

A stylized graphic of a road with a dashed yellow center line and solid blue outer lines, curving upwards and to the right. The road is set against a light green background that is framed by a dark blue border.

# WASHINGTON STATE ROAD USAGE CHARGE

Equity Spotlight Briefing |  
November 23, 2021



**Washington State  
Transportation Commission**

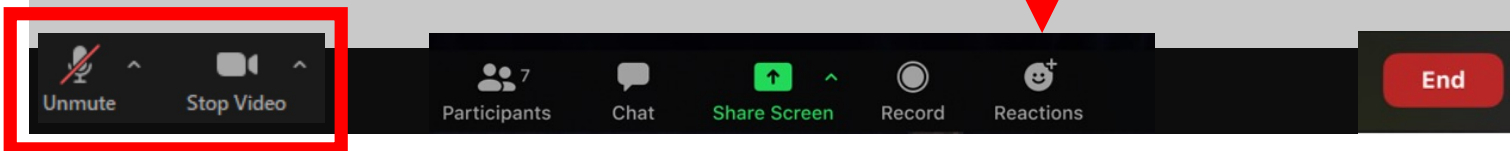
Travis Dunn, Roshini Durand, Linda Kennedy,  
Baxter Shandobil, and Henry Yates

# Zoom Interface and Controls

Update your Zoom name if needed

Remain on mute when not speaking

Raise your hand to speak

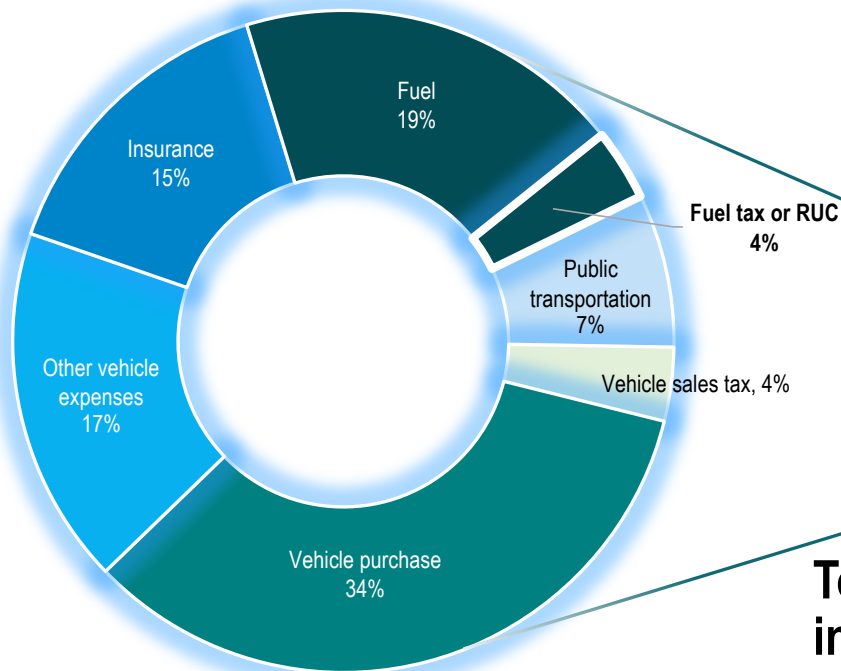


Technical difficulties? Call or text Anneliese Gill, 206-708-9185

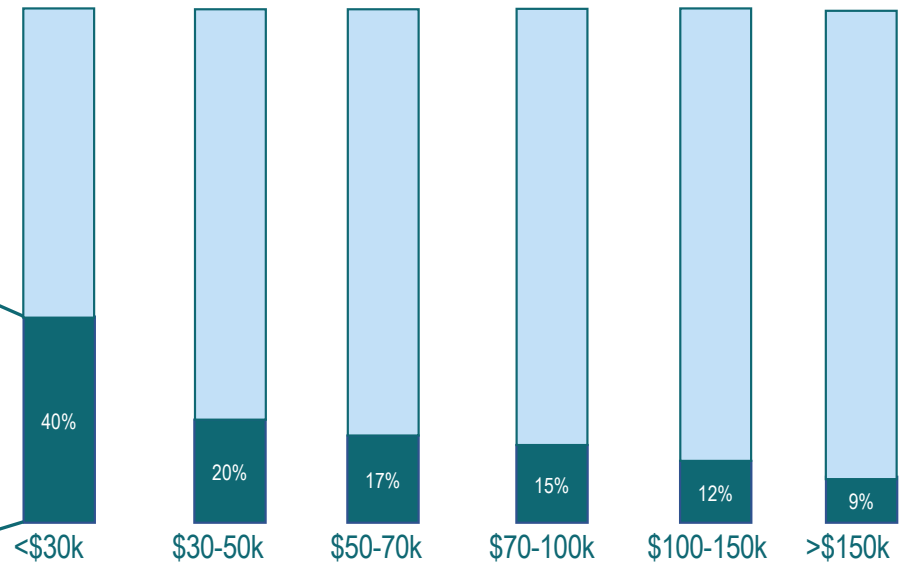
# Agenda

- 1) Welcome & introductions
- 2) Updated financial analysis
- 3) Outreach findings summary
- 4) Emerging pilot concepts
- 5) Next steps

# Transportation taxes are small as a proportion of household expenditures



Transportation as a percent of household expenditures, by income level



