

DISTANCE-BASED ROAD USER FEE PILOT PROGRAM

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INTRODUCTION

- Why?
- What will the pilot program evaluate?
- Who will participate?
- What is the timing?

Nevada has been funding highways from fuel taxes since Calvin Coolidge was president

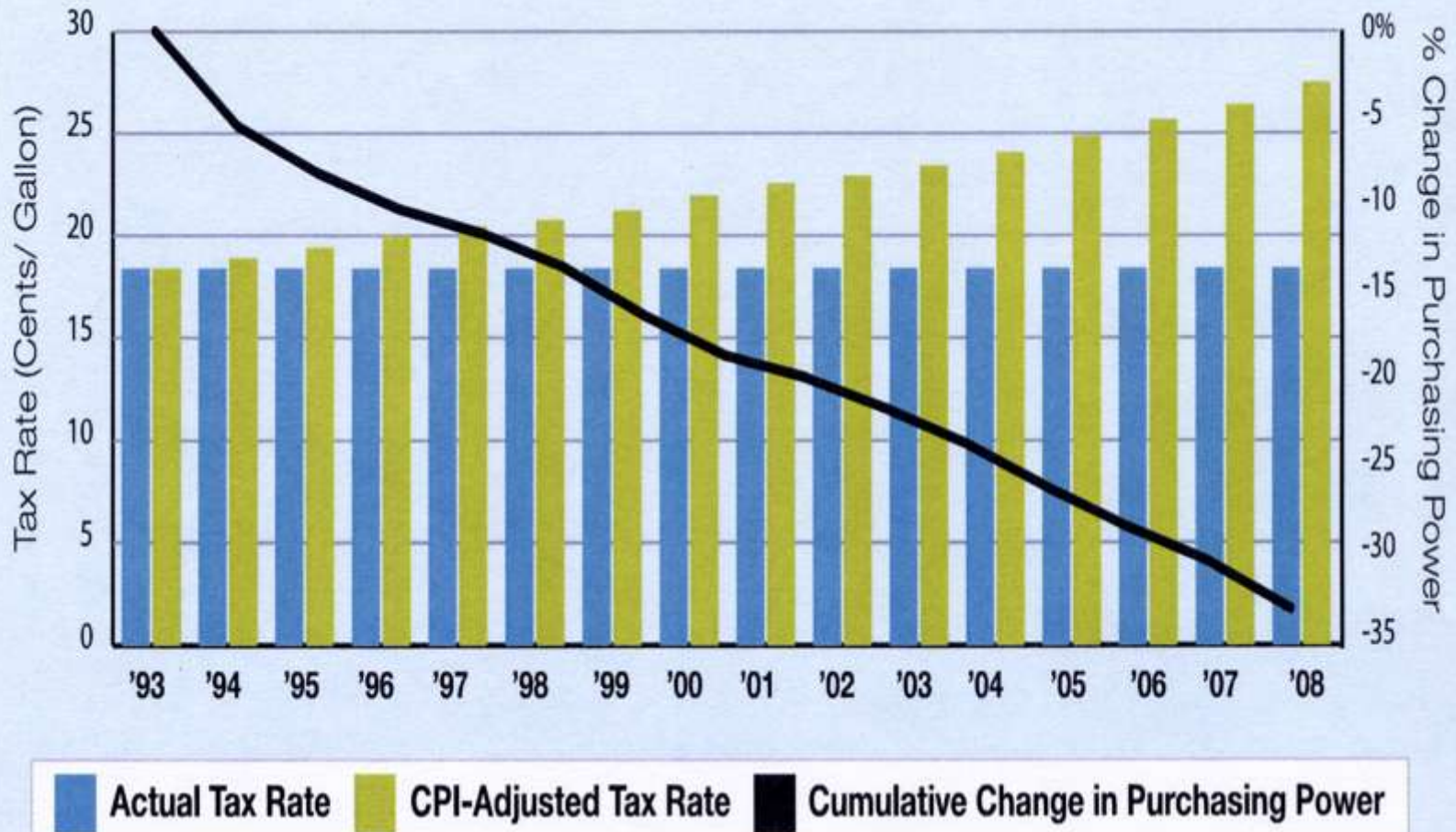


Federal Highway Trust Fund from fuel taxes established by President Eisenhower



- State and Federal fuel taxes has not been increased since 1992/1993
- Fuel tax revenue per gallon the same regardless of price
- Inflation has eroded the purchasing power by 60%
- The use of alternative fuels has increased and will accelerate
- Federal fuel efficiency standards are being increased (will reduce revenue even more)
- Fuel tax revenue replacement is necessary

