ROAD USAGE CHARGE

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Utah's Road Usage Charge

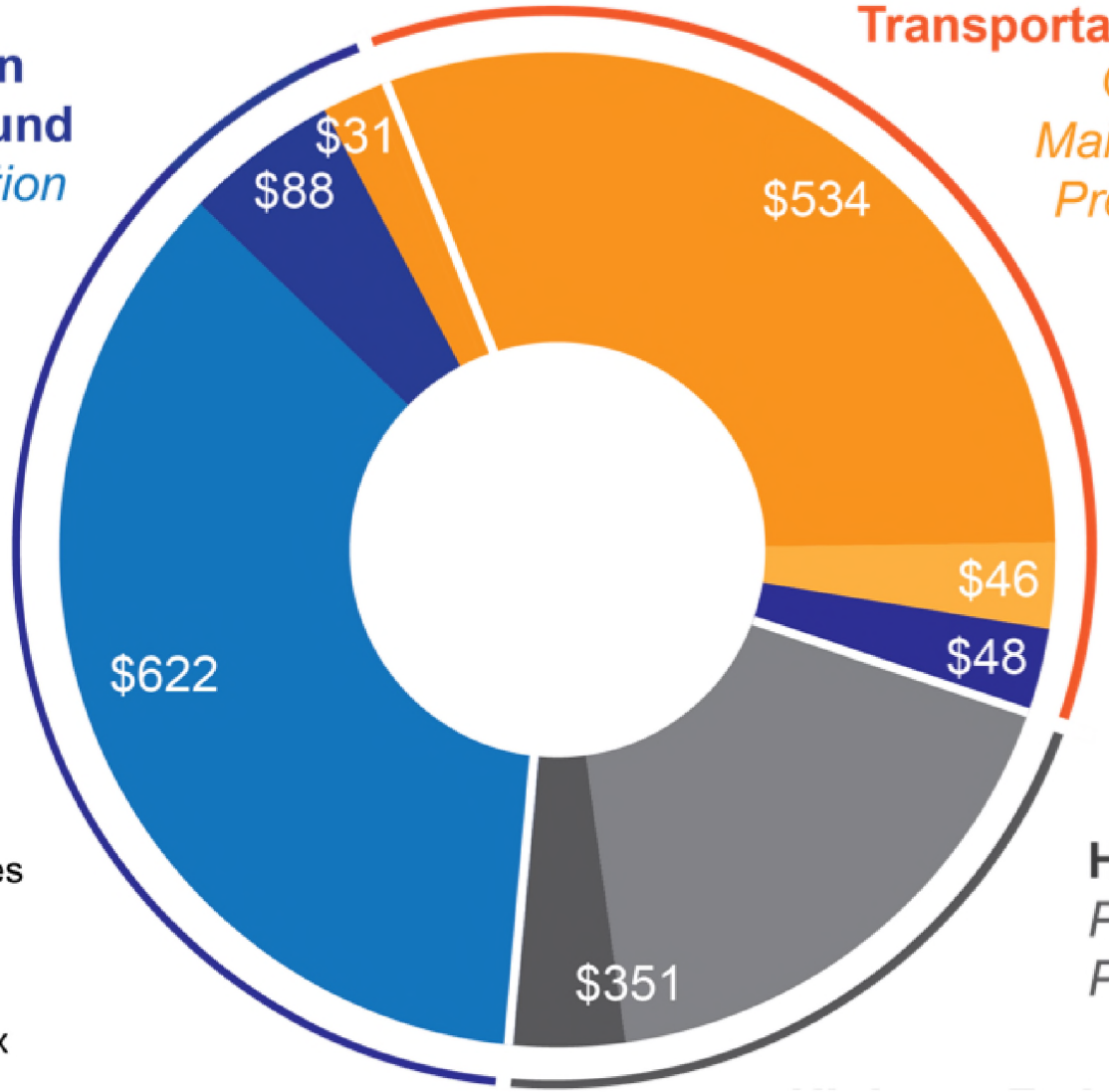
1. Utah's policy journey
2. Implementation activities
3. Future steps

Highway Budget

(in millions of dollars)

