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Only 7.8% of Eligible Vehicles in Utah Enroll in the Utah Road Usage Charge (RUC) Program

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Reforming gas tax revenues to incorporate electric vehicles



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Only 7.8% of eligible vehicles in Utah enroll in the Utah Road Usage Charge (RUC) program



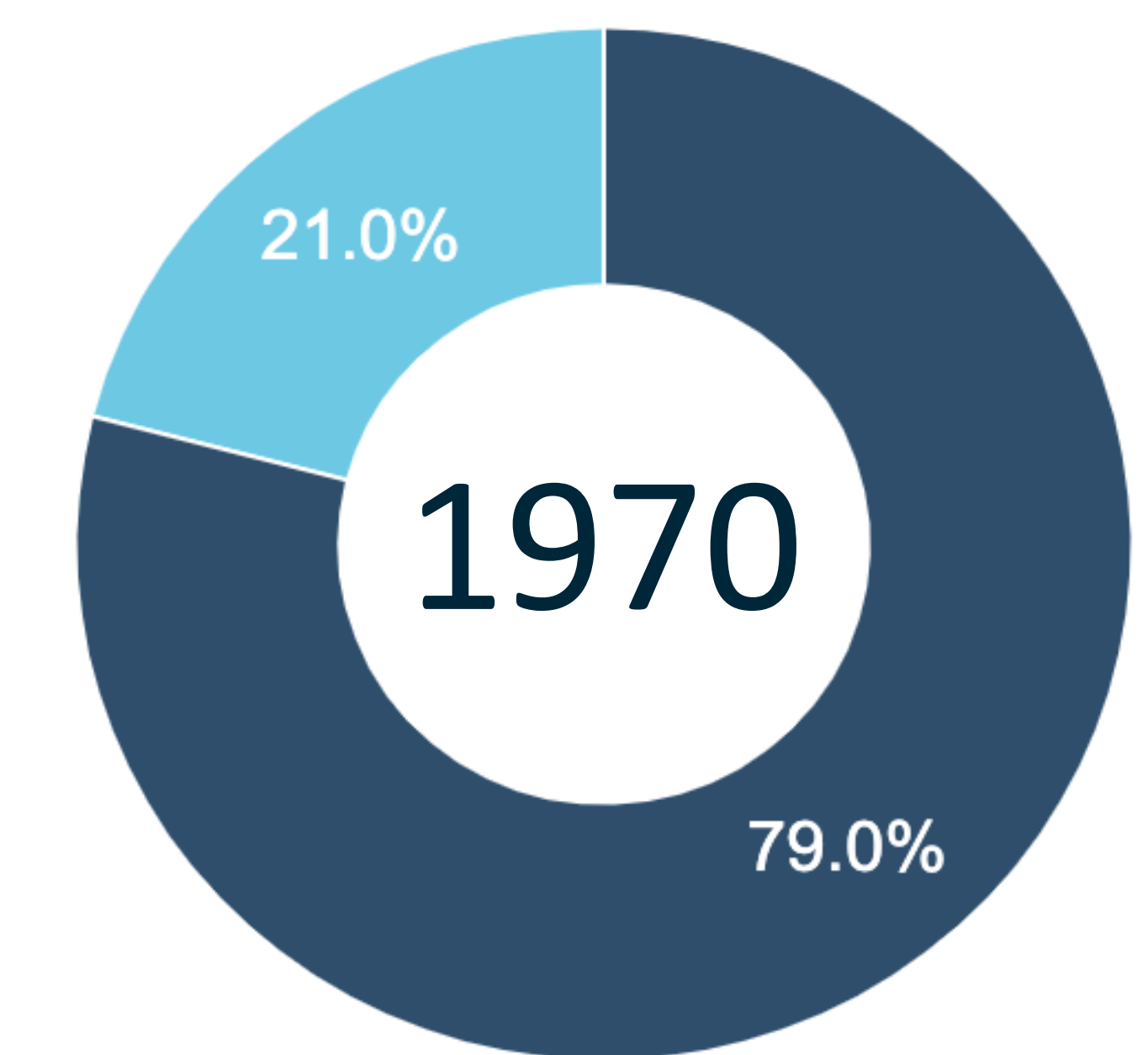
Findings

- Hybrid vehicle owners have **no incentive** to join the current program.
- Very few drivers change **their habits** in response to changes in roadway costs.
- Consumers experience an increasing **indifference** to changes in taxes when those taxes are hidden and/or automated.