**Today's fuel tax represents only 4% of low-income household expenditures but will increase as fuel taxes increase.**

# On average, lower income households pay higher fuel taxes per mile driven

Census tract average household income	Census tract average MPG	Fuel tax per 10,000 miles driven
Less than \$50k	20.0	\$247
\$50-75k	20.1	\$246
\$75-100k	20.5	\$241
\$100-150k	21.4	\$231
Over \$150k	22.6	\$219

# RUC Equity Analysis

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**Proviso:** “Identify and measure potential disparate impacts of RUC to communities of color, low-income households, displaced communities and vulnerable populations through targeted outreach and engagement.”

**Methods:** Series of focus groups, surveys, and one-on-one interviews using a pre-determined set of questions.

# Focus Groups: Who we met with

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# Criteria for Equity Analysis

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- Racial and ethnic diversity
- Geographic balance (statewide, including urban and rural areas)
- Include persons with disabilities
- Include refugee and immigrant populations
- Include professional driver communities
- Focus groups from 4 to 12 individuals

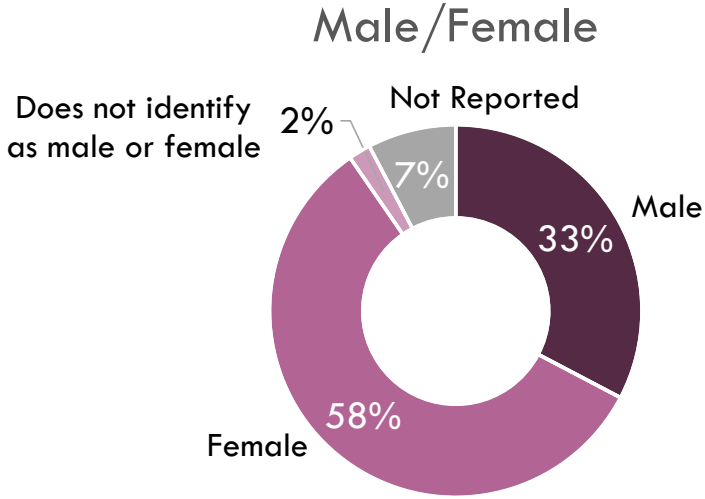
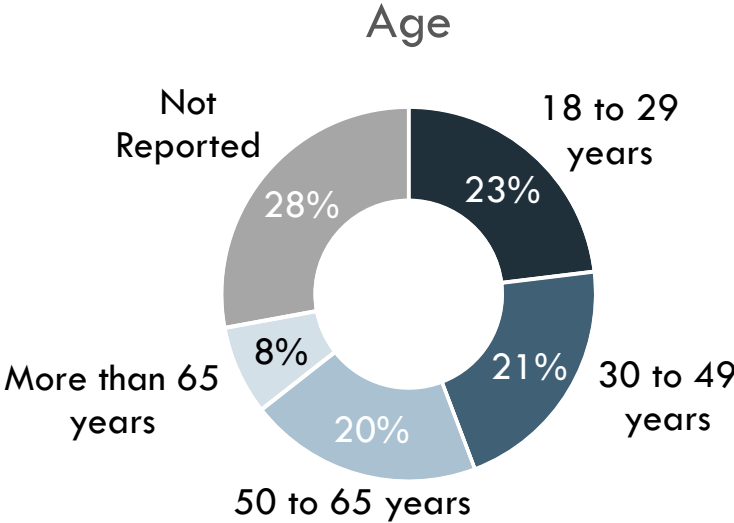


