



MORE **SUSTAINABLE** TRANSPORTATION **FUNDING**

with a Road Usage Charge

Why a Road Usage Charge?

A Road Usage Charge (RUC) is a per-mile fee paid by drivers to account for their use of the transportation system. Not only will a RUC provide the state with a more stable revenue source, it opens up doors to make our transportation system more climate-friendly, accessible, affordable, and equitable.

Policy recommendations:

- Ensure revenue can be spent flexibly and not restricted to highway purposes only
- Set a progressive, income-based rate
- Apply to all electric vehicles (EV)
- Carefully set a rate that accounts for road use while maintaining significant EV operational savings
- Tier the fee based on vehicle weight

Washington needs transportation funding. A RUC can bring in more flexible revenue, more fairly.

The state has identified over \$20 billion in unfunded road repair needs.¹ Fuel tax revenues, which are used to pay for road maintenance, are declining as more proceeds are spent on debt servicing and as vehicles become more efficient. Fuel tax revenues are also restricted under the state constitution's 18th amendment, which delegates them toward "highway purposes." This prevents decision makers from holistically funding the transportation system the state needs.

¹ <https://wsdot.wa.gov/publications/fulltext/state-of-transportation/files/2020-state-of-transportation.pdf>

MORE OPPORTUNITIES

with a Road Usage Charge

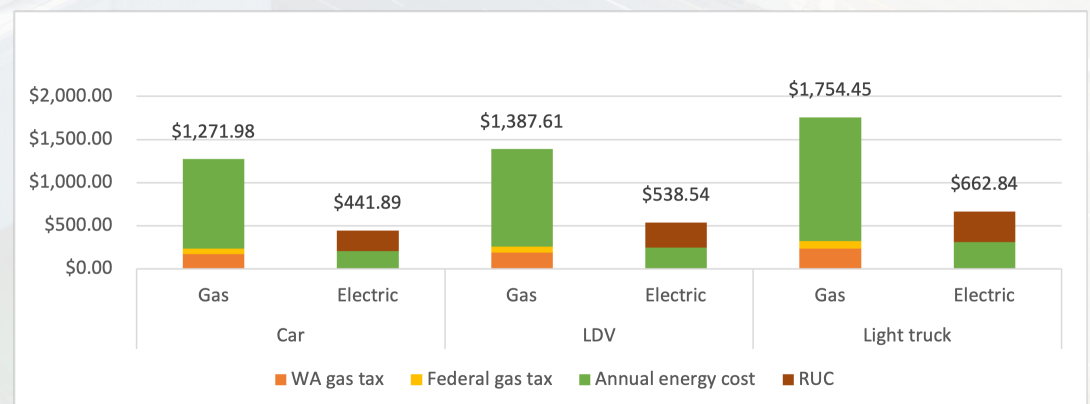
Flexible funding: Unlike fuel taxes, a RUC can be spent more holistically to improve our transportation system. While road usage by passenger vehicles necessitates the need for road maintenance, mode shift to transit, walking or biking and the related infrastructure benefits our roadways overall by way of less wear and tear and reduced congestion. A RUC can provide revenue for ensuring our existing roads are safely maintained, while also contributing to multimodal transportation needs, improving safety, and investing in communities that have been most impacted by the negative outcomes of our current transportation system.

Progressive rate: A gas pump cannot charge based on income, but a RUC can. It is important that lower-income people are not overly burdened by transportation costs, and a progressive rate structure would ensure Washington brings in needed revenue without harming those least able to pay.

Fair: A RUC will charge people based on how much they use the road. Piloting a program with EV drivers will allow the state to do away with the current unpopular, flat EV-specific fees, replacing these fees with a RUC, while at the same time beginning implementation with a smaller group of drivers.

Proposed RUC Annual Costs per Driver

A 2.8 cent per mile RUC differentiated by weight and applied to EVs only would fairly account for their road impact while still upholding the operational savings that are critical to achieving our state's climate goals.



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