

## ROAD USER FEE TASK FORCE

### POTENTIAL REVENUE SOURCES CONSIDERED

November 30, 2002 through December 31, 2002

- General Fund. The use of state general fund revenues for road funding.
- Battery Tax. An excise tax on the sale of car batteries in the state. The tax could be a percentage of the sales price or a flat fee.
- Bicycle Fees. An excise tax on the sale of a new bicycle or a fee paid for the registration of a bicycle.
- Congestion Pricing (a.k.a. “variable pricing” or “value pricing” or “peak period pricing”). Charging motorists tolls for using congested roadways during peak driving hours. Purposes are efficient rationing of facility use and proper assignment of demand costs.
- Drive-Through Service Fee. A transaction fee on drive-up service at a retail establishment.
- Electricity Generated by Vehicle Tax. A charge on wattage generated by an electric or hybrid electric vehicle.
- Emissions Fees. A fee placed on the amount of pollution put into the air.
- Facility Tolling. Charging a toll for a motorist’s use of a transportation facility such a limited access roadway or bridge. Collection of the toll can occur in a variety of ways such as tollbooths or electronic tolling. Tolls can be variable if behavioral modification is one of the purposes for tolling.
- Indexing the Gas Tax for Inflation. Adjusting the fuel tax rate for inflation. Indexing the fuel tax for inflation avoids the need to seek legislative approval each legislative session for the increases needed to keep pace with inflation.
- Indexing the Gas Tax for Fleet `Fuel Efficiency Improvements. Adjusting the fuel tax rate for changes in average fuel economy for Oregon passenger vehicles. Indexing the fuel tax for fuel economy would protect the fuel tax revenue stream from the effects of changes in fuel economy because vehicles with high fuel economy pay less in fuel tax than other vehicles.
- Mileage Fee (a.k.a. Vehicle Miles Traveled Fee). Motorists are charged a fee for every mile driven within the state. Mileage data can be collected in a variety of ways from paper reporting to electronic methods. The fee charged can be flat or variable depending on numerous factors such as time of day, amount of congestion, cost of improvements etc.
- New Vehicles Tax. Charging new vehicles purchased in Oregon a tax for causing the vehicle to be imported into the state.

- Parking Fees. Places fees on parking spaces. Largely viewed as a behavior modification tool rather than for revenue raising.
- Property Taxes. State taxes on personal or real property.
- Registration Fees. These are flat fees a vehicle owner pays for the privilege of driving a particular vehicle within a state. An Oregon vehicle owner pays \$30 every two years as registration fee (or, \$15 a year). Oregon ranks approximately 50<sup>th</sup> in the nation in registration fees. Some states vary registration fees depending on the value of a vehicle. Advocates have urged variable registration fees based on pollution impacts (a.k.a. “emissions fees”). The 2001 Legislature doubled registration fees for hybrid electric vehicles to \$60 every two years to offset lost gas tax revenues owing to higher fuel efficiency.
- Rental Car Tax. A fee for daily rental car use.
- Road Utility Fees. Adds an access charge to a utility bill for property that provides access to the trunk highway system. Several Oregon cities have some version of the street utility fee (La Grande, Ashland, Tualatin and Medford). A key question is the basis upon which the fee should be charged – motor vehicle trip generation estimates, number of parking spaces, number of employees, front footage, flat fee.
- Safety Violation Fee. A fee imposed for traffic safety violations.
- Studded Tire Fee. Charging purchasers of studded tires a fee every time a studded tire is sold at retail in Oregon. An alternative would be charging a fee for studded tire use within the state. The amount charged could relate to that portion of road maintenance that directly relates to the wear caused by studded tire use.
- System Development Charges. Charges paid by a developer for placing a new burden on a specific part of the road system that will require road improvements to accommodate increased traffic flow related to the development or a combination of developments.
- Temporary Visitor Access Fee. A fee charged to tourists for temporary access to Oregon’s road system.
- Tire Tax. An excise tax on the sale of tires in the state. The tax could be a percentage of the sales price or a flat fee.
- Title Fees. Through passage of HB 2142 into law, the 2001 Legislature raised the title fees for automobiles from \$10 to \$30 per title transaction. Truck titles fees increased from \$10 to \$90 per transaction. This raises Oregon’s national ranking for title fees from 20th to 9th.
- Transportation Impact Fee. A fee imposed on new development to pay for the transportation improvements required for supporting the development. These impact fees are determined based on the number of vehicle trips each class of property generates.

- Use Fuels Tax Increase. Charging a tax for the use of electricity, natural gas, hydrogen and similar fuels in a vehicle in a manner similar to the gas tax. The Oregon fuel use statutes currently do this for every fuel except electricity.
- Vehicle Impact Fee (a.k.a. Transportation Access Fee). A one-time charge placed on a vehicle when the vehicle is titled or registered in Oregon for the first time.
- Vehicle Ownership Tax. This could be accomplished by removing the exemption automobiles currently enjoy from Oregon's personal property tax.
- Transportation Access Fee. (See Vehicle Impact Fee)
- Weight Mile Truck Tax Increase. Charging heavy trucks (i.e. exceeding 26,000 lbs.) by weight and distance traveled with the state.