PART I (MORNING SESSION)

- Overall WA RUC Progress Report
- Pilot Participant Experience

Jeff Doyle
Project Manager
D'Artagnan Consulting
PROGRESS AND STATUS REPORT
ROLES IN DELIVERING THE PROJECT AND FINAL REPORT

<table>
<thead>
<tr>
<th>WA RUC Steering Committee</th>
<th>Transportation Commission</th>
<th>Legislature</th>
</tr>
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<tbody>
<tr>
<td><strong>MEASURES...</strong></td>
<td><strong>RECOMMENDS...</strong></td>
<td><strong>DECIDES...</strong></td>
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<tr>
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<td>• Receive the Final Report and Recommendations from WSTC</td>
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<td>• Decide whether (or how) to implement a RUC</td>
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<td>• Design a RUC demonstration to test operational approaches and measure public acceptance</td>
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### Roles in Delivering the Project and Final Report

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PILOT PROJECT TIMELINE

Pilot timeline

- 2012-2016: Pre-pilot analysis and design
- 2017: Recruit pilot participants
- Outreach to general public
- Conduct feasibility study
- Complete financial and policy analysis
- Design the pilot project
- 2018-2019: Live pilot test driving
- Enroll 2,000 participants
- Conduct surveys and focus groups
- Establish help desk
- We are here
- 2019-2020: Pilot evaluation and final reporting
- Gather final feedback from participants
- Recruit nearly 5,000 volunteers
- Compile and analyze data and information gathered
- Establish final findings and recommendations
- 2020: Final report to decision-makers
- WSTC reports to the Governor, State Legislature, and USDOT on final findings and recommendations

We are here
2019 REMAINING STEERING COMMITTEE WORK

September 10, 2019 meeting:

• Transition strategy – which class of vehicles would be subject to paying RUC, when, and how

• Review and discussion of WA RUC Pilot project findings

• Discussion of technical or operational recommendations (if any)

• Review and approval of draft report
## STAGE 3 REMAINING MILESTONES

<table>
<thead>
<tr>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>August</strong></td>
<td><strong>January</strong></td>
</tr>
<tr>
<td><strong>September</strong></td>
<td><strong>October</strong></td>
</tr>
<tr>
<td><strong>October</strong></td>
<td><strong>November</strong></td>
</tr>
<tr>
<td><strong>December</strong></td>
<td><strong>January</strong></td>
</tr>
</tbody>
</table>

- **July 16**: Status report to WSTC
- **September 10**: FINAL WA RUC Steering Committee meeting
- **September 10**: FINAL WA RUC Steering Committee meeting
- **October 15**: WSTC receives Steering Committee’s report; deliberates
- **December 17**: WSTC adopts Final Report & Recommendations
- **January 13**: First day of 2020 Legislative session

- **Steering Committee Pilot Report drafting**
- **STSFA federal grant proposal drafting**
- **Final Report drafting**
FOCUS GROUP HIGHLIGHTS

Jeff Doyle, D’Artagnan Consulting
Ara Swanson, EnvirolIssues
FOCUS GROUP OVERVIEW

Purpose

• Understand perceptions on topics such as:
  • Ease of participation and compliance
  • RUC equity relative to gas taxes
  • Privacy protection and data security

• Provide depth and understanding into the “what, how, and why” of participant perceptions.
**METHODOLOGY: LOCATIONS AND THEMES**

Six focus groups held in September and October 2018.

- **Federal Way 1**: rural, high mileage
- **Federal Way 2**: hybrid/electric vehicles
- **Federal Way 3**: low/moderate income
- **Vancouver**: general mix
- **Spokane**: general mix
- **Yakima**: rural, high mileage
METHODOLOGY: PARTICIPANT CHARACTERISTICS

51 focus group participants

- **Moderate or low income** (6 participants had household incomes of $30,000 or less)
- **Rural** (13 participants characterized where they live as being a rural setting)
- **High mileage drivers** (15 participants drive more than 15,000 miles annually)
- **Hybrid and electric vehicle drivers** (16 participants own or enrolled a hybrid or electric vehicle in the study)
- **RUC perceptions** (6 participants oppose or strongly oppose a RUC, 14 are neutral, 6 need more information, and 23 support or strongly support)
THEMES ACROSS ALL FOCUS GROUPS

• Most participants are accepting of the RUC and think it can work.
• Many participants felt the RUC amount was not too much to pay and relatively comparable to the gas tax.
• In general, most participants say they still have little understanding of how transportation funding works.
• Some concern and questions about how the system will work at a statewide scale, frequently related to implementation and administration.
• Top values: a system is that is simple, convenient, and does not take a lot of time or effort on behalf of the user.
TOP CONCERNS AND QUESTIONS