Federal fuel tax has not been increased since 1993



Alternative fuels use has increased and will accelerate (Hybrid)



Alternative fuels use has increased and will accelerate (Electric)



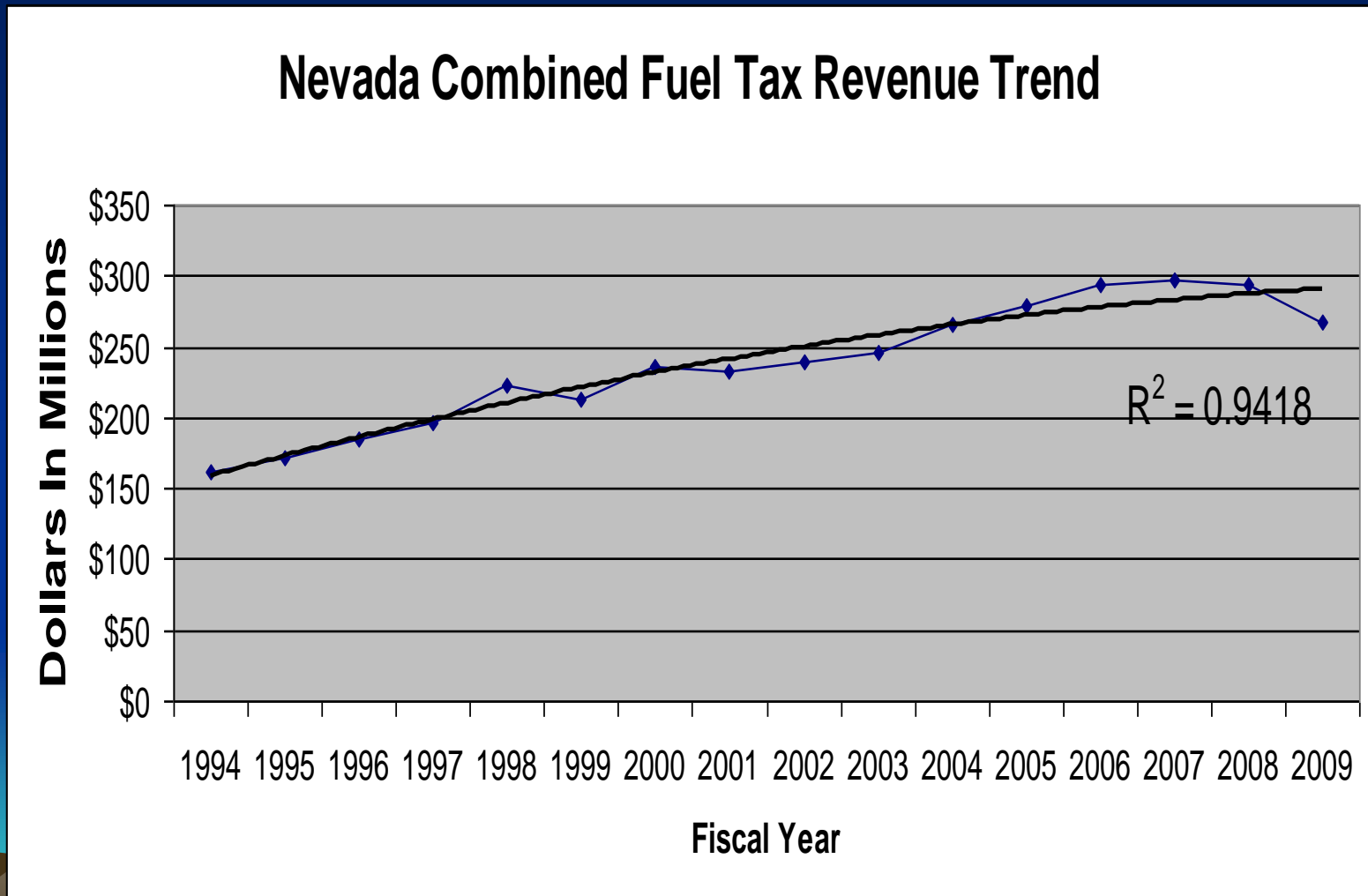
Alternative fuels use has increased and will accelerate (Solar Electric)



Alternative fuels use has increased and will accelerate (Compressed Natural Gas)

