighborhood**?

Response Category	N=900
Excellent or Good	72%
Poor or Very poor	27%
No Opinion	<1%

8. How would you rate the quality of **state highways** in your area?

Response Category	N=900
Excellent or Good	73%
Poor or Very poor	25%
No Opinion	1%

9. While there are state, federal, and local taxes on gasoline, the state’s base tax on gasoline is 18 cents per gallon. This tax is dedicated to pay for road repairs. At the rate of 18 cents per gallon, an average driver pays approximately \$120 per year for the state’s base tax for road repairs. Do you believe this is too much, about the right amount, or too little?

Response Category	N=900
Too much	23%
About the right amount	54%
Too little	18%
(DON’T READ) Don’t know	5%



Table of Survey Questions

Question Category Questions

10. How familiar are you with the concept of a road charge, where drivers pay a fee based on the number of miles they drive? Are you:

Response Category	N=900
Very familiar	13%
Somewhat familiar	24%
Not too familiar	16%
Not familiar at all	46%
(DON'T READ) Don't know	1%

These next few questions are about a road charge. In road charging you pay a fee based on the miles you drive on California roads, instead of paying a gas tax based on how many gallons you use. A road charge would **replace the gas tax**.

11. Because of improving fuel efficiency and the increasing number of electric and hybrid vehicles, gasoline consumption is decreasing. Revenue generated by the gas tax is also decreasing and is not keeping up with the cost of repairing roads. One idea, to ensure all users help pay for repairs, is to eliminate the gas tax and replace it with an equivalent 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:

Response Category	N=900
More fair	19%
Less fair	46%
About the same	29%
(DON'T READ) Don't know	6%

12. If the state were to consider a road charge, which **one** of the following three options would you prefer? (Randomize*)

Response Category	N=900
Purchase a permit to drive unlimited miles up to one year	33%
Automatically report miles driven annually using technology	29%
Self-report total miles driven annually	20%
(DON'T READ) Don't know	17%



Table of Survey Questions

Question Category Questions

13. There are many ways to measure miles driven for purposes of a road charge, from reporting your odometer reading to having mileage transmitted wirelessly. Would you be more or less supportive of road charges, or would it make no difference, knowing you could choose how to report your miles driven?

Response Category	N=900
More supportive	18%
Less supportive	25%
No difference	51%
(DON'T READ) Don't know	6%

14. 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? (Randomize*)

Response Category	N=900
Protect my personal privacy	27%
Ensure all motorists pay their fair share for road use	22%
Ensure that I not pay both a per-mile charge and a gas tax	18%
Ensure adequate funding to maintain our roads	14%
Ensure visitors from out of state pay for their road use	6%
Provide choices in how I report and pay for miles driven	5%
(DON'T READ) Don't know	7%

15. I'd like to read that list again. This time, tell me which is the **least** important to you? (Remove top choice** then randomize remaining list)

Response Category	N=900
Ensure visitors from out of state pay for their road use	40%
Provide choices in how I report and pay for miles driven	15%
Protect my personal privacy	12%
Ensure that I not pay both a per-mile charge and a gas tax	9%
Ensure all motorists pay their fair share for road use	8%
Ensure adequate funding to maintain our roads	8%
(DON'T READ) Don't know	9%



Table of Survey Questions

Question Category

Questions

4) Current and Future Vehicle Ownership

16. If you were to buy or lease a vehicle, how likely are you to consider an electric or hybrid vehicle?

Response Category	N=900
Very likely	34%
Somewhat likely	27%
Not too likely	15%
Not at all likely	23%
(DON'T READ) Don't know	1%

17. How many vehicles does your household currently own or lease?

Response Category	N=900
Do not own a vehicle	6%
1	25%
2 or more	67%
(DON'T READ) Don't know	2%

18. Are any of your vehicles hybrid or electric?

Response Category	N=845
Yes	13%
No	87%
(DON'T READ) Don't know	1%

19. (If yes to Q18) How many hybrid or electric vehicles do you own or lease?

Response Category	N=107
1	84%
2	12%
Don't know	3%



Table of Survey Questions

Question Category	Questions														
	<p>20. Thinking about the vehicle you use the most, about how many total miles do you drive each year? Your best guess is fine.</p> <table border="1"> <thead> <tr> <th style="background-color: #8e44ad; color: white;">Response Category</th> <th style="background-color: #8e44ad; color: white;">N=845</th> </tr> </thead> <tbody> <tr> <td>Less than 10,000 miles per year</td> <td>33%</td> </tr> <tr> <td>10,000 to 20,000 miles per year</td> <td>36%</td> </tr> <tr> <td>More than 20,000 miles per year</td> <td>16%</td> </tr> <tr> <td>(DON'T READ) Don't know</td> <td>14%</td> </tr> </tbody> </table>	Response Category	N=845	Less than 10,000 miles per year	33%	10,000 to 20,000 miles per year	36%	More than 20,000 miles per year	16%	(DON'T READ) Don't know	14%				
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	<p>21. Roughly how many miles per gallon does your primary vehicle get? (If yes to Q18: if the vehicle you use most is electric and does not use gas let me know.)</p> <table border="1"> <thead> <tr> <th style="background-color: #8e44ad; color: white;">Response Category</th> <th style="background-color: #8e44ad; color: white;">N=845</th> </tr> </thead> <tbody> <tr> <td>20 miles per gallon or less</td> <td>22%</td> </tr> <tr> <td>21 to 40 miles per gallon</td> <td>41%</td> </tr> <tr> <td>More than 41 miles per gallon</td> <td>4%</td> </tr> <tr> <td>Median miles per gallon***</td> <td>25</td> </tr> <tr> <td>The vehicle is electric and does not use gasoline</td> <td>2%</td> </tr> <tr> <td>(DON'T READ) Don't know</td> <td>13%</td> </tr> </tbody> </table>	Response Category	N=845	20 miles per gallon or less	22%	21 to 40 miles per gallon	41%	More than 41 miles per gallon	4%	Median miles per gallon***	25	The vehicle is electric and does not use gasoline	2%	(DON'T READ) Don't know	13%
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Table of Survey Questions