# Focus Group Participants

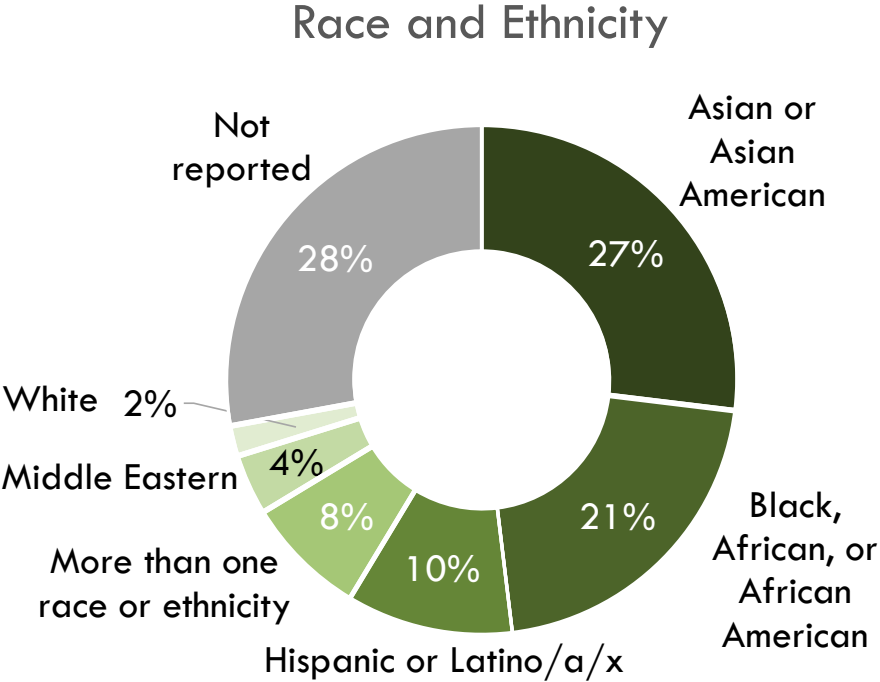
Organization/Group	Number of Participants	% of Total Participants
Ahora Construction	5	5%
Arab Festival	4	4%
Bremerton NAACP	7	7%
Coalition of Immigrants Refugees & Communities of Color	4	4%
COVID-19 Community Response Fund Alliance	7	7%
Disability Rights Washington	9	9%
Filipino Chamber of Commerce of the Pacific Northwest	8	8%
India Association of Western Washington	8	8%
Kent/Renton African American Group	9	9%
Legacy of Equality Leadership & Organizing	7	7%
Neighborhood House	7	7%
Refugee Women's Alliance	10	10%
Yakima County Development Association	19	18%
<b>Total</b>	<b>104</b>	<b>100%</b>

NOTE: The charts on the following slides summarize information that was self-reported by focus group participants. The “Not Reported” category indicates participants that did not submit this information.