Transportation Investment Fund
New Construction

Transportation Fund
Operation, Maintenance, Preservation

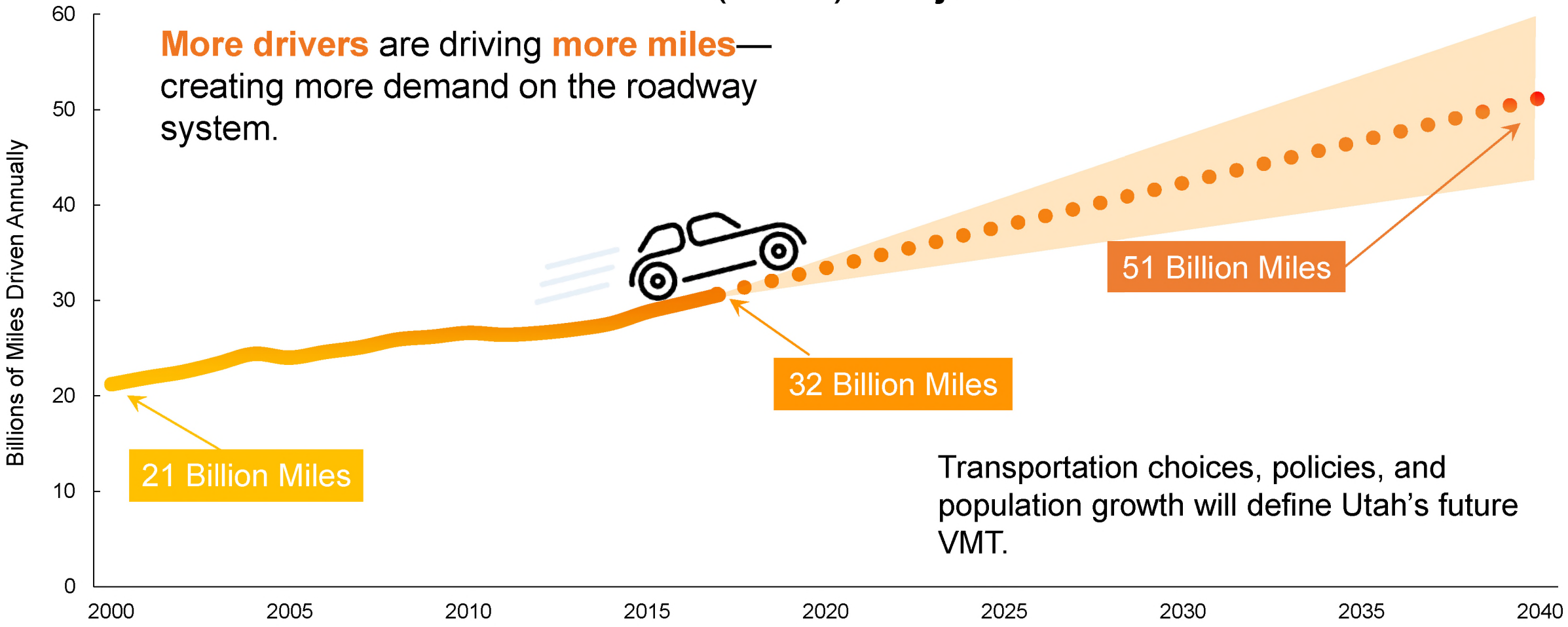


- Sales Tax
- State Fuel Tax
- Registration Fees
- Permits, etc
- Federal Fuel Tax

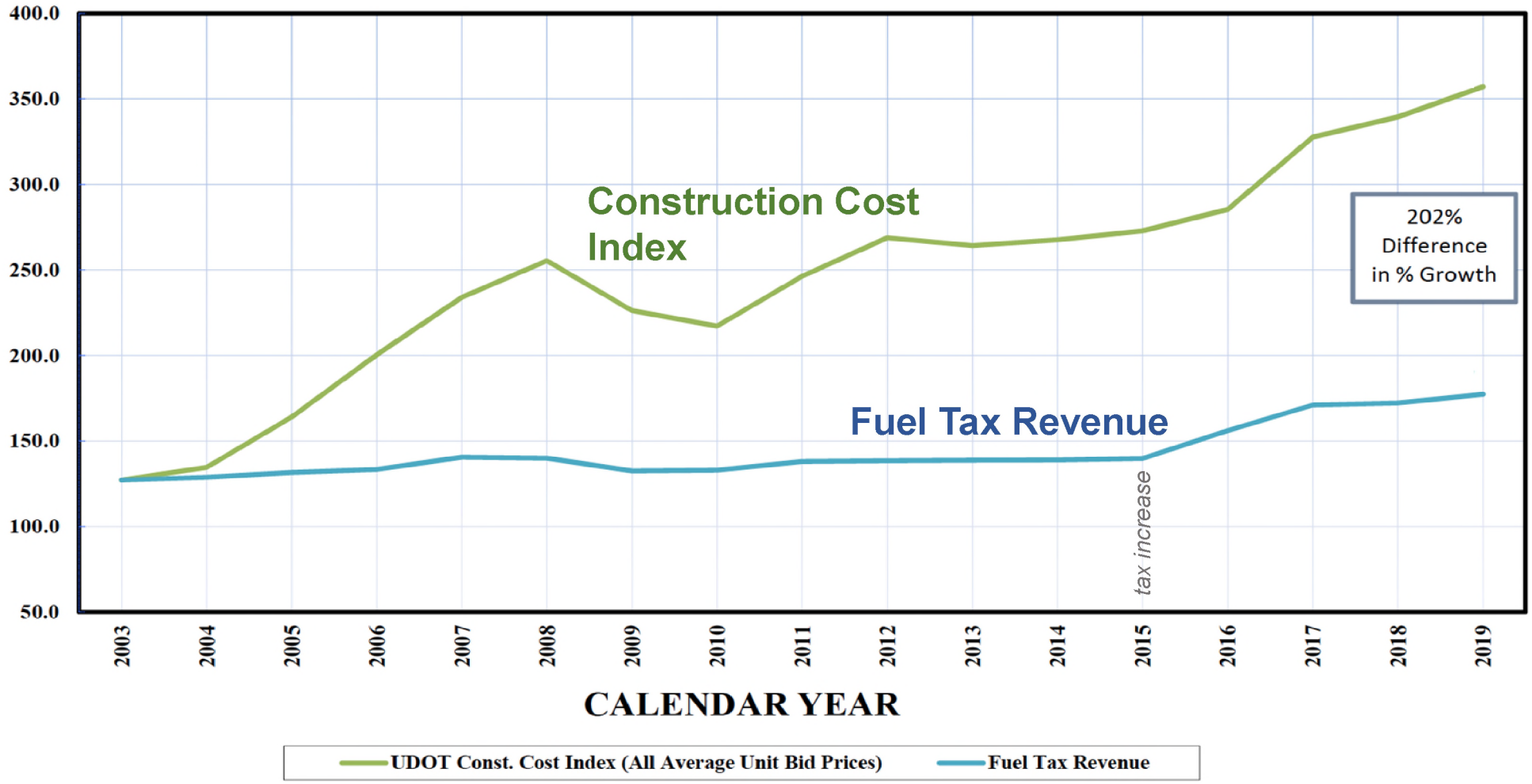
Highway Federal Funds
Projects Primarily for Preservation and Safety