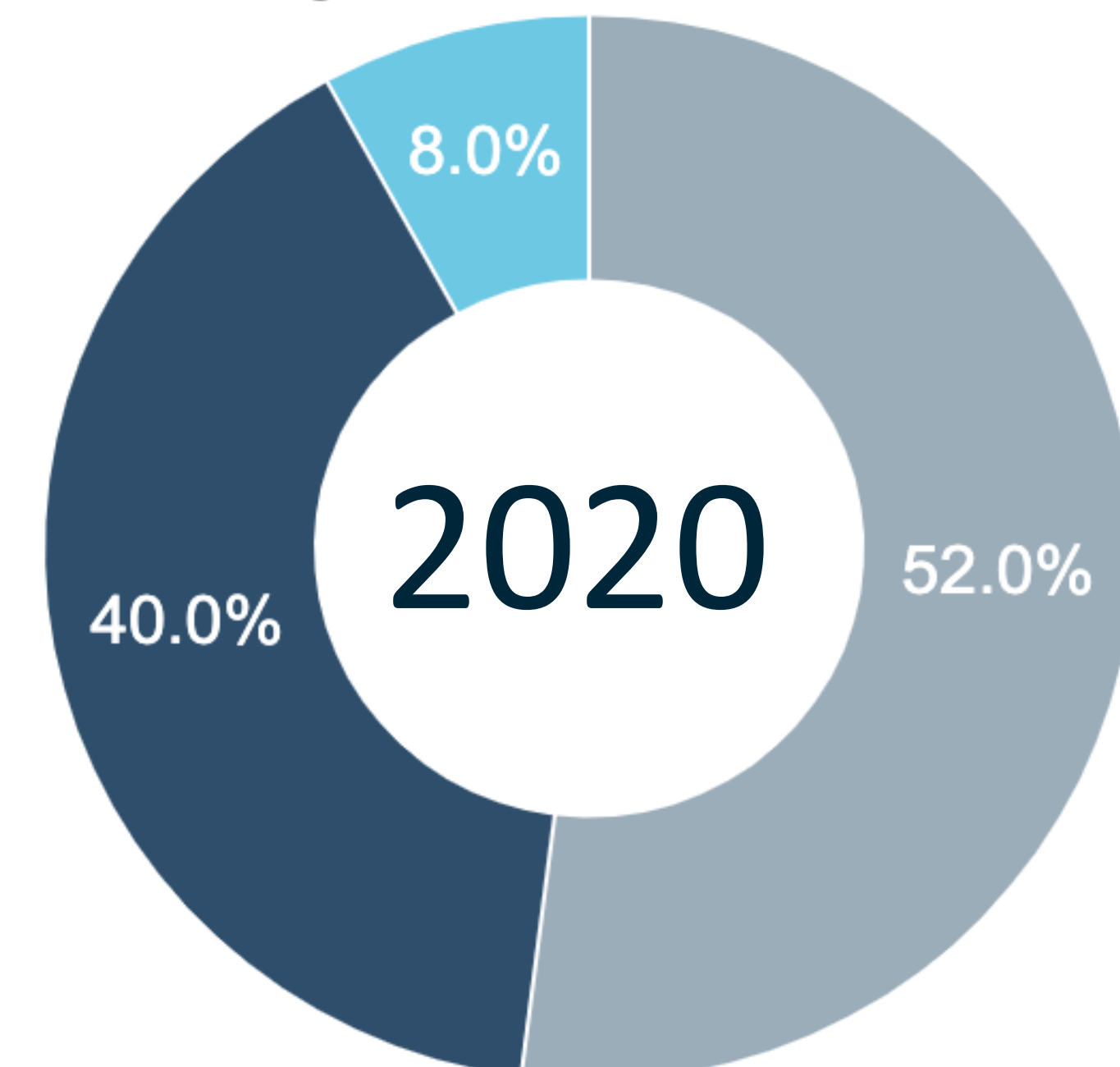
The problem

Growing numbers of fuel-efficient and electric vehicles on Utah roads threaten to further exacerbate transportation funding shortfalls.