# Focus Group Participants – Age and Sex



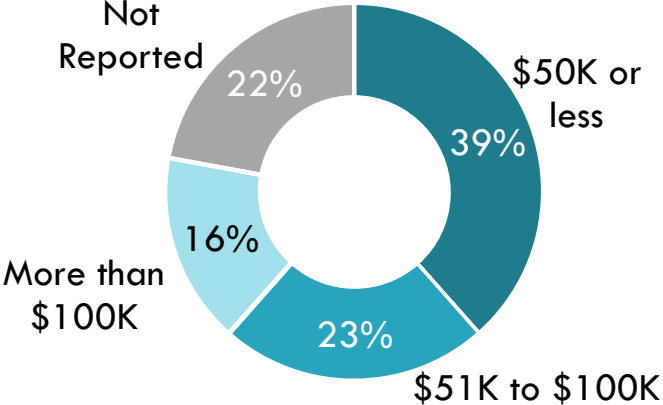
# Focus Group Participants – Race and Ethnicity



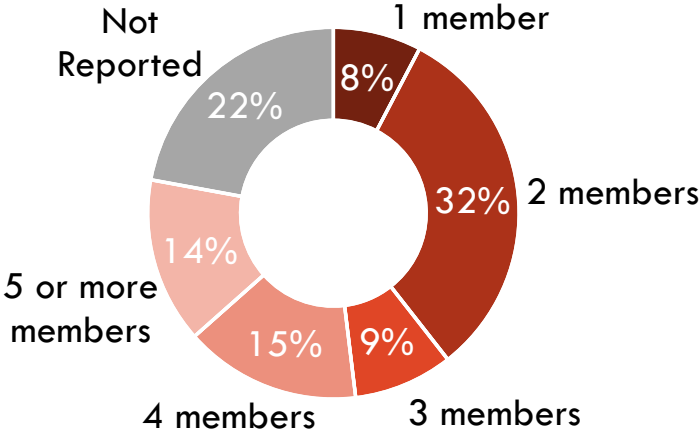
We asked participants how they identify but did not ask about race and ethnicity separately. Some participants responded Hispanic only while others reported Hispanic and another race. Respondents who responded Hispanic and another race are grouped under “more than one race or ethnicity,” as are individuals who responded with more than one race.