Utah's Policy Journey | Highway Use Growing

Utah Vehicle Miles Traveled (VMT) Projection

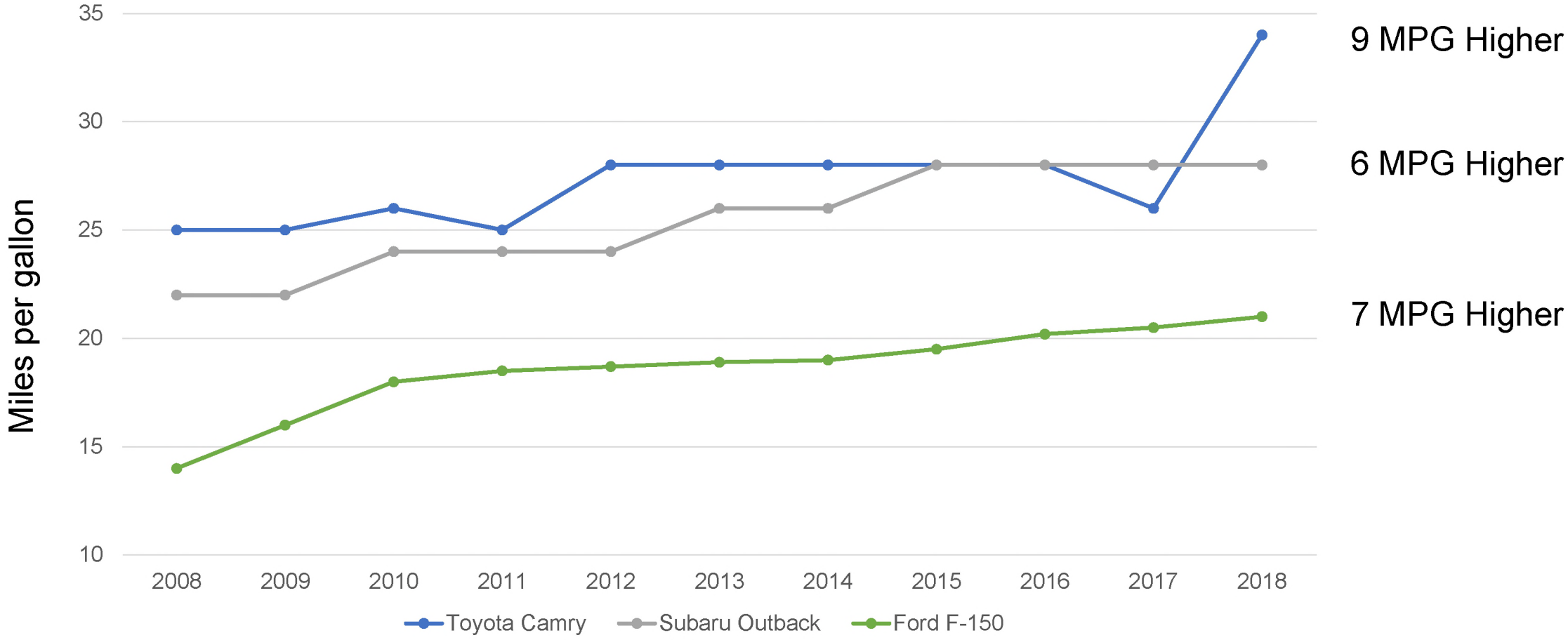


Utah's Policy Journey | Revenue Not Keeping Pace



*Fuel Tax Revenue Index Baseline Normalized to 2003 Highway Construction Cost Index

Utah's Policy Journey | Vehicle Efficiency Growing



Utah's Policy Journey | Fuel Tax Payment Variability

Average Annual State Gas Tax Payment

EV	Gas Hybrid	Sedan	Pickup	Heavy Truck
DOESN'T APPLY	50 MPG	25 MPG	15 MPG	6 MPG
$0	$93	$187	$311	$777