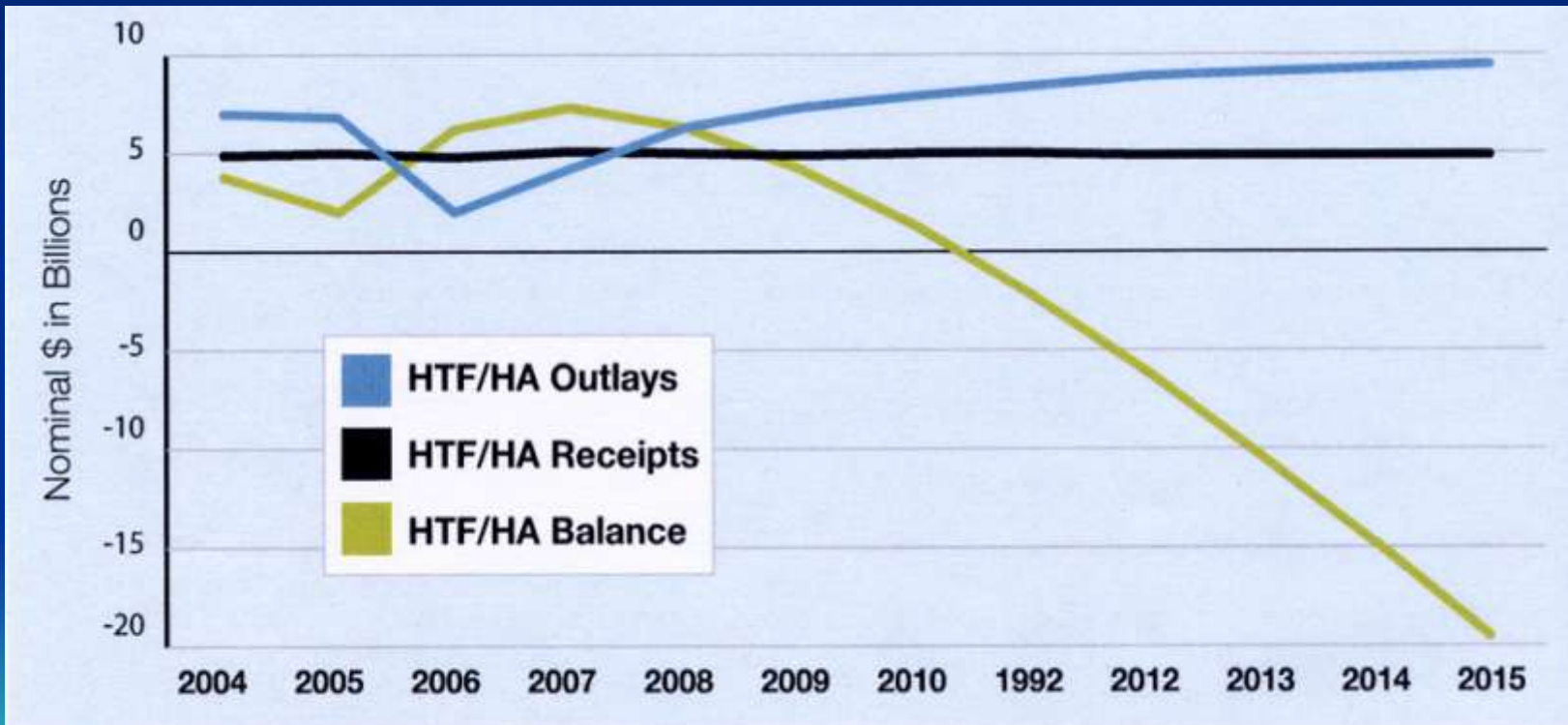


State fuel tax revenue is declining



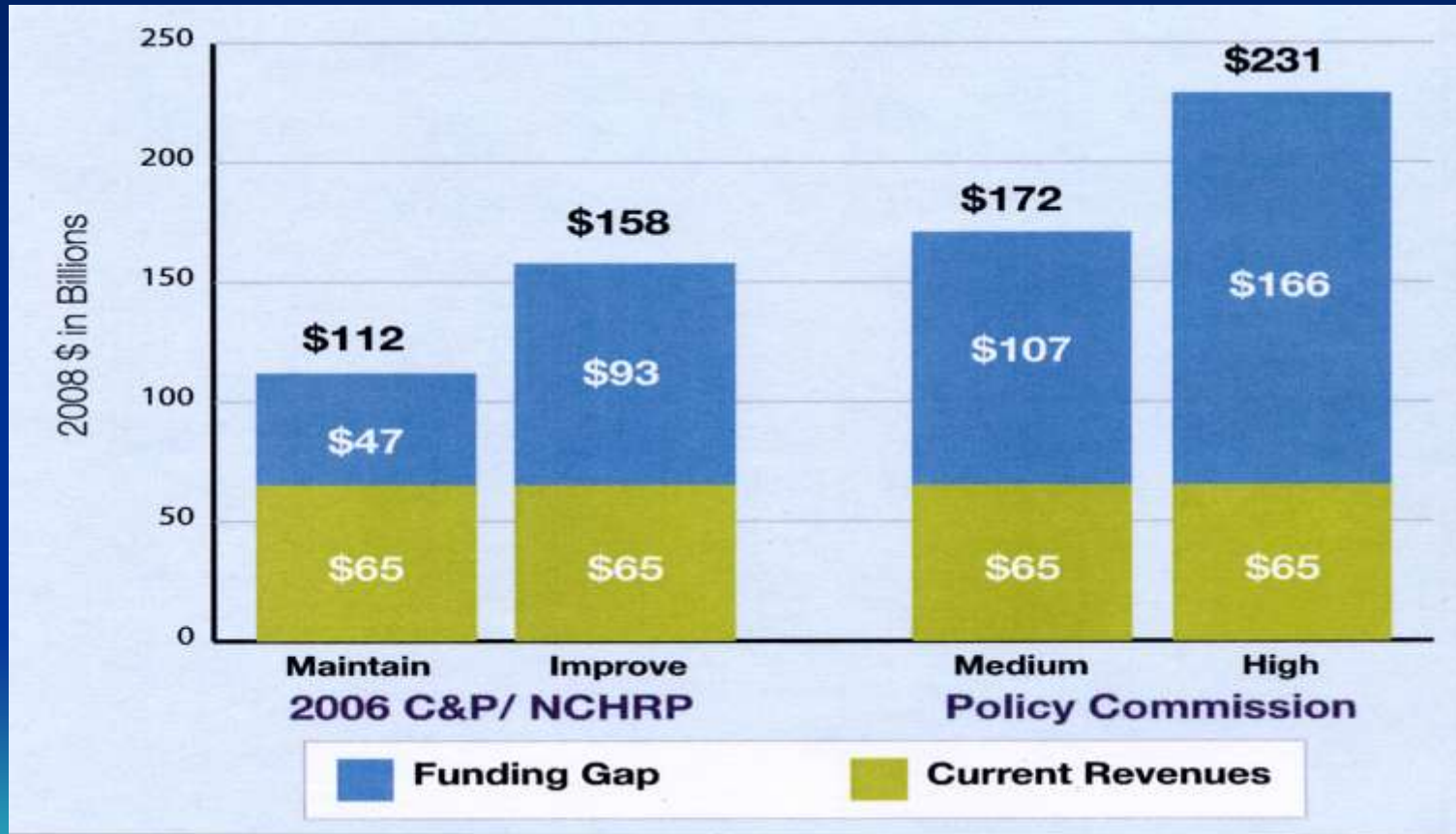
Federal Highway Trust Fund Is Insufficient

Current trends for Highway Trust Fund (HTF) / Highway Account (HA)



Source: Forecasts made by AASHTO using its federal HTF funding model and based on assumptions contained in the Midsession Review of the FY 2009 Budget.

Highway Funding Gap All Levels of Government



National Surface Transportation Infrastructure Finance Commission
(2006 C&P/NCHRP – Biennial FHWA Condition & Performance Report)

Environmental Initiatives are affecting Energy policies

- Global Warming
- Greenhouse Gases
- Climate Change
- Oil Independence
- Cap and Trade



Green, Green, Green

Consequence of No Action!



What are possible fuel tax replacements?

- Increase General Obligation Bonding
- Increase Vehicle Registration Fees
- Increase Sales Tax
- Increase Property Tax
- Increase Development Impact Fees

