

Memorandum

Tab 26

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 28-29, 2017

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

SUMMARY:

In April and May, the California Transportation Commission's (Commission) Road Charge Technical Advisory Committee (TAC) met to receive reports from the California Department of Transportation (Caltrans) and consider policy implications related to the Road Charge Pilot Program (Pilot Program). Caltrans reported on the closeout of the participant pilot, and on overall findings from the 9-month Pilot Program conducted from July 1, 2016, through March 31, 2017.

During the meeting the TAC members broke into the following three workgroups to discuss main issues related to Road Charge in California:

- (1) Data Privacy and Security;
- (2) Social Equity and Pricing; and
- (3) Administration and Enforcement.

Staff will use the overarching policy perspectives resulting from the workgroup sessions, and information Caltrans shared to bring forward policy recommendations for the Commission to consider transmitting to the Legislature.

The TAC is scheduled to meet on September 15 to focus on best management practices and provide input for recommendations in the Commission's report to the Legislature.

BACKGROUND:

In 2014, the Governor signed Senate Bill (SB) 1077 (DeSaulnier) which required the Chair of the Commission to create, in consultation with the Secretary of the California State Transportation Agency (Transportation Agency), a TAC to study road charge alternatives to the California gas tax and to make recommendations to the Transportation Agency on the design and evaluation of a road charge Pilot Program.

In December 2015, the TAC presented their Road Charge Pilot Program Design Recommendations Report to the Transportation Agency Secretary for the development and deployment of the pilot. In July 2016, Caltrans launched a nine-month pilot program with over 5,000 participating vehicles, which concluded on March 31, 2017.

In July 2017, the Transportation Agency is expected to submit a report on the findings of the Pilot Program to the Legislature, the Commission, and the TAC. The Agency's report is required to address cost, privacy, jurisdictional issues, feasibility, complexity, acceptance, use of revenues, security and compliance, data collection technology, potential for additional driver services, and implementation issues. The Commission is required to include its recommendations regarding the Pilot Program in its annual report to the Legislature.

Attachments:

- Attachment A: Road Charge Update Presentation



California Road Charge Pilot Program

Curtis Vandermolen

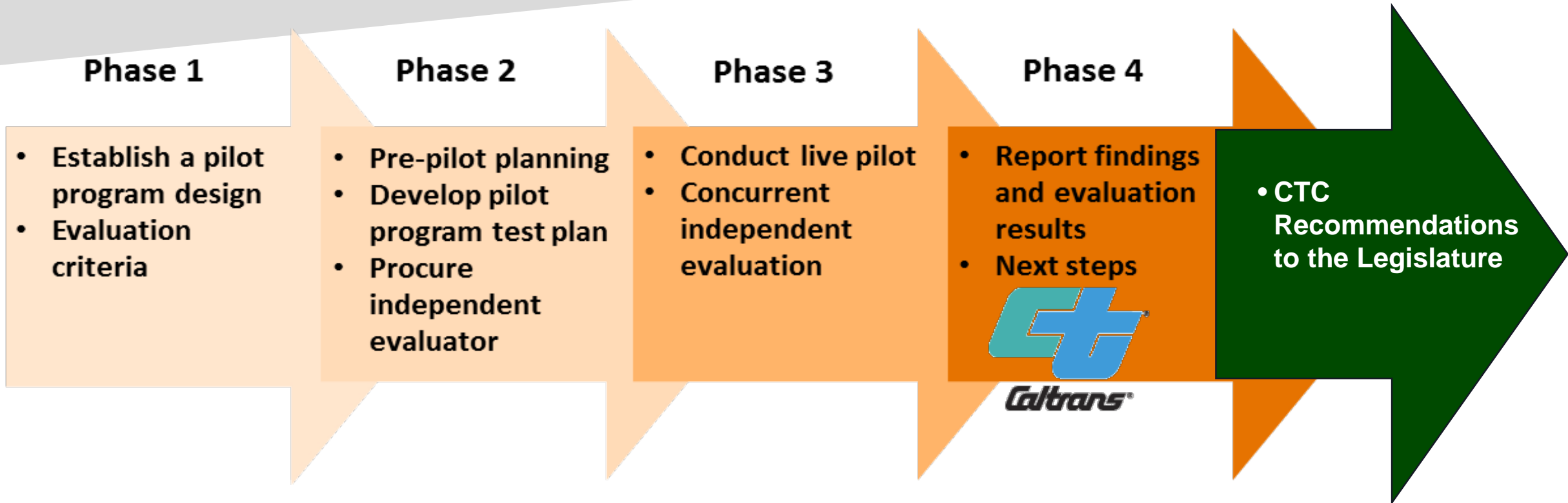
Deputy Director

California Transportation Commission

June 28, 2017



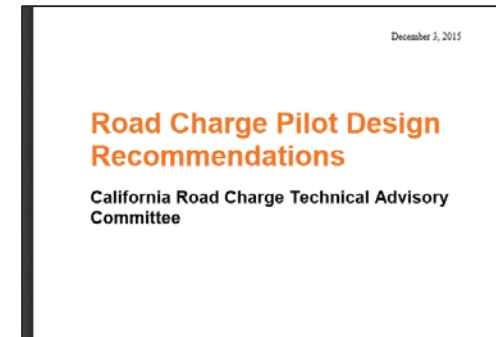
Pilot Schedule



Next Steps



- CTC Road Charge TAC met on May 19 to discuss a variety of policy implications and possible recommendations.
- Transportation Agency is expected to issue a report on its findings in July.
- **CTC Road Charge TAC will meet on September 15 to focus on recommendations.**
- CTC is expected to include the final Road Charge report with recommendations to the Legislature in its annual report in December.



Final Report Policy Perspectives



Other Agency Efforts



- Caltrans will study a pay-at-the-pump and pay-at-the-charging-station method of mileage reporting using federal FAST Act funds.
 - Round 1 FAST Act - \$750,000
 - Round 2 FAST Act – Applications were due June 12
- Washington State will begin a 12-month pilot in January 2018.
- The I-95 Corridor Coalition have conducted two phases of study. Two states have withdrawn, but the effort continues with reduced funding.
- 14 western states participating in RUC West coalition (through Caltrans).
 - Finalizing a report on impacts for rural drivers.



Questions?



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