Based on 2019 tax rate

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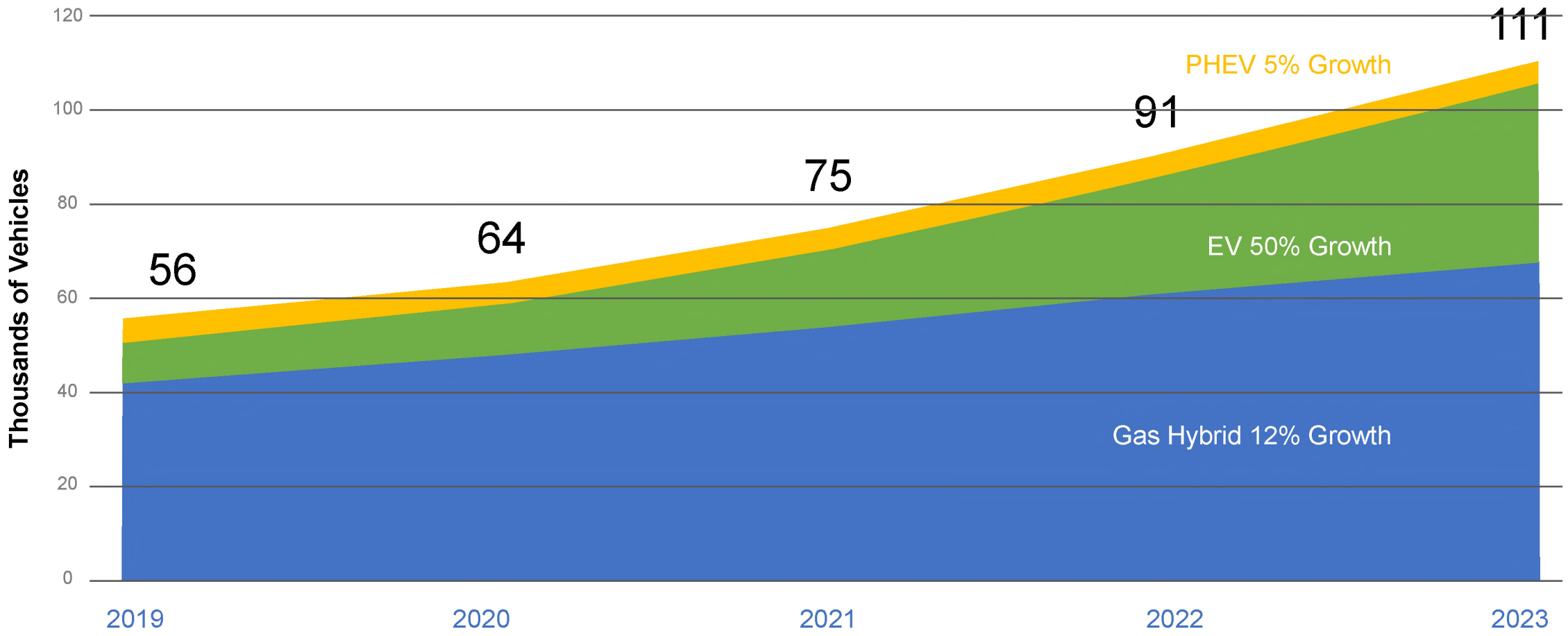
Utah's Policy Journey | Policy Considerations

- User Pays
- Alternative to Fuel Tax
- Revenue Generator
- Equitable and Fair
- Sustainable
- Demand Pricing
- Mobility Solution

Utah's Policy Journey | Alternative Fuel Vehicle Growth



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Utah's Policy Journey | National Vehicle Fleet Fee Shift

National

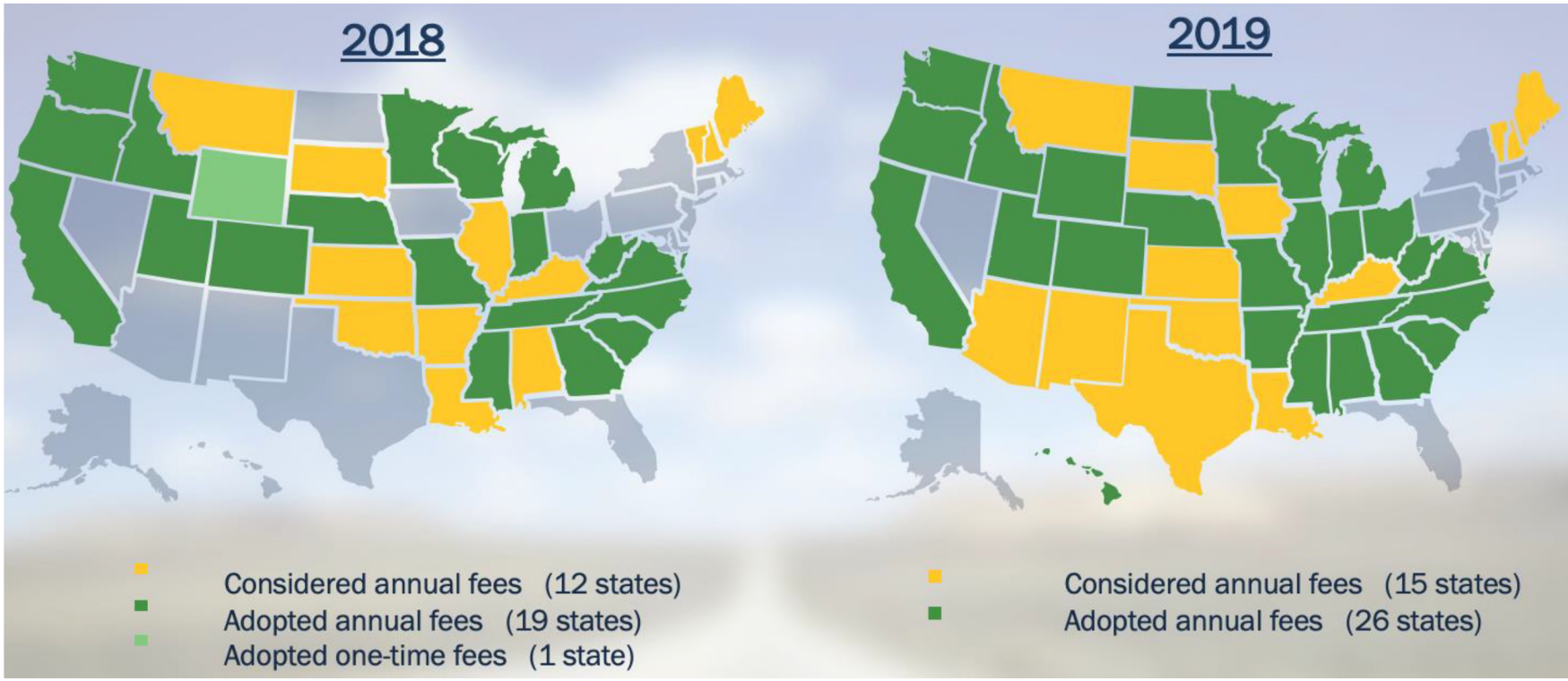
ANNUAL FEES	RANGE	AVERAGE
EVs	$50–$225	$127
PHEVs	$30–$200	$85
Gas Hybrids	$20–$100	$58

