

Oregon's Road Usage Charge Program

Policy Development Timeline

Following is a summary of the actions taken by the Oregon Legislature, the Road Use Fee Task Force (RUFTF) and the Oregon Department of Transportation (ODOT) that led to adoption of the nation's first per-mile charging system: Oregon's Road Usage Charge Program.

2001	House Bill 3946 passes, creating the Road User Fee Task Force (RUFTF) and directing implementation of Oregon's first pilot project
	<i>With the steady erosion of revenue from the state's gas tax, the Oregon State Legislature created the Road User Fee Task Force to examine alternatives to replace the gas tax as the primary source of revenue for repairing, maintaining, and building Oregon roads.</i>
2003	RUFTF recommends alternative road funding mechanisms, with road usage charging as the principal option
	<i>RUFTF, administered by ODOT, recommended a mileage-based charge to the Oregon legislature as the best alternative because it could be applied to a broad base and was determined to be the most fair, simple and affordable way to generate road revenue.</i>
2006-07	ODOT conducts the first pilot project—the Road User Fee Pilot Program (RUFPP)
	<i>The Road User Fee Pilot Program, a pay-at-the-pump model, ran with 285 vehicles. Pilot goals included transaction accuracy, participant acceptance, system operation, potential costs, ease of use and more.</i>
2007	Results of the RUFPP are published
	<i>Nine evaluation criteria were successfully met by the pilot. The final report detailed these key findings: 1) The concept is feasible; 2) Privacy is protected; 3) Retrofitting vehicles is cost-prohibitive; and 4) Technology must be open and flexible.</i>
2009	RUFTF is reconstituted and made permanent to address the new and expanding market for highly fuel efficient vehicles
	<i>Between Oregon's two pilot programs, from 2007 to 2011, a few states followed Oregon's lead and tested their own versions of a per mile charge. Interest in concept was growing nationally and internationally. Meanwhile, the 2009 Oregon Legislature made the Road User Fee Task Force permanent. It was reconstituted in 2010 and has met regularly ever since, reviewing research and discussing ways to "develop and refine alternatives to the gas tax as a method of raising revenue for highways, roads and streets." In particular, the group focused on what it learned from the first pilot program in order to move the per mile charge concept forward. It adopted a problem statement and solution to declining revenues. RUFTF adopted a refined vision for road usage charging and related policies. Ultimately, the task force proposed a refined pilot program that would address all issues raised in the first pilot and incorporated new technology and information gained from other studies.</i>

2012-13	ODOT conducts a second pilot project—the Road Usage Charge Pilot Program (RUCPP)
	<i>The new pilot, the Road Usage Charge Pilot Program, incorporated an open system model with opportunity for motorists to have choices for mileage reporting. It proceeded with 44 Oregon vehicles, 21 Washington vehicles and 23 Nevada vehicles. The RUCPP ran a short four months in order to have results available for Oregon’s next legislative session. Most of the participants from Oregon were elected officials and others with in-depth interest in the per mile charge concept.</i>
2013	RUFFT forwards a mandated per-mile charge program to the Oregon Legislature
	<i>HB 2453 applied a road usage charge to vehicles that achieve better than 55 mpg. The bill stalled but Senate Bill 810 passed, which modified the House Bill by limiting the number of road usage charge participants to 5,000 volunteers. Oregon became the first state in the nation to pass a law requiring implementation of a road use charging program.</i>
2014	ODOT publishes results of the RUCPP
	<p><i>Ten program goals were met by the second pilot program. The RUCPP’s preliminary findings led to passage of Senate Bill 810 which made a road usage charge program operational in Oregon. The legislature determined that the road usage charge system:</i></p> <ul style="list-style-type: none"> <i>• Was easy to use and convenient</i> <i>• Offered viable choices – and that ability to choose was important to participants because it helped ensure privacy</i> <i>• Used technology that was accurate, adaptable and resistant to tampering</i> <i>• Demonstrated a fair, supportable and efficient replacement for the state gas tax for drivers of highly fuel efficient vehicles</i>
2014	ODOT commences procurement for the Road Usage Charge Program.
	<i>The new implementation team for Oregon’s Road Usage Charge Program, enacted by the legislature, sought proposals from potential account managers to build and support the nation’s premier mileage charge collection system. ODOT sought one account manager to run the ODOT account management system but also opened a permanent market opportunity for commercial account managers to not only provide account management services as an alternative to ODOT but also combine them with other value added services.</i>
July 1, 2015	Oregon’s Road Usage Charge Program, directed by Senate Bill 810, commences