

Problem Statement

“With significant numbers of highly fuel efficient vehicles entering the marketplace, the fuels tax has become a less viable revenue source to fund Oregon’s road system over the long-term. Therefore, transitioning to an alternative revenue source augmenting the fuels tax to provide the means to support the state’s system of roads and highways.”

Solution to Problem

“A charge based on measured road use to augment the fuels tax as a revenue source for funding the road system.”

Purpose for Mileage Based User Tax / Charge

- a. Revenue
 - i. Augment fuels tax by applying mileage charge to all-electric vehicles and replace fuels tax for plug-in hybrid electric vehicles
 - ii. Preserve cost responsibility

Nature of the Tax / Charge

- a. Based on distance driven
 - i. Only miles driven within Oregon

Nature of Payers

- a. Residents
 - i. New plug-in hybrids and electric vehicles
 - ii. Exemptions for off road use same as fuel tax exemptions

Rate for the Mileage Tax / Charge

- a. Rate structure
 - i. Electric vehicles only
 - 1. Comparable rate for plug-in electric vehicles and gas tax levels for highly fuel efficient gasoline and diesel vehicles.

Rate for the Mileage Tax / Charge

- b. Rate amount
 - i. Flat .6 cents per mile

Start Date

- a. Adopt and apply as soon as possible - 2014

Data Collection System

- a. Distance metering
 - i. Low tech application (odometer)
 - 1. Periodic wireless transfer of odometer mileage data
 - ii. Low tech leading to high tech applications
 - 1. Odometer reporting to ODOT with motorist option to “opt in” to on-vehicle devices with vehicle location capabilities
 - a. “Opt in” option provided by public sector
 - b. “Opt in” option provided by private sector (an open system)

Data Collection System

- b. Requirement for on-vehicle mileage counting technology
 - i. New electric vehicles - 2014

Enforcement

- a. ODOT provided authority to audit
- b. ODOT provided authority to impose penalties for non-payment
 - i. Percentage penalty for non-payment