



Oregon's Road Usage Charge (RUC) Program

Implementation Update

Presentation to the Road User Fee Task Force

September 2026

Paying By the Mile with OReGO

Operational Voluntary Program

- First operational RUC program in the nation when it went live in 2015
- Drivers of 20+ MPG vehicles can enroll
- RUC rate is set in law at 5% of state fuel tax
- Participants currently pay 2 cents per mile, **receive a nonrefundable credit for fuel tax paid**
- Vehicles 40+ MPG **do not pay supplemental registration fees** if they join OReGO
- Volunteers choose among account managers that offer varying options
- GPS not required, and privacy is protected



OReGO

Oregon's Road Usage Charge Program

HB 3991 – Mandatory RUC

- HB 3991 (2025) establishes a mandatory passenger vehicle RUC program with types of vehicles phased in over time. ➡
- Drivers either pay \$0.02/mile or flat fee of \$340/year.
- Vehicles in RUC program are not subject to supplemental registration fees based on vehicle efficiency.



Vehicle Class	Start Date
Currently registered EVs (at next reg. renewal)	July 1, 2027
New EVs (at point of sale)	Jan. 1, 2028
New and currently registered hybrids (at point of sale and next reg. renewal)	July 1, 2028

Update on OReGO Mandatory RUC Project

- Migrating from voluntary to mandatory
 - Defined workstreams and key milestones
 - Documenting and updating process flows
 - Revising existing rules; drafting necessary new rules
 - Coordinating with DMV, IS, and account managers
 - Developing and refining public communications materials
 - Executing change management plan to promote coordination within agency