• Privacy and data collection
• Compliance and administration costs
• Fairness and equity
• Education and communication
• Long-term sustainability
• Environmental incentives
• Fairness in fund allocation
# ADVICE TO STATE LEADERS

## Support for RUC
- The State should pursue this option, with caveats:
  - Offer different recording methods
  - Focus on equity (collection and distribution)
  - Ensure data security

## Stick with Gas Tax
- Gas tax is simple and familiar
  - RUC won’t work statewide and is regressive

## Neither
- Explore hybrids of a RUC and gas tax
- Explore other options

## Neutral Opinions and Additional Advice
- Educate the public
- Aim for simplicity
- Focus on outcomes and purpose
- Data security
RESULTS OF FINAL PILOT PARTICIPANT SURVEY

Jeff Doyle, D’Artagnan Consulting
Ara Swanson, EnvirolIssues
### PARTICIPANT SURVEYS – RESPONSE RATES

<table>
<thead>
<tr>
<th></th>
<th>Survey 1</th>
<th>Survey 2</th>
<th>Survey 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invited</td>
<td>2,048</td>
<td>2,106</td>
<td>2,009</td>
</tr>
<tr>
<td>Completes</td>
<td>1,669</td>
<td>1,569</td>
<td>1,491</td>
</tr>
<tr>
<td>Rate</td>
<td>81.5%</td>
<td>74.5%</td>
<td>74.2%</td>
</tr>
</tbody>
</table>

Respondents that completed the survey, received the incentive. Responses were included for those that answered most but not all questions. The total number of surveys analyzed for Survey 3 was 1,503. Because not all participants responded to every question, the number shown may be below 1,503.
Thinking about your full experience with the ruc pilot, how satisfied were you overall? (N=1,491)

91% were satisfied or very satisfied
How important to you are the following principles for a potential RUC system: \( n=1,491 \)

- Privacy
- Simplicity
- Data security
- Transparency
- Cost-effectiveness
- Equity
- Enforcement
- User options
- Charging out of state drivers

![Importance Levels](Very important - Important - Fairly important - Slightly important - Not at all important)
Based on your experience in the pilot, how has your attitude towards a RUC system changed? $(n=1,491)$

<table>
<thead>
<tr>
<th>Attitude Change</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Much more supportive</td>
<td>24%</td>
</tr>
<tr>
<td>A little more supportive</td>
<td>24%</td>
</tr>
<tr>
<td>Same as before my RUC experience</td>
<td>36%</td>
</tr>
<tr>
<td>A little less supportive</td>
<td>7%</td>
</tr>
<tr>
<td>A lot less supportive</td>
<td>9%</td>
</tr>
</tbody>
</table>
If your attitude has changed, please provide any information on the reasons for this change. \((n=577)\)

**Much more supportive of a RUC (164)**

- The pilot was informative (55)
- RUC is more fair because everyone pays (24)
- EVs and Hybrids should pay as well (19)
- Know more about driving habits (17)
- Pay less under a RUC (16)
- Pay a similar amount to gas tax (13)
If your attitude has changed, please provide any information on the reasons for this change. \( (n=577) \)

**A lot less supportive of a RUC (113)**

- EVs and Hybrids would be penalized (27)
- Pay more under a RUC (19)
- Concerns related to government/too many taxes (18)
- Technology, device, reporting problems (13)
- Privacy/data security concerns (12)
- Pilot was confusing/a hassle/ a poor experience (12)
If your attitude has changed, please provide any information on the reasons for this change. \((n=577)\)

Opinion is the **same as before the RUC experience** (41)

- Most had further unanswered questions, or still did not understand RUC.
- Some were supportive before and still are
- Others were opposed before and still are
- Some had mixed feelings
Survey 1  
n=1,166

Survey 3  
n=1,491

- A road usage charge where you pay by the mile  
- A gas tax where you pay by the gallon of gas  
- A RUC and a gas tax are equally fair  
- Neither the gas tax nor the RUC is fair
How do you define fair? \((n=1,109)\)

472 people said fair means **being equitable**. Participants viewed equity from different lenses:
- Vehicle type (143)
- Vehicle weight (102)
- Income (78)
- Geography (33)
- Environmental impact (30)
- Long commutes (27)
- Bell curve distribution (1)

367 said fairness means **equal treatment**: treating people equally or treating people the same.
How do you define fair? \((n=1,109)\)

Most participants discussed fairness in terms of payment.

- Pay for use (435)
- Pay for road impact, damage, and upkeep (214)
- Pay by the mile (130)
- Pay your share (105)
- Pay if you benefit from roads (10)

149 people brought up **EVs and hybrids**.