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<p>5) Demographics</p>	<ul style="list-style-type: none"> These last questions are for statistical purposes to ensure we have talked to a representative group of California residents. <p>24. What is your total household income before taxes? (Record number)</p> <table border="1"> <thead> <tr> <th data-bbox="485 493 1031 529">Response Category</th> <th data-bbox="1031 493 1173 529">N=900</th> </tr> </thead> <tbody> <tr> <td data-bbox="485 529 1031 565">Less than \$25,000</td> <td data-bbox="1031 529 1173 565">14%</td> </tr> <tr> <td data-bbox="485 565 1031 600">\$25,000 to less than \$40,000</td> <td data-bbox="1031 565 1173 600">15%</td> </tr> <tr> <td data-bbox="485 600 1031 636">\$40,000 to less than \$60,000</td> <td data-bbox="1031 600 1173 636">14%</td> </tr> <tr> <td data-bbox="485 636 1031 672">\$60,000 to less than \$75,000</td> <td data-bbox="1031 636 1173 672">10%</td> </tr> <tr> <td data-bbox="485 672 1031 708">\$75,000 to less than \$100,000</td> <td data-bbox="1031 672 1173 708">11%</td> </tr> <tr> <td data-bbox="485 708 1031 743">\$100,000 to less than \$150,000</td> <td data-bbox="1031 708 1173 743">10%</td> </tr> <tr> <td data-bbox="485 743 1031 779">\$150,000 or more</td> <td data-bbox="1031 743 1173 779">12%</td> </tr> <tr> <td data-bbox="485 779 1031 815">(DON'T READ) Refused</td> <td data-bbox="1031 779 1173 815">15%</td> </tr> </tbody> </table> <p>25. How many people live in your household?</p> <table border="1"> <thead> <tr> <th data-bbox="485 870 1031 906">Response Category</th> <th data-bbox="1031 870 1173 906">N=900</th> </tr> </thead> <tbody> <tr> <td data-bbox="485 906 1031 941">1</td> <td data-bbox="1031 906 1173 941">13%</td> </tr> <tr> <td data-bbox="485 941 1031 977">2</td> <td data-bbox="1031 941 1173 977">33%</td> </tr> <tr> <td data-bbox="485 977 1031 1013">3</td> <td data-bbox="1031 977 1173 1013">16%</td> </tr> <tr> <td data-bbox="485 1013 1031 1049">4</td> <td data-bbox="1031 1013 1173 1049">19%</td> </tr> <tr> <td data-bbox="485 1049 1031 1084">5</td> <td data-bbox="1031 1049 1173 1084">9%</td> </tr> <tr> <td data-bbox="485 1084 1031 1120">More than 5</td> <td data-bbox="1031 1084 1173 1120">6%</td> </tr> <tr> <td data-bbox="485 1120 1031 1156">(DON'T READ) Refused</td> <td data-bbox="1031 1120 1173 1156">15%</td> </tr> </tbody> </table> <p>26. Are you of Hispanic, Latino, or Spanish origin?</p> <table border="1"> <thead> <tr> <th data-bbox="485 1205 1031 1240">Response Category</th> <th data-bbox="1031 1205 1173 1240">N=900</th> </tr> </thead> <tbody> <tr> <td data-bbox="485 1240 1031 1276">Yes</td> <td data-bbox="1031 1240 1173 1276">23%</td> </tr> <tr> <td data-bbox="485 1276 1031 1312">No</td> <td data-bbox="1031 1276 1173 1312">74%</td> </tr> <tr> <td data-bbox="485 1312 1031 1347">(DON'T READ) Refused</td> <td data-bbox="1031 1312 1173 1347">3%</td> </tr> </tbody> </table>	Response Category	N=900	Less than \$25,000	14%	\$25,000 to less than \$40,000	15%	\$40,000 to less than \$60,000	14%	\$60,000 to less than \$75,000	10%	\$75,000 to less than \$100,000	11%	\$100,000 to less than \$150,000	10%	\$150,000 or more	12%	(DON'T READ) Refused	15%	Response Category	N=900	1	13%	2	33%	3	16%	4	19%	5	9%	More than 5	6%	(DON'T READ) Refused	15%	Response Category	N=900	Yes	23%	No	74%	(DON'T READ) Refused	3%
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Table of Survey Questions

Question Category Questions

27. Which of the following best describes your race?

Response Category	N=900
White/Caucasian	60%
African American/Black	7%
Asian/Pacific Islander	6%
Native American/American Indian	4%
Other	19%
(DON'T READ) Refused	5%

28. Age (from sample)

Response Category	N=900
18-24	14%
25-34	17%
35-54	36%
55-64	9%
65+	20%
(DON'T READ) Refused	3%

* Response options were offered in a different order each time they were read to minimize bias in the survey responses.

** For each respondent, the item selected as most important in Question 14 was eliminated from the options presented in Question 15 so that respondents could not select the same item as both "most important" and "least important".

*** The median value is identified as $\{(n + 1) \div 2\}$ th value, where **n** is the number of values in a ranked set of data. Fifty percent of responses are higher than the median value and fifty percent are lower.