Utah

ANNUAL FEES	2021*
EVs	$120
PHEVs	$52
Gas Hybrids	$20

*Fees are graduated from 2019-21 and indexed to CPI after 2021

EV Fee Adoption Across US



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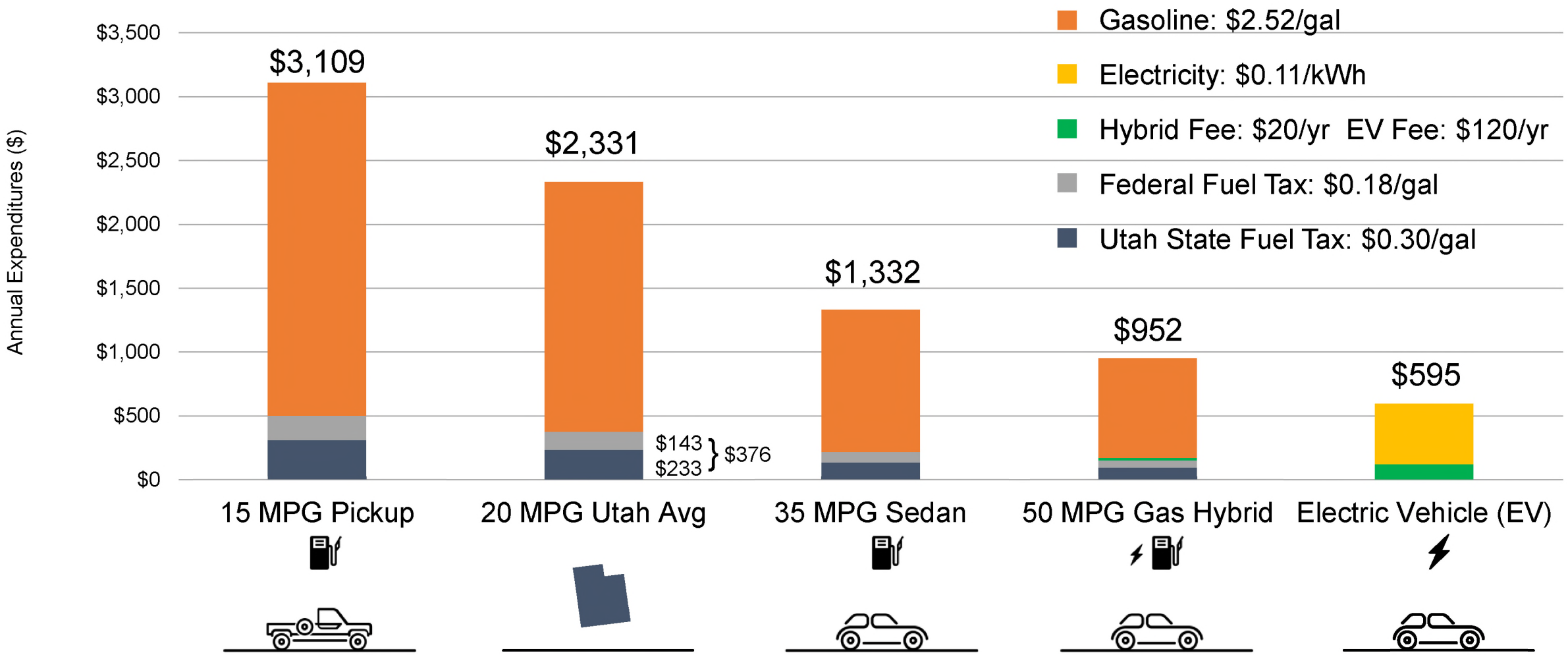
Alternate Taxing Mechanism

Road Usage Charge | Educate Public on Highway Funding



*15,542 miles driven annually by all vehicle types

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Road Usage Charge | Initial Utah System Elements