Not Started

In Progress

Complete

At Risk

Attention Needed

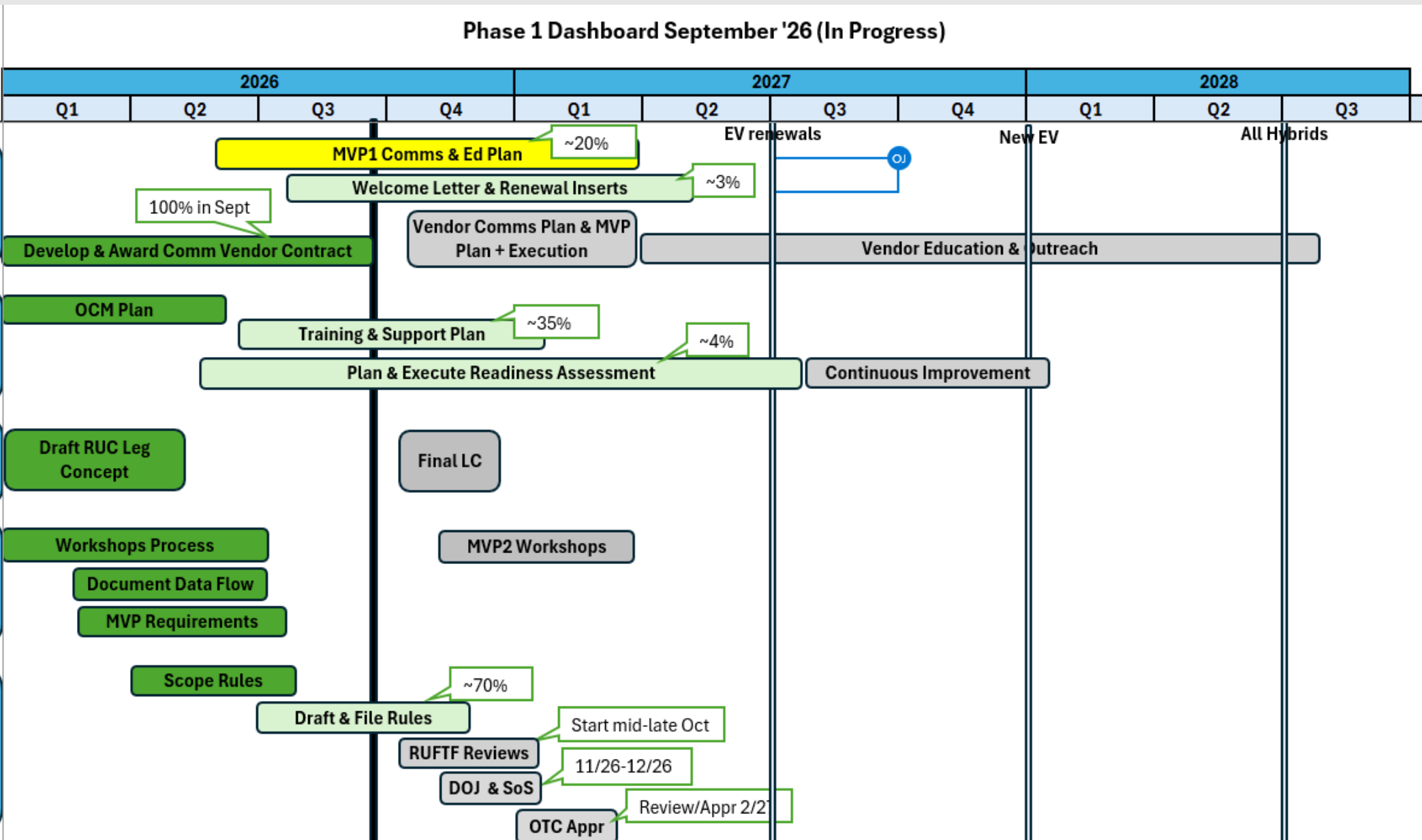
External Relations

Organizational Change Management

Policy & Legislative Technical Revisions

Process & Data Flow Design

Oregon Administrative Rules



Not Started

In Progress

Complete

At Risk

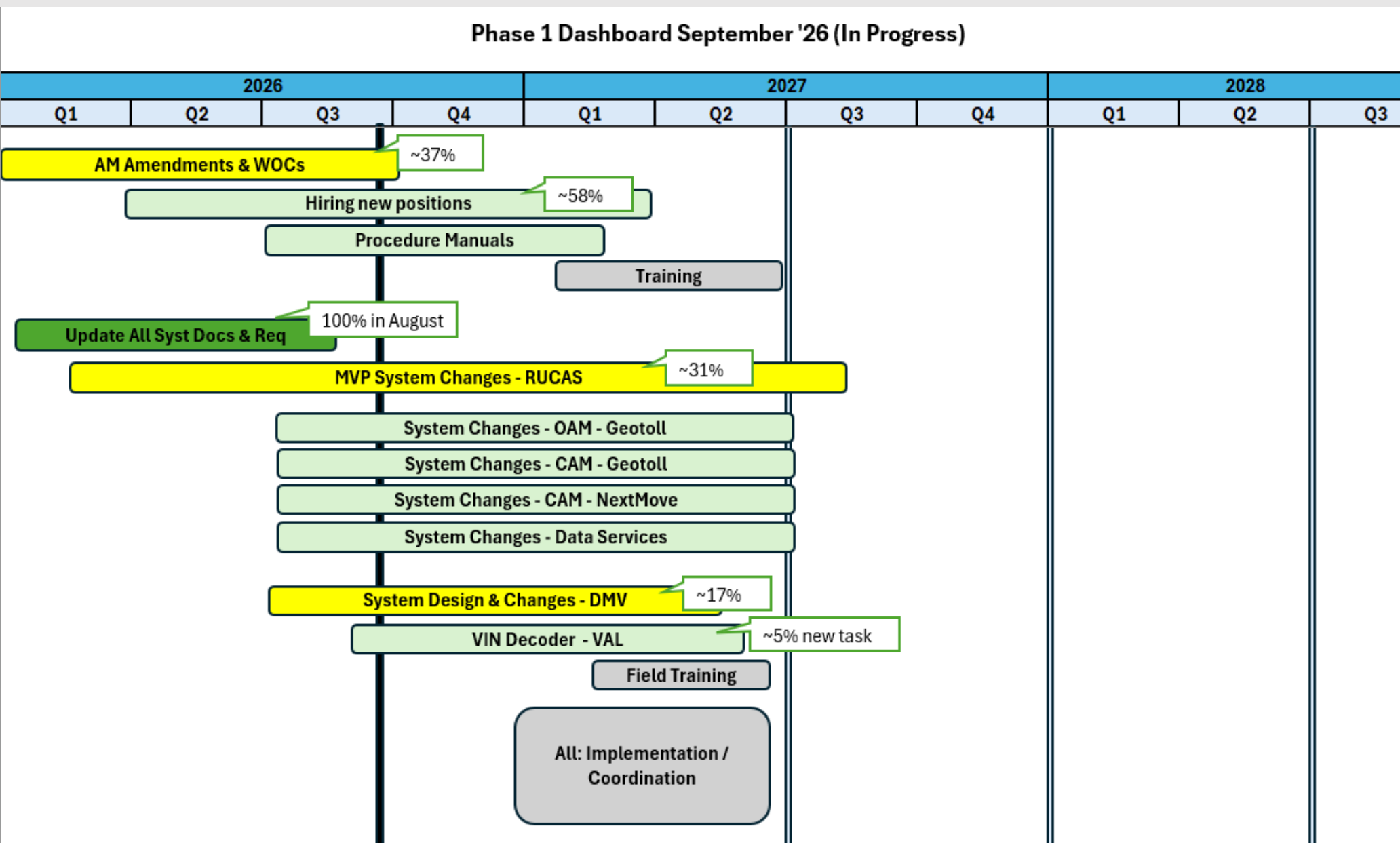
Attention Needed

Program Development

System Changes

DMV

Implementation



Update on OReGO Mandatory RUC Project

- Migrating from voluntary to mandatory
 - Can't just “flip a switch”
 - More complexity
 - Compliance for enrolling, reporting, and paying
 - Increasing sanctions for non-compliance
 - Non-compliance for voluntary program meant being removed and billed for waived registration surcharge
 - Non-compliance for mandatory program means penalties and possible collection action

Understanding the Transition from a Voluntary to Mandatory Program

Voluntary	Mandatory
Research & development program	State tax program; new requirements
~1,000 vehicles enrolled	~600,000 vehicles expected to enroll
Participation is a choice; self-enroll; can opt out at any time	Participation is required; enroll based on triggering events; can only leave the program if no longer own a subject vehicle
Participant removed from program if non-compliant	Compliance, enforcement, escalation, and collections rules and processes
Minimal systems and processes	Significant changes to multiple existing systems; new systems and processes being developed
Limited communications	Large-scale public education and awareness campaign, targeted audiences based on milestones
Limited issues/anomalies to address	Broader range of issues to address, additional complexity

Mandatory RUC – Vehicle Phase-In Schedule

- Non-new EVs at next reg. renewal beginning July 1, 2027
 - Existing relationship between vehicle and DMV – provides touchpoint for RUC enrollment
 - Allows program to grow incrementally and address any initial challenges
- New EVs beginning January 1, 2028
