



# Oregon

Theodore R. Kulongoski, Governor

Department of Transportation  
Office of the Director  
355 Capitol St. NE, Room 135  
Salem, OR 97301

**DATE:** October 25, 2006

**TO:** Road User Fee Pilot Project Volunteers

**FROM:** Jill Pearson, Project Manager

**SUBJECT: Oregon Road User Fee Pilot Program Midpoint Instructions (RH)**

As we approach the midpoint in the study, we are preparing to switch to the second phase of the pilot program. Some changes will affect you and are explained in detail in this packet.

So far you have reached three milestones. You had the mileage counting equipment installed in each car in your household, you have been through the independent mileage reader at the DMV, and you have answered the questions in the first phone survey. It is now the midpoint of the study and additional milestones are scheduled. You will once again participate in a phone survey (the second of three), you will also drive through the independent mileage reader at the DMV between November 8-12 (you earn \$25 per vehicle, see compensation schedule section).

If you find this information confusing or have additional questions, we will be holding two meetings where we will review the changes in person and answer your questions. If you prefer, you can always call us at 1.866.520.3344 for a personal explanation over the phone.

### **Optional in-person training sessions:**

Thursday, November 2, 2006  
6:00 p.m. – 7:00 p.m.  
East Portland Community Center, 740 SE 106<sup>th</sup> Ave.

Monday, November 6, 2006  
6:00 p.m. – 7:00 p.m.  
East Portland Community Center, 740 SE 106<sup>th</sup> Ave.

### **Group assignment**

As we mentioned in training last spring, half way through the pilot, participants will be separated into three different test groups, a rush hour group, a vehicle miles tax group and a control group.

You have been assigned to the Rush Hour Group. All vehicles in your household have been assigned to this group.

### **When does my new group assignment begin?**

You will be expected to drive through the independent mileage reader at the DMV for the second time November 8-12. Within 24 hours of going through the independent reader at the DMV, you should begin to see how many miles you drove in each of the four zones on your Leathers gas receipt.

### **What does this mean?**

This means that beginning on November 13, after going through the independent reader at the DMV, you will be “charged” for any miles you drive in the rush hour zone during rush hour times. But don’t worry! Instead of paying the mileage fee out of your own pocket, ODOT established a special account called an Endowment Account which will pay your mileage fees for you.

The rush hour zone is any weekday (excluding holidays\*) from 7:00-9:00 a.m. and 4:00-6:00 p.m. The rush hour boundaries include the entire urban growth boundary (all of the Portland Metro area). See the enclosed map for the boundaries.

### **VMT fee**

As mentioned above, the endowment account was established to pay the mileage fee, otherwise known as the vehicle mile tax (VMT) fee for you. On the Leathers gas receipt you will be able to see how many miles you accumulated in the rush hour zone (as well as all other zones) between gas purchases. The Leathers receipt will show what the corresponding fee would be if you were actually being charged. This is also the amount being deducted from your endowment account.

### **Endowment account(s)**

You have been assigned an endowment account for each vehicle in your household that is participating in the study. This endowment account is an individualized pot of money established for each vehicle based on driving patterns during the first half of the study. ODOT counted your miles during rush hour times and during non rush hour times from June 21 through October 21 in order to calculate your endowment account. The money in the endowment account is used to offset your VMT fees. If you have money left over at the end of the study, you will receive a cash refund in the form of a check from ODOT. However, if you spend more on VMT fees than is in your endowment account you will not be charged anything additional.

For example, if you drive the same amount of miles in the rush hour time zone in the second phase of the study that you did during the first phase of the study, your endowment account will

cover those fees and you will break even. However, if you decide to drive *less* in the rush hour time zone during the second phase of the study, you can actually MAKE money. It is up to you.

**Periodic mailings**

Enclosed is your beginning endowment account balance for each vehicle in your household.

About every two weeks, you will receive a statement that shows the activity on your account. It will include the endowment balance, the miles driven, and an accounting of the gas receipts that were submitted to ODOT when no gas tax refund was given at the time of sale (see Gas Tax Refunds section below). This way, you will be able to monitor your account and make adjustments to your driving if you choose.

**How endowment accounts are calculated:**

In the example below, a person drives 15 Rush Hour miles per week day and 10 regular miles per day in non-Rush Hour times. On the weekends 40 miles are driven. Rush Hour miles are charged at 10 cents per mile. Non-Rush Hour miles are charged at .43 cents per mile for a total mileage charge of \$7.90 in this example. Over a period of 19 weeks, assuming the mileage stays about the same, the total VMT fee would be approximately \$175. Remember that this fee would replace the gas tax fee of 24 cents per gallon.