Technology

- Telematics
- Phone App/ OBD-II

Data Privacy

- Flat Fee or RUC
- Data Retention
- Data Distribution
- User Agreement

Vehicle Types

- Electric (EV)
- Plug-in (PHEV)
- Gas Hybrid

Interoperability & Integration

- Online
- VIN
- Odometer Capture
- DMV Interface
- Registration Holds

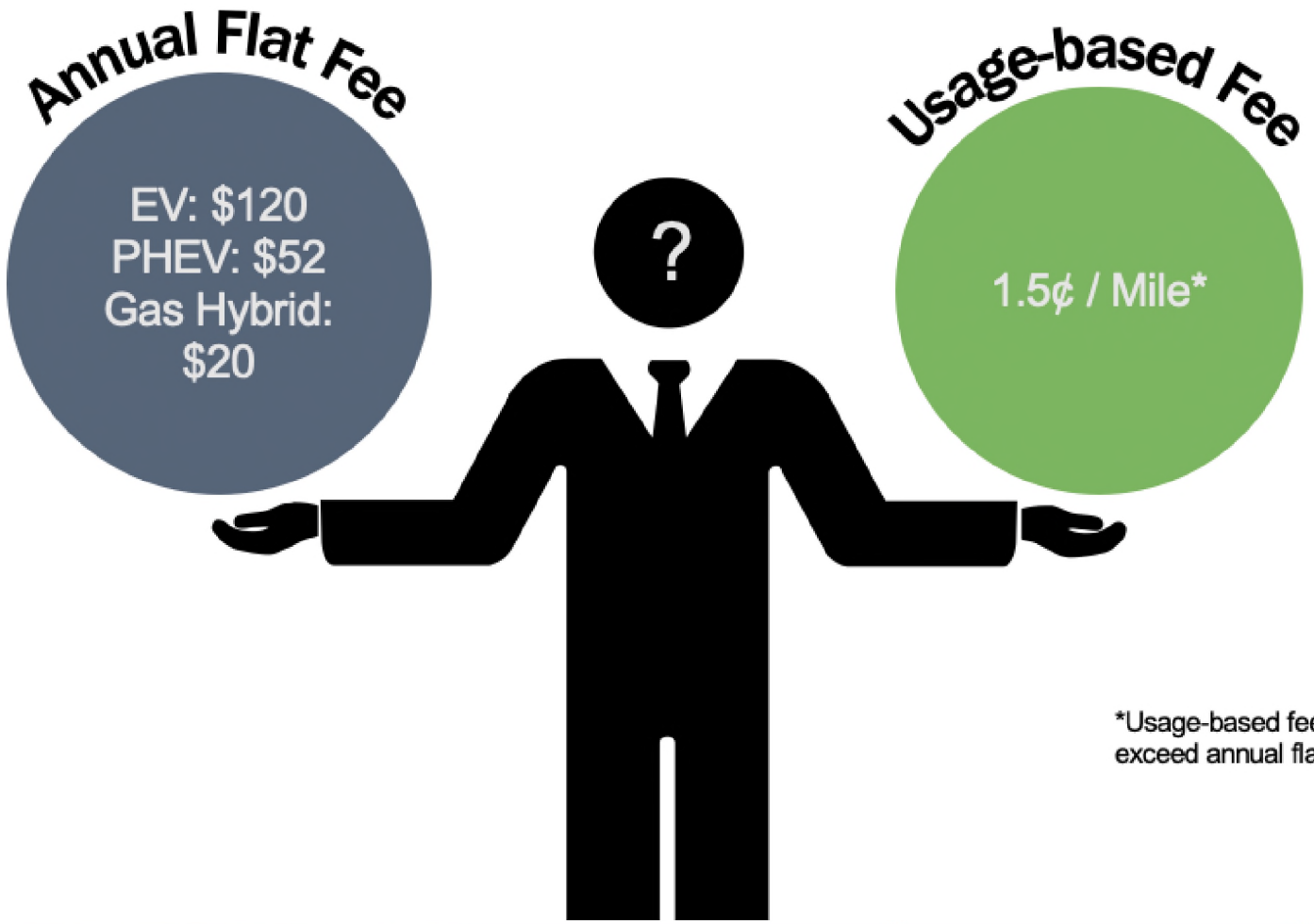
Revenue Management

- Prepaid Wallet & Cap
- Credit/Debit Card
- Monthly Statement
- User Options
- App Interface

Road Usage Charge | A User Choice

Alternative Fuel Vehicles

"Mandatory Options"