 - Provides additional time to conduct auto dealer education, update electronic vehicle registration platform, and work with dealers to streamline enrollment at point of sale
 - Leverages work done in a previous pilot
- New & renewing PHEVs and HEVs beginning July 1, 2028
 - Provides additional time to address fuel tax credit methodology for PHEVs, potentially made easier by expanded use of in-vehicle telematics
 - These vehicles will continue to contribute via fuels tax and supplemental registration fees until their phase-in date

Mandatory RUC – Approach

- Using concept of minimum viable product (MVP)
 - Critical items will be ready at go-live
 - Punchlist items will be prioritized and addressed after go-live
- Rules are being rewritten to show the public what they need to do to comply
 - Define penalties for failure to comply
 - Define escalation steps
- Different communication approach
 - Define key messages
 - Focus on three stages of compliance – education, assistance, and enforcement
 - Update informational materials, including website

Mandatory RUC – Approach

- Certification of account managers
 - Qualified - meet contractual terms - e.g. SSAE 18 audit to meet data security standards
 - Systems testing
 - Define test cases
 - End to end testing in test environment
 - Recruit testers
 - End to end testing in production
 - Documentation updates
 - Performance monitoring against service level agreements (SLA)



**New technology
presents new
challenges and
opportunities**



Changes in the Automotive Space

- Society of Automotive Engineers – set new standards for when a vehicle is a payment platform (J3217 for tolling & J3217R for RUC)
- More autonomous vehicles/robo-taxis
 - Various levels of autonomy
 - All vehicle classes
- Vehicles becoming more efficient across all classes, including heavy-duty vehicles
- More demand for infrastructure features that enable connected and autonomous vehicles to operate safely on infrastructure