State-level roadway funding over time



● General revenues ● Fuel taxes
● Registration and other fees



RUC program intent

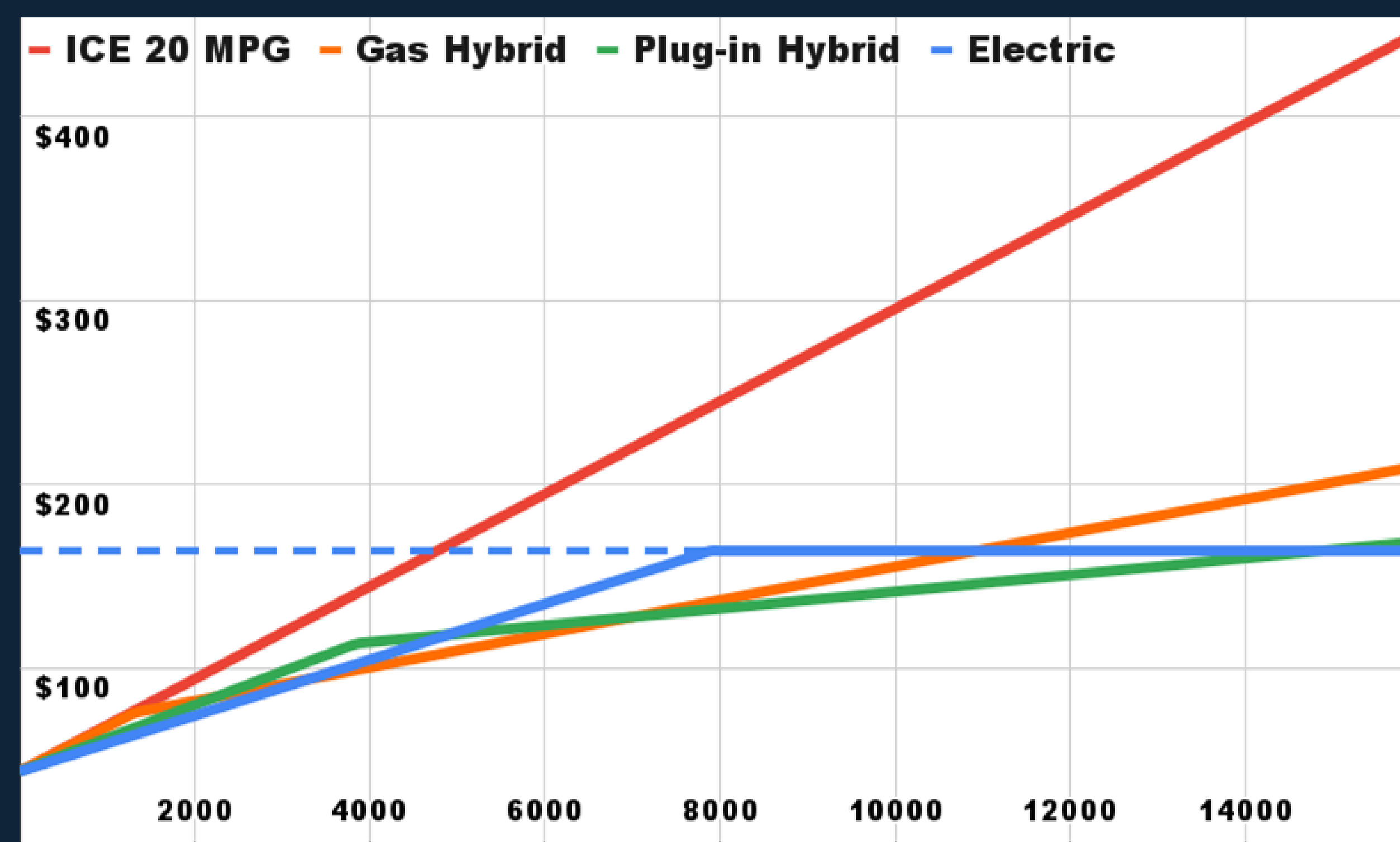
- Pilot program designed to **collect a per-mile fee** from drivers of electric and hybrid vehicles.
- Meant to provide an **alternative to higher registration** fees for hybrid/electric vehicles.
- Intends to keep **road funding sustainable** as hybrid and electric vehicle adoption increases.