*Usage-based fees will not exceed annual flat fee

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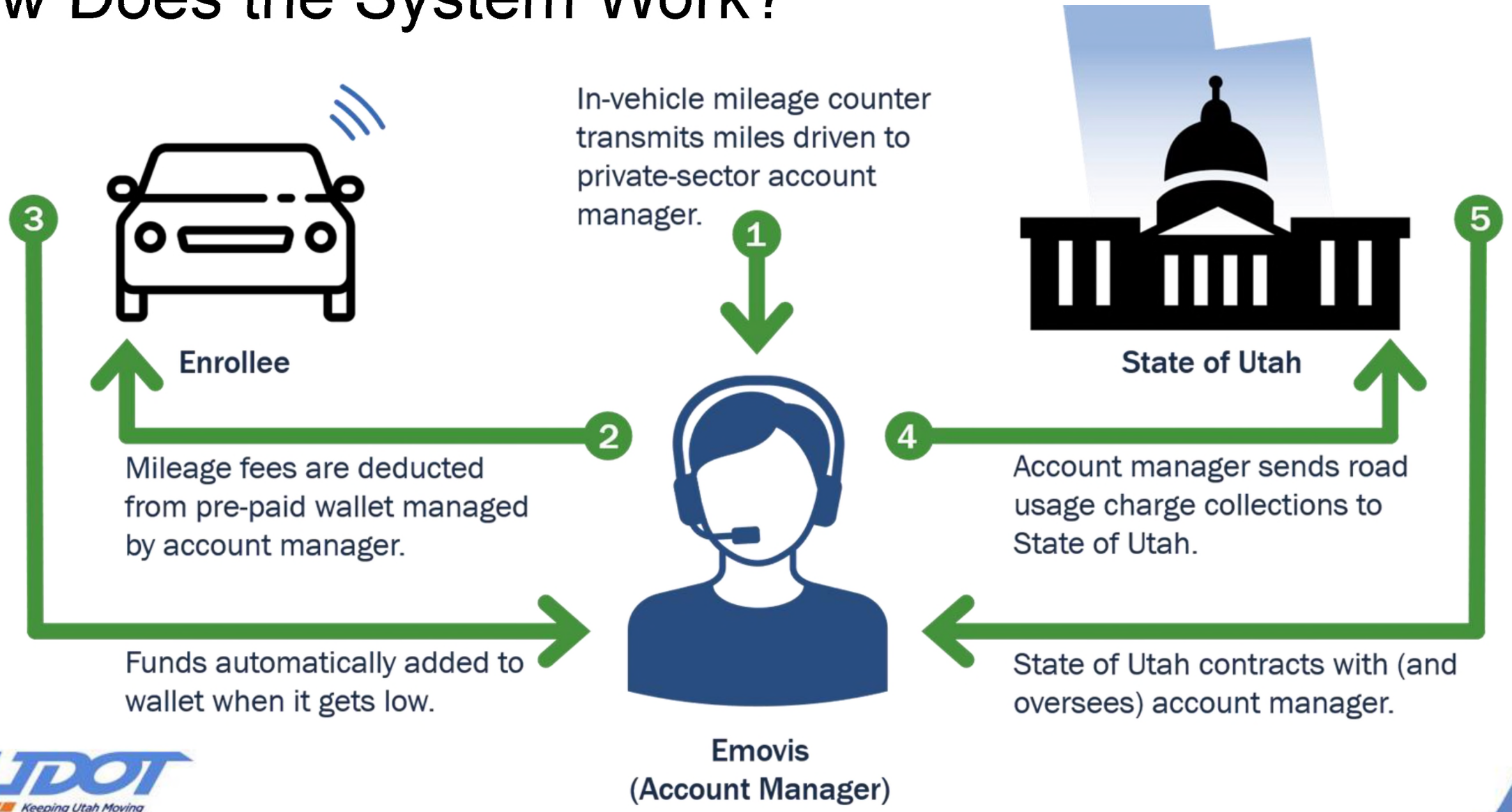
How Does the System Work?



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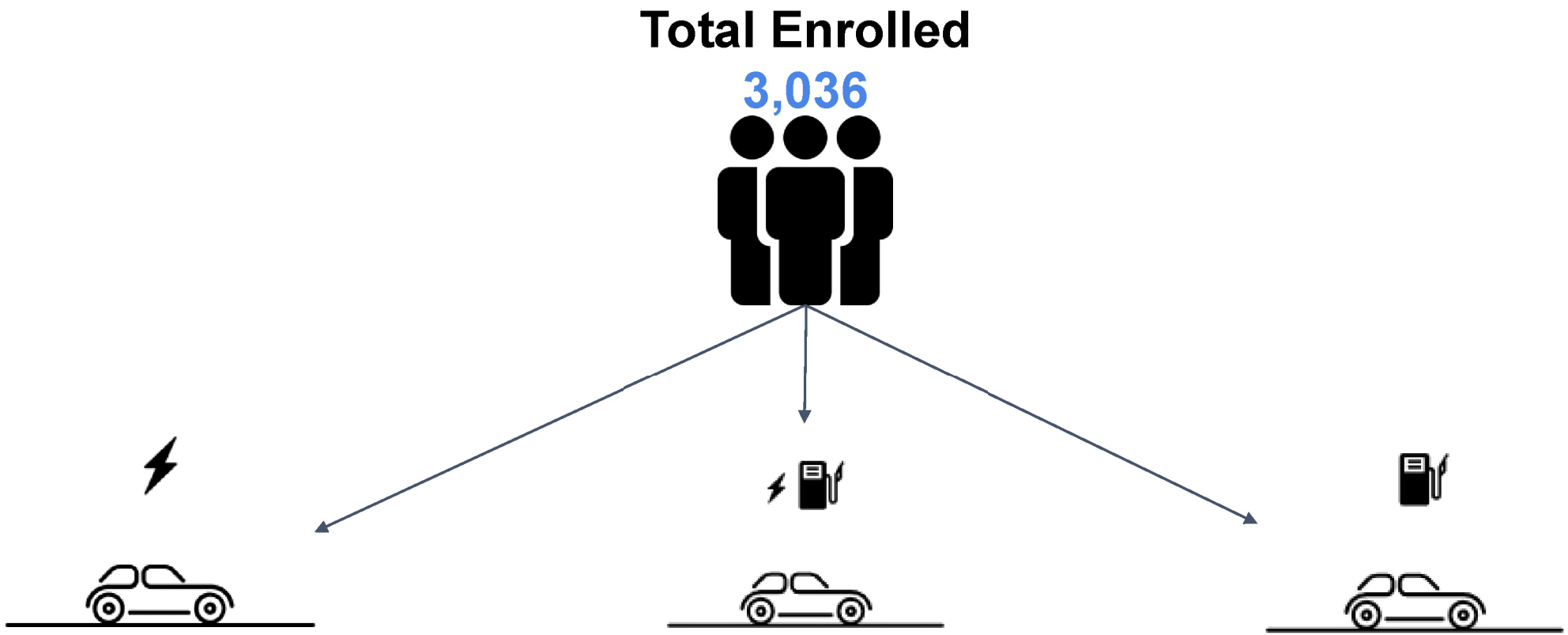
RUC went live January 1, 2020. Where is it now?