- EVs/hybrids should pay too (104)
- Don’t discourage EVs/hybrids (20)
- Don’t double tax EVs/hybrids (10)
Survey 1
n=1,670

Survey 3
n=1,482

- A road usage charge where you pay by the mile
- Equally prefer a RUC or gas tax
- A gas tax where you pay by the gallon of gas
- Don’t prefer either a gas tax or RUC
- Not sure/need more information (please specify)
Survey 3
n=1,482

- A road usage charge where you pay by the mile
- Equally prefer a RUC or gas tax
- A gas tax where you pay by the gallon of gas
- Don’t prefer either a gas tax or RUC
- Not sure/need more information (please specify)
At this point, how do you feel about implementing a road usage charge as a replacement to the gas tax in Washington to fund transportation infrastructure?
What additional comments do you have about implementing a RUC system as a replacement to the gas tax in Washington? (n=673)

- 78 brought up **tracking out-of-state** miles. People do not want to be charged for their own out-of-state miles. They do want visitors to Washington to pay for their use of Washington roads.

- Participants are concerned RUC may **disproportionately affect lower-income** households, who also live further away from work because of housing prices.

- 62 were concerned about **being double taxed**. They do not want to pay both RUC and gas tax.

- 51 people wanted rates to consider **vehicle weight**. 42 people wanted rates to consider **vehicle type or size**.
What additional comments do you have about implementing a RUC system as a replacement to the gas tax in Washington? (n=673)

- 36 people had general government, politics, or tax concerns, including 24 people who do not trust government use of tax money or believe the government needs to use money more efficiently.
- 35 mentioned the importance of transparency, communications, or public opinion.
- 34 were concerned about administration/overhead costs.
- 31 brought up compliance/enforcement.
What additional comments do you have about implementing a RUC system as a replacement to the gas tax in Washington? (n=673)

- Participants had some remaining questions, including:
  - How will RUC affect car dealerships that currently fuel up cars?
  - How will the state handle lost revenues from gas use that is not on the roads, such as recreational vehicles, boats, lawn mowers, or other?
  - What happens when you sell a car?
  - How would this impact truckers and interstate commerce?
  - What would happen to Washington drivers’ payment of the federal gas tax?
  - What if the federal gas tax switches to a RUC?
Which of the following best represents your advice to elected officials as they consider the next steps in implementing a RUC system statewide: (n=1,491)

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Move forward now to implement a RUC system in place of the gas tax as soon as the program can be made ready</td>
<td>28%</td>
<td>423</td>
</tr>
<tr>
<td>Gradually phase in a RUC system over a five to ten year period so that it eventually replaces the gas tax</td>
<td>33%</td>
<td>493</td>
</tr>
<tr>
<td>Apply a RUC system only to vehicles that are paying no to very little gas tax (such as hybrids) compared to the average all-gas vehicle</td>
<td>19%</td>
<td>284</td>
</tr>
<tr>
<td>Apply a RUC system only to all-electric vehicles that are paying no gas tax</td>
<td>9%</td>
<td>139</td>
</tr>
<tr>
<td>Take no further action on starting a RUC system for the foreseeable future</td>
<td>10%</td>
<td>152</td>
</tr>
</tbody>
</table>
Do you have any final comments on your RUC pilot experience? (n=572)

- Overall, participants were **happy with the experience** and enjoyed participating in the pilot. They felt it was **informative** and **convenient**. Common challenges related to the use of reporting devices and reporting.

- 69 provided ideas on **how to implement** RUC.
  - 22 provided ideas on how to improve technology, devices, and reporting.
  - 12 suggested phasing in RUC over time.
  - 9 suggested implementing RUC for EVs, then potentially moving onto other vehicles.
  - 3 suggested implementing both the gas tax and RUC.
Do you have any final comments on your RUC pilot experience? (n=572)

- 42 people raised **equity**, including different types of equity.
  - 10 want RUC to consider vehicle type, and 13 vehicle weight.
  - 8 brought up geography, concerned that rural drivers face different challenges than urban drivers.
  - 7 described income equity, concerned that RUC could disproportionately impact low-income drivers.
  - 3 mentioned that some people drive further to work.
- 29 stated general concerns with government, politics, or tax money.
- 25 discussed **out-of-state drivers**, but from different angles.
- 16 noted the importance of **transparency and communications**. Some suggested a media campaign.
HELP DESK COMMUNICATIONS SUMMARY GOALS

GOAL: Analyze and summarize communications shared with the help desk for additional insights to inform final report

- Review comments received through emails and calls to the help desk
- Prepare summary of comments to complement results of surveys and focus groups
- Provide findings and lessons learned from the help desk to inform final report and recommendations
Total incoming communications: 1,945
WHO DID WE HEAR FROM?