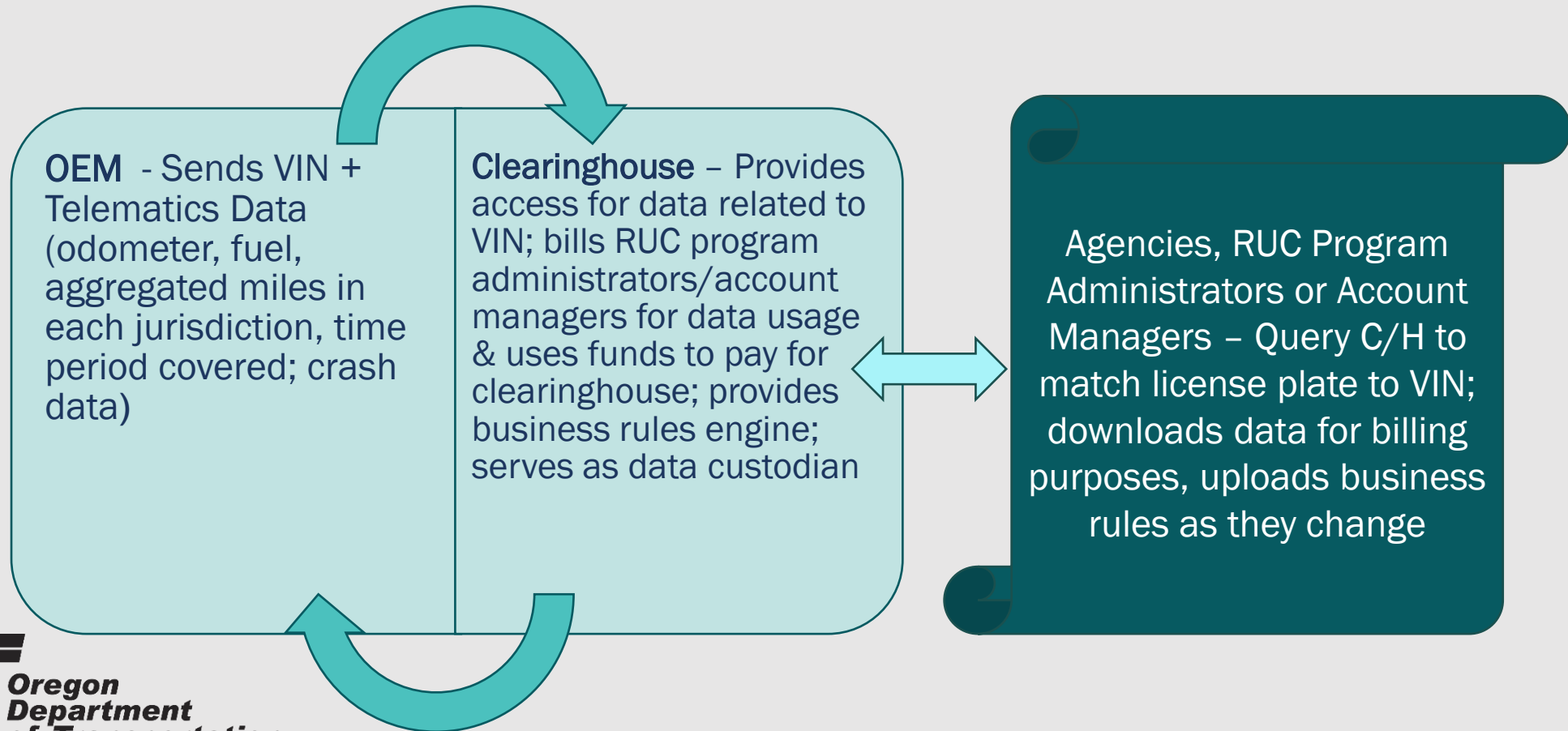
An Emerging Market

- Private sector can adapt more easily
- Market for account management services is still developing
- More states are interested in RUC and looking to shorten time to implement
- More standards are being developed as RUC becomes a more mainstream funding mechanism
- More products are being developed to facilitate data collection of odometer information

Changes for Fleets

- Bulk enrollments to minimize business impacts
 - Private versus public
 - Mixed fleets of passenger vehicles, medium duty, and heavy duty
 - Data validation may be a challenge
- Public influences
 - Zero Emission Vehicle Interagency Working Group (ZEVIWG)
 - Collaborative of 5 state agencies (ODOE, DEQ, ODOT, DAS, PUC) led by ODOT
 - Fosters interagency activities to support the adoption of electric vehicles
 - E-fleet Network
 - Focused on peer-to-peer collaboration between the ODOE, ODOT, DEQ, and NASEO to connect fleet operators, agencies, and technical partners
 - Sharing real-world insights and resources to accelerate medium- and heavy-duty electrification

Clearinghouse?



Questions?

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