Parameters of a Road Usage Charge Rate



Client

RUC West Consortium

Facts

Period 2017

Project Country United States

This project builds on previous work done for the RUC West Consortium during the study of "Financial Impacts of a RUC on Drivers in Rural and Urban Counties." That project looked at replacing the gas tax with a flat per-mile rate that would be revenue-neutral and provided EBP (formerly EDR Group) with expertise in assessing vehicle and household data at a high level of geographic detail that carried over to this work.

For this project, EBP investigated additional dimensions of the RUC rate structure. After exploring a wide variety of potential parameters, formulas were developed to investigate three types of parameters in more detail research – fuel type and fuel efficiency, as well as an initial mileage allowance under which all vehicles got 2,000 free miles. Fuel type and fuel efficiency are both parameters that affect household payments under the gas tax and are major motivations for considering new revenue policies. The new RUC rate formulas were used to carry out financial analysis, both of a revenue-neutral policy (for seven states) and at a more sustainable level of revenue (for three states). This analysis showed that a RUC policy could be tailored to meet many different policy objectives and its incidence made more or less similar to the current gas tax, while still being more sustainable from a revenue perspective than the current policy.

The project also investigated the technological constraints of using a single system to collect road user charges, facility tolls, and congestion fees. The public perception of these different charges was investigated in partnership with PRR. Please contact RUC West if you wish to view the final report.

Contact Persons