**Weekly Driving Example**

	Mon	Tue	Wed	Thu	Fri	Weekend	Total Miles	Miles x cents per mile	Total \$
Rush Hour miles	15	15	15	15	15	0	75	10 (.10)	\$7.50
Non-Rush Hour miles	10	10	10	10	20	40	100	.43 (.0043)	\$0.43
Total									\$7.93
Multiplied by 19 weeks									x 19
Endowment Account									\$150.67

The concept is that if your driving patterns remain the same as the first half of the study, your endowment account will have a zero balance at the end of the pilot. The endowment account was established to pay your mileage fees for you.

**Gas tax refunds**

Now here is the really good news. You do not have to pay the gas tax during the second half of the study. Between November 13<sup>th</sup>, 2006, and March 21, 2007, every gallon of gas you purchase in Oregon, will not be charged the Oregon gas tax of 24 cents per gallon. If you buy your gas at Leathers, you realize that savings immediately if the equipment is working properly. The goal of the study is to have this transaction show up on your receipt.

ODOT has tested at each Leathers gas station and found that there may be some times when the gas tax refund does not show up on your receipt and you will be charged the gas tax. Be sure to

check your receipt after each visit to Leathers. If it is one of the times that you were charged the gas tax, make sure to put that receipt in the enclosed envelope (which you should keep in your car) in order to apply for a gas tax refund at a later date. The gas station attendant cannot give you the refund. It must happen automatically at the point of sale or you must send in the receipt to ODOT for a gas tax refund.

If the transaction is successful at Leather’s, the receipt will show a credit of the gas tax listed as “ST Fuel Tax.”

**Mailing in your gas tax receipts**

If you purchase gas in Oregon at stations other than the two participating Leathers stations, you will need to keep your gas receipts to submit to ODOT.

- Use the Business Reply Mail envelopes provided in your packet to mail in your gas receipts. A good way to ensure that your receipts don’t get lost is to keep this envelope in your car at all times. You will be provided two envelopes (one for each mailing) for each vehicle you have in the study. These envelopes will have your name and car information already printed on them. Please make sure that the correct envelope goes into the appropriate car.

<b>Mail in Receipts</b>	<b>Include</b>	<b>Refund</b>
No later than January 15, 2007 (receipts received after this date will be processed with the April refund.)	All non-Leathers receipts from Oregon gas purchases from November & December 2006.	Your check will be mailed to you within 4-6 weeks.
No later than April 15, 2007 (receipts received after this date will not be refunded.)	All non-Leathers receipts from Oregon gas purchases from January-March 2007.	Your refund will be included with your final compensation check that will be issued at the conclusion of the study.

**VERY IMPORTANT:**

**The gas receipts MUST show the following information:**

- **The name and address, including the state, of the station**
- **The date of the transaction**
- **The type of fuel purchased & price per gallon**
- **The number of gallons purchased**
- **The name of the head of household (person who signed the original contract)**
- **License plate number of the vehicle into which the fuel was placed**
- If any of your gas receipts are missing the above information, please write the information on the receipt manually. If any of the above is not present on the receipt, that receipt will not be eligible for reimbursement.
- You will not be able to submit a receipt for reimbursement for gas purchased outside Oregon.

- Please do not go to the gas station immediately after you visit the independent reader at the DMV. If you need to fuel, please go to the gas station before you get your mileage read at the independent reader at the DMV. This has to do with the system design and the timing of when mileage is downloaded into the database.
- Please note that the switch over to the rush hour group could take 24 hours after November 13. Therefore, if you go to the gas station within that 24 hour period after you drive through the reader at the DMV, you may not see the appropriate charges on your gas receipt until the next day or so.
- Fuel used by each vehicle may be monitored against total miles and estimated miles per gallon for the vehicle to detect invalid refund claims.

### **Please continue going to Leathers**

Please continue to purchase gas at one of the two Leathers gas stations twice per month. Not only will you get a discount on gas immediately in most instances (you will not be paying the state gas tax of 24 cents per gallon), but you contribute to the study as we gather mileage data from each participant. Each time you drive into the Leathers stations, the mileage counting device downloads the miles you have driven between reads. This information is vital to the success of our study.

### **Compensation schedule**

Mileage read at the independent reader at the DMV November 8-12, 2006	\$25
Mileage read at the independent reader at the DMV March 21-25, 2007	\$25
Un-install and participate in surveys March 26 – April 30, 2007	\$175
Gas tax refunds (the first one in March 2007 and the second one with final check)	
Remaining balance in your endowment account will be added to your final check.	

All compensation is per vehicle.

### **Final wrap up**

In March 2007 you will receive a reminder about the final dates that you must go through the independent reader, instructions on how to get your mileage reading device un-installed, and a final research survey phone call. After all these tasks are complete, you will receive your final compensation check.

### **Questions**

As always, if you have any questions, please don't hesitate to call our toll free number at 1-866-520-3344. We really appreciate your great participation in this important and highly visible research study.