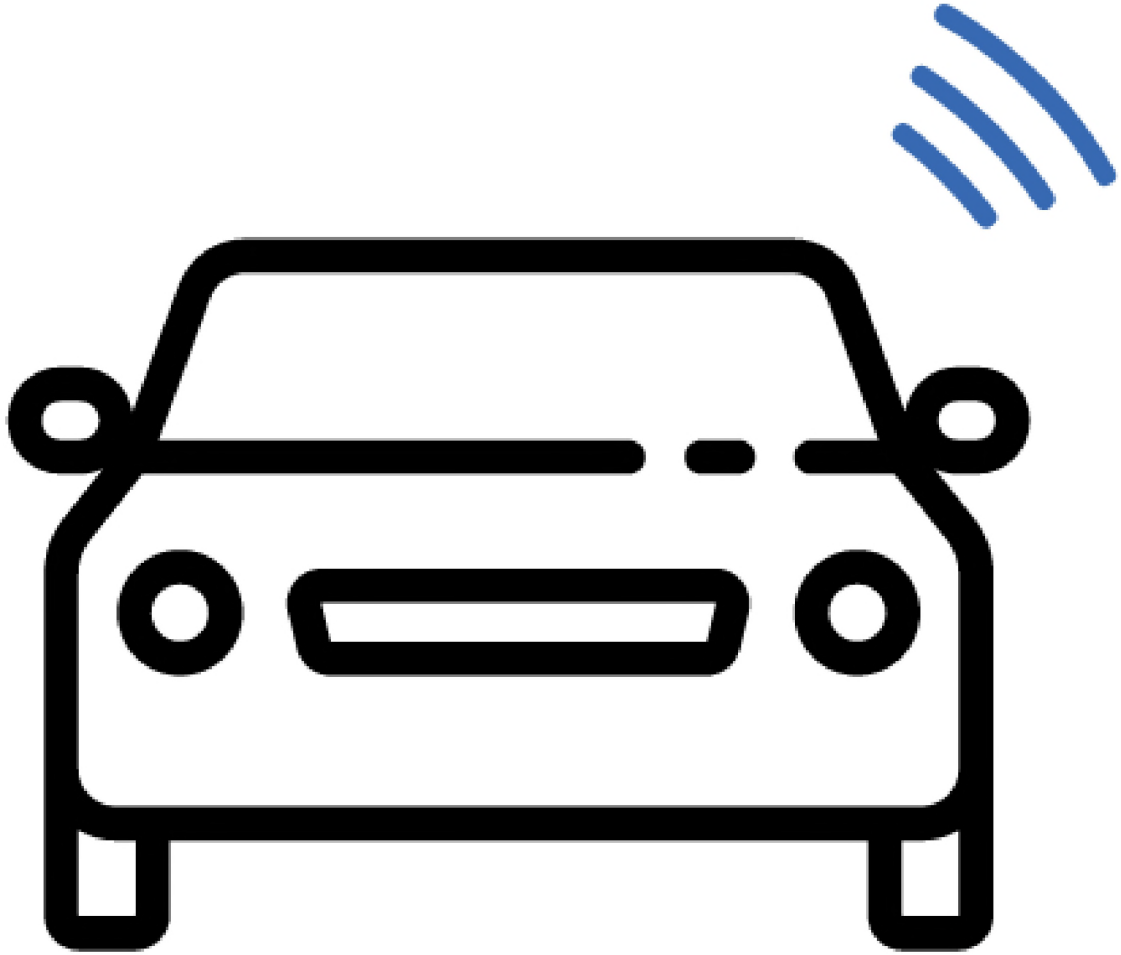


Telematics: 201 OBD-II: 2,835

As of 8/19/2020

Technology Option: OBD-II

Technology Option: Telematics



Road Usage Charge | Future System Elements

Vehicle Types

- Gas/Diesel
- Heavy Trucks
- Fleets
- Autonomous

Interoperability & Integration

- Neighboring States
- National RUC
- Local RUC
- Tolling
- Emissions Testing
- Multimodal Payment Bundling

Technology

- In-/Out-of-state
- Public/Private
- Paved/Unpaved
- Local/State

SB 150 Transportation and Governance Funding

Adopted 2020 General Session

- By June 2021 a plan to enroll all* Utah-registered vehicles in program by December 2031

- Annual status report each October

**excludes commercial vehicles enrolled in IFTA*

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