Pilot test drive: Incoming communications by user type

- 62% Participants
- 38% Non-participants

Communications received from all users by communication type

- 71% Email
- 29% Phone
POPULAR TOPICS (OVERALL BY PHASE)

**Recruitment and Enrollment**
- Enrollment inquiries
- Policy, implementation
- General RUC inquiry
- Vehicle weight

**Live Pilot Test Drive**
- Mileage reporting method
- DriveSync transfer
- General RUC inquiry
- Enrollment inquiries
- Survey/incentives
### WHO DID WE HEAR FROM?

#### BY REGION

<table>
<thead>
<tr>
<th>Region</th>
<th>Population distribution</th>
<th>Participant distribution</th>
<th>Percentage of communications received</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central</td>
<td>13%</td>
<td>13%</td>
<td>11.2%</td>
</tr>
<tr>
<td>East</td>
<td>9%</td>
<td>13%</td>
<td>17.2%</td>
</tr>
<tr>
<td>Northwest</td>
<td>6%</td>
<td>6%</td>
<td>5.2%</td>
</tr>
<tr>
<td>Puget Sound</td>
<td>62%</td>
<td>60%</td>
<td>49.4%</td>
</tr>
<tr>
<td>Southwest</td>
<td>9%</td>
<td>6%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Unknown</td>
<td>N/A</td>
<td>N/A</td>
<td>12.0%</td>
</tr>
</tbody>
</table>
TRENDING TOPICS BY REGION

BY REGION

• Both “policy/implementation” and “general RUC inquiries” were trending topics in the East region

• “Vehicle eligibility questions” was a trending topic in the East, Northwest, and Southwest regions

• The Puget Sound region did not have any specific trending topics
## WHO DID WE HEAR FROM?

### BY MILEAGE REPORTING METHOD

<table>
<thead>
<tr>
<th>MRM</th>
<th>Participant distribution</th>
<th>MRM source of communications received (in percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mileage permit</td>
<td>1.0%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Plug-in device</td>
<td>21.0%</td>
<td>14.3%</td>
</tr>
<tr>
<td>Plug-in device with GPS</td>
<td>34.0%</td>
<td>33.7%</td>
</tr>
<tr>
<td>Odometer reading</td>
<td>29.0%</td>
<td>39.4%</td>
</tr>
<tr>
<td>Smartphone app</td>
<td>15.0%</td>
<td>9.5%</td>
</tr>
<tr>
<td>N/A</td>
<td>N/A</td>
<td>0.7%</td>
</tr>
</tbody>
</table>
TRENDING TOPICS – BY MRM

BY MILEAGE REPORTING METHOD

• Participants using the odometer reading MRM had the highest number of trending topics

• Participants using the high-tech MRMs had the least number of trending topics
KEY TAKEAWAYS

• There is a growing interest in many of the topics associated with road usage charging
• The number of trending topics brought forth to the help desk varied greatly by region
• Vehicle eligibility and technical information on MRMs will need to be clearly communicated for specific methods
SHARING THE PARTICIPANT EXPERIENCE

Ara Swanson
EnvirolIssues
HIGHLIGHTS FROM THE PARTICIPANT EXPERIENCE
PROJECT COMMUNICATION ACTIVITIES

Ara Swanson
EnvirolIssues
CURRENT COMMUNICATIONS GOALS

Communicate pilot process, driver experience, Steering Committee progress, results and next steps

Leverage media to share results and next steps

Analyze and summarize communications to inform final report
CURRENT COMMUNICATIONS ACTIVITIES

- Responsive and proactive media engagement
- Regular e-newsletters
- Steering Committee meetings
- Video highlighting the participant experience
- Briefings and webinars
CONTINUED COMMUNICATIONS ACTIVITIES

• Begin series of **in-person briefings** to targeted organizations and stakeholders, July through August

• Share video and other pilot news via **e-newsletter** and **press release** in mid-July

• Host **webinar** in August with MPOs and RTPOs
CONTINUED COMMUNICATIONS ACTIVITIES

- Continue to **share accurate pilot information** as updates and findings are developed, September through December.

- Communicate submittal of final report to legislature in January via **e-newsletter, press release**, and other **media engagement**.
PART II (AFTERNOON SESSION)

- WA RUC Pilot System Performance
- Legal, Fiscal, Operational and Policy Issues with RUC
- Identification of issues for further examination by WSTC at October 2019 meeting

Jeff Doyle
Project Manager
D'Artagnan Consulting