RUC program challenges

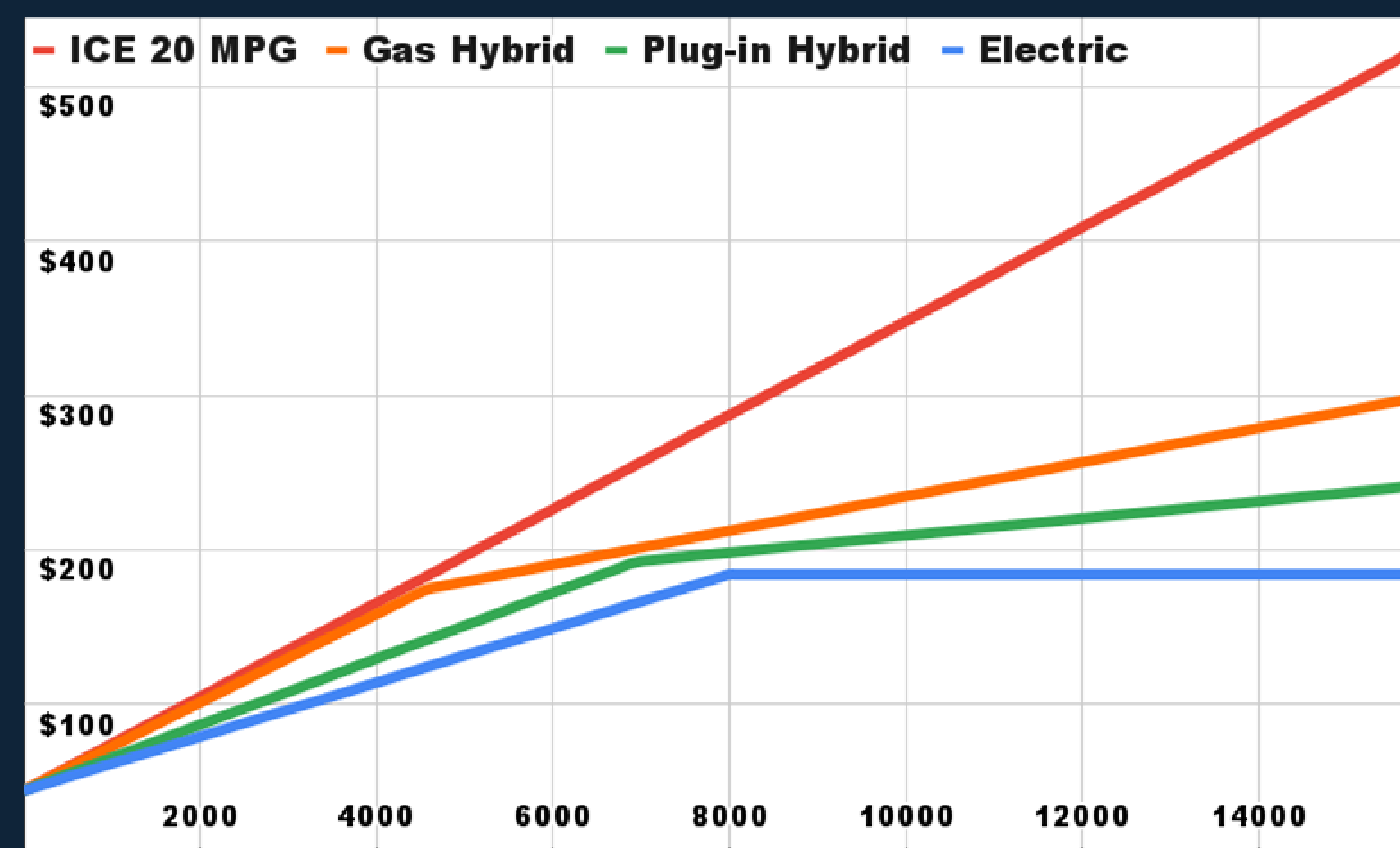
The RUC has no impact after:

- 1,400 mi for gas hybrids
- 3,500 mi for plug-in hybrids
- 8,000 mi for EVs

Current RUC program



New & improved RUC



Suggestions

Create an environment where:

- All drivers pay their **'fair share'**. Roads have sustainable funding for maintenance and repairs without utilizing the state's General Revenues.
- Tax structures properly **incentivize** vehicles with lower carbon emissions.

Potential solutions include:

- Increase **alternative fee** at registration for plug-in and gas hybrid vehicles.
- Increase the **gas tax** to properly account for inflation missed by past increases.
- Increase **RUC mileage fee** at a rate which matches any new gas taxes.
- Increase **registration fees**.