# Focus Group Participants – Income and Household Size

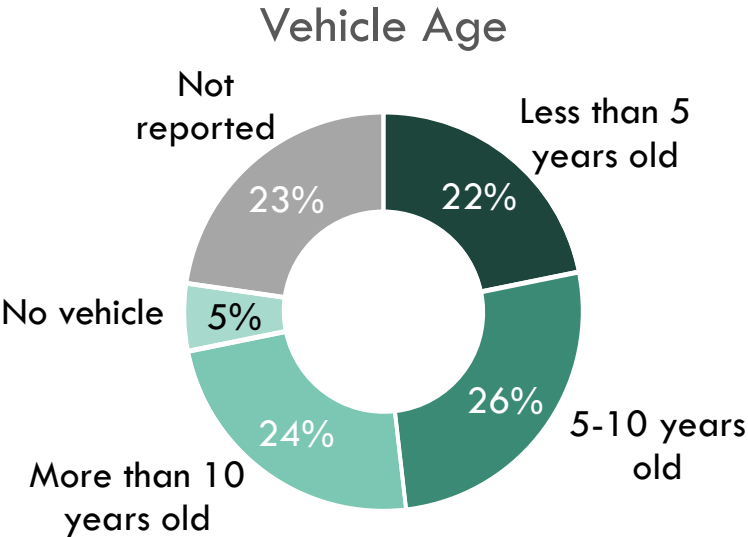
Income



Household Size

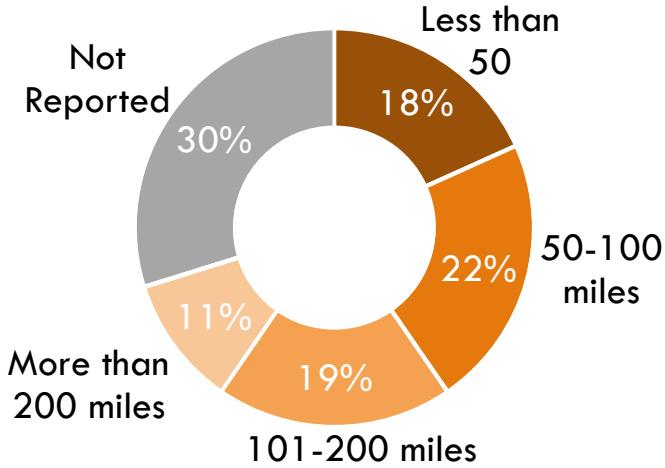


# Focus Group Participants – Vehicle Age

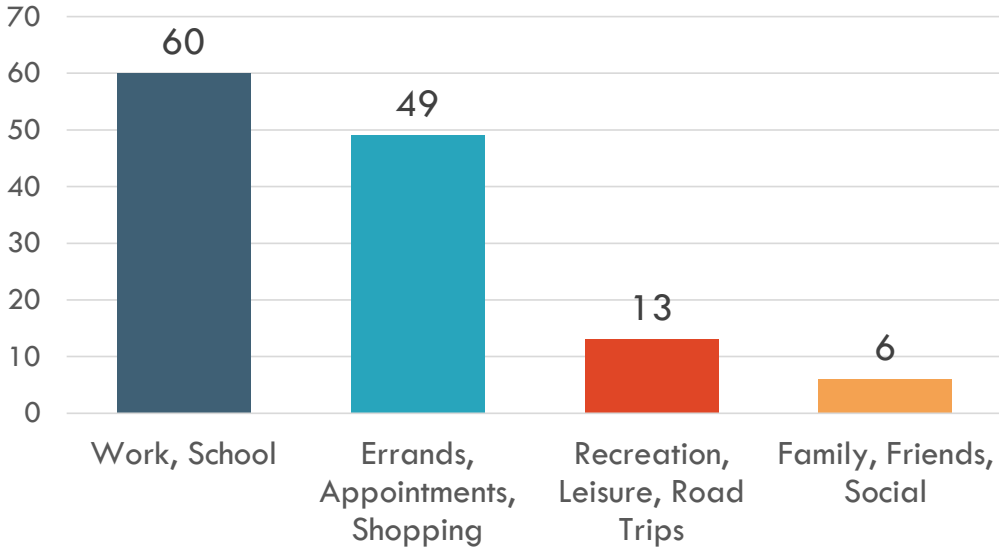


# Focus Group Participants – Driving Behaviors

Miles Driven per Week



Reasons for Driving  
(respondents could list multiple reasons)



# Findings: What we heard

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# Questions Asked

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- First Name, Occupation, # in Household, Car Make/Model/Year
- Age, income range, ethnicity, gender
- Where do you usually drive?
- How many miles do you drive per week?
- How familiar are you with how roads are paid for in the state?
- How much do you pay yearly in gas tax?
- Have you ever heard of a road usage charge? When/Where?
- First thoughts about Road Usage Charge
- Advantages? Disadvantages?
- If you identified disadvantages, how can they be addressed?