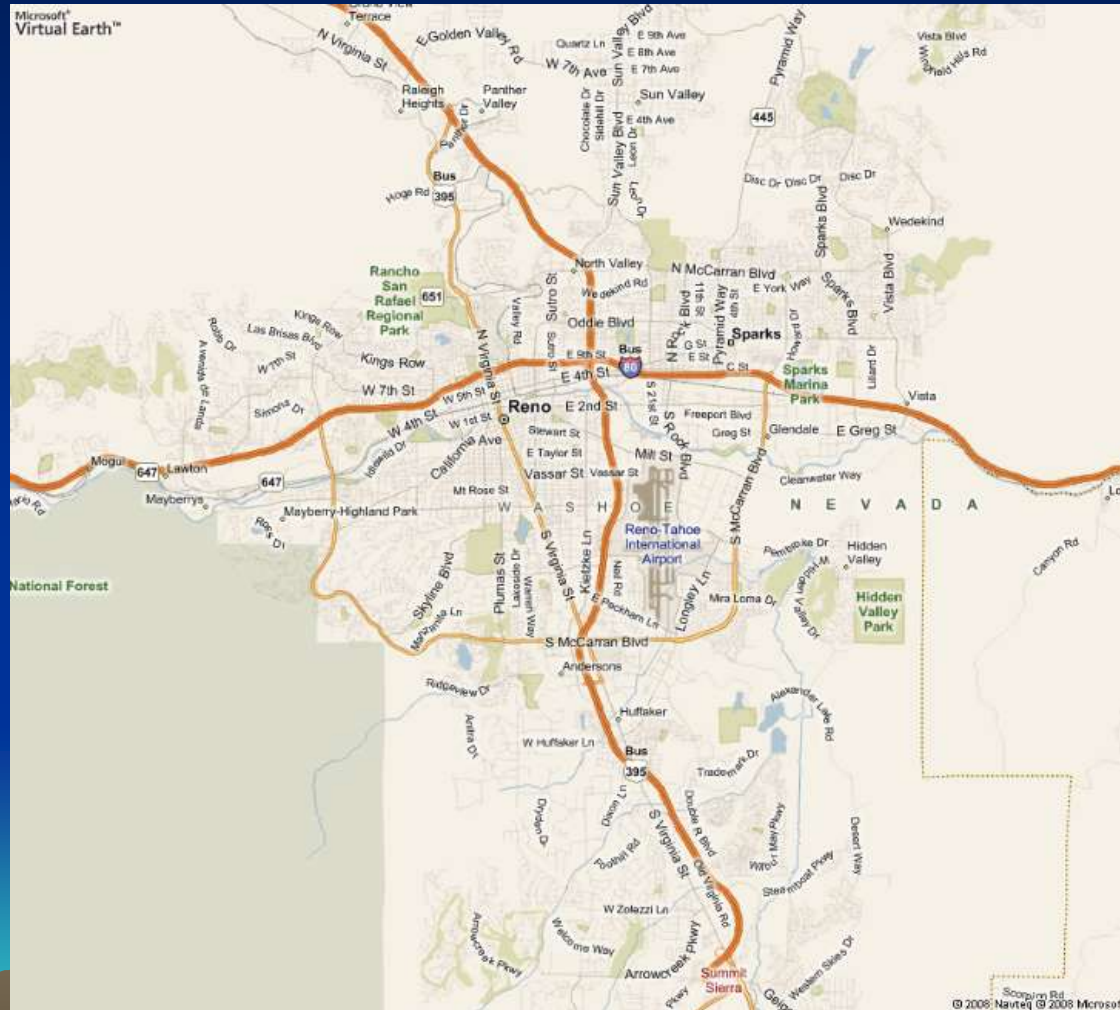
What are possible fuel tax replacements?

- Impose Tolls on Roads, Lanes and Bridges
- Initiate Public-Private Partnerships
- Initiate Distance Road User Fee
- Initiate Distance-Weight Road User Fee

Distance-Based road user fee pilot program

- What will the pilot program evaluate?
- What is the timing?
- Who will participate?

What is the boundary?



What will the pilot program evaluate?

- Research Team will investigate:
 - Likely Technologies
 - Privacy Policy Framework
 - Equity among users
 - Institutional and Administrative Structure
- Privacy issue
 - Big Brother concerns
 - Pilot Program to address the privacy concerns

What is the timing?

- Phase 1 – Design Pilot Program
2009
- Phase 2 – Test Technology & Solicit Participants
2010
- Phase 3 – Conduct & Evaluate Pilot Program
2011 & 2012

Who will participate?

- Phase 1 – Design Pilot Program
 - Citizen groups
 - Privacy groups
 - Environmental groups
 - Trucking industry
 - Tax payers
 - Public officials
 - Elected officials

Who will participate?

- Phase 2 – Test Technology
 - Researchers
 - Citizens
 - Public employees
 - UNR students

Who will participate?

- Phase 3 – Conduct & Evaluate Pilot Program
 - Volunteer's (citizens, truckers, taxis, ???)
 - Public agency volunteers

SUMMARY

➤ Why?

- ✓ Present fuel tax is unreliable

➤ What will the pilot program evaluate?

- ✓ Distance-based road user fee

➤ What is the timing?

- ✓ 2009 through 2012

➤ Who will participate?

- ✓ Wide variety of people

THANK YOU

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