# Reporting and Payment Options

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## **RUC MILEAGE COLLECTION/REPORTING (multiple choice)**

- Device Attached to Car – 18 respondents
- Smartphone App – 11 respondents
- Professional Reads Odometer – 11 respondents
- Photo of Odometer (you take and send it in) – 10 respondents

## **HOW TO PAY THE RUC (multiple choice)**

- With Registration (w/ or w/o GPS) – 18 respondents/13 respondents
- Phone App Yearly – 16 respondents
- Phone App Monthly – 23 respondents
- Driving Wallet (much like Good-To-Go) – 9 respondents
- Lump Sum Payment w/ Unlimited miles – 22 respondents

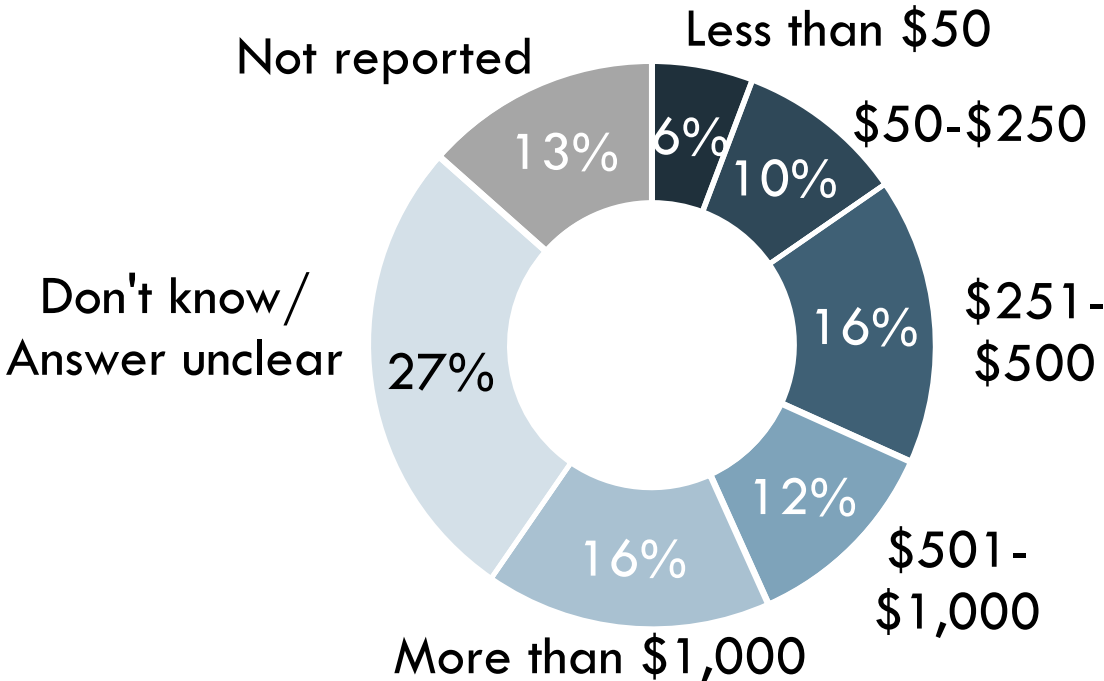
# How familiar are you with how roads are paid for in the state?

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- 38% were unfamiliar or did not respond (15%)
  - Many who were unfamiliar offered taxes as their guess
  - Federal and state government were also listed
- For those who were familiar, taxes, car tabs, and tolls were most often cited

# How much do you pay yearly in gas tax?

## Estimate of Gas Tax Paid per Year



The answers shown here reflect respondents' estimates of how much they pay in gas tax over the course of the year. Some respondents answered in formats that could not be translated into a dollar amount per year (e.g., a percentage). These are included under the "Don't know/Answer unclear" category, which also includes respondents who said they didn't know how much they paid in gas tax.

# SUMMARY OF COMMENTS

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- There is a perception that RUC would be detrimental to low-income populations and suggested some ways to “level the playing field (rebates, free days, lower rate, etc.)
- Concern about not being able to drive if they did not pay their RUC
- Advantage of a RUC would be costs of road/bridge upkeep would be shared by all drivers
- Transit should be funded through RUC – Disability Rights WA group
- State is incentivizing burning of fossil fuels by having road bridge repair/construction funded thru gas tax

# SUMMARY OF COMMENTS CONTINUED

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- A set fee for unlimited mileage might benefit E. WA drivers given the fact they drive further
- Initial opposition based on not knowing details of proposal
- Support for paying monthly
- Most respondents did not know how road/bridge repair & maintenance is funded
- Most respondents did not know what they pay in gas tax
- Need for additional education

# OUR NEXT STEPS

- Eastern Washington Focus Groups scheduled
- Interviews with community leaders
- Electronic survey to Groups for broader distribution
  - Questions would be same as those asked in Focus Groups
- Reach back out to participants about pilot participation

# Equity Research: Emerging pilot concepts

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# Emerging pilot concepts from equity research

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**PAYMENT PLANS**



**TARGETED INCOME-BASED  
DISCOUNTS**



# Customer view of possible RUC pilot payment plan approach

Vehicle Registry based system

	Connectivity		
	No connectivity	3rd party connectivity	Native connectivity
Assisted (in-person assistance)			
Self-reporting (manual action required)	X	X	X
Fully automated (no action required)			

Report mileage annually

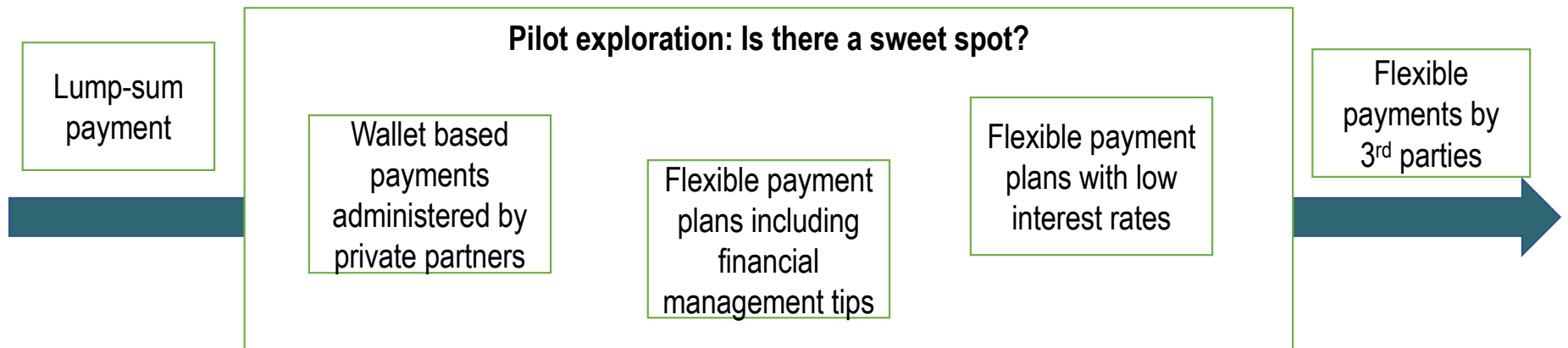
Potential entry point

Vehicle registration-based system

Administer payment plans and discounts (post-pay and prepay)

Enforce payments and administer collection process

# Possible pilot approaches to RUC payment options



*Notes:*

*JTC is exploring periodic payment options for vehicle licensing overall*

*DOL published a report on periodic payments pursuant to legislative direction in 2020*

# Concept 1: Possible RUC payment plans

## Focusing on the end user experience and behavioral responses

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Recruit volunteers including low-income drivers

Collect vehicle information (year, make, model, annual mileage)

Send mock invoices

Test payment plan prototypes

Simulate real payment behavior

### Questions a pilot can help answer

- Who is eligible?
- How many people would use a payment plan?
- How many people would find the payment plan?
- Is it helpful?
- How many people default? What are the enforcement actions?

# Concept 2: Possible targeted discounts

## Understanding the operational implications of customer discounts

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- Work with DSHS and DOL to design possible processes for connecting income data to vehicle and vehicle owner data
- Identify issues and challenges with process
- Assess ease and benefit-cost of customer participation



## Q & A / Discussion



# Full Steering Committee Meeting

December 13, 10:00 am -2:30 pm via Zoom