

## Regional Air Quality Council | Transportation Pricing Subcommittee | Overview of Strategies Analyzed

Measure	Description of Measure	Experience in Colorado/Other Areas	Existing Authority or Needed Approvals	Implementation/SIP Measure Feasibility	Additional Analysis Needed
<b>Fuel Tax Pricing Strategies</b>	Fuel tax pricing strategies would increase the gasoline tax to reduce vehicle miles traveled (VMT) and generate revenue. The current state gas tax is \$0.22/gallon and the federal gas tax is \$0.184/gallon for passenger vehicles.	Gas tax currently used in Colorado for revenue generation. It has not been used or evaluated to reduce VMT.	State legislation needed	<ul style="list-style-type: none"> <li>- With aggressive legislative action, could be included in SIP</li> <li>- Included in baseline modeling</li> </ul>	<ul style="list-style-type: none"> <li>- Run pricing alternatives through CDOT's revenue generation model</li> <li>- Evaluation of VMT reduction potential</li> </ul>
<b>Transportation Facility Pricing</b>	Transportation facility pricing strategies are designed to charge motorists for using certain travel facilities, in order to cause them to choose travel options other than a single occupant vehicle, thereby reducing VMT, congestion and air emissions. Revenues could be used to fund alternative transportation infrastructure and reduce congestion.	Authority to price facilities currently exists for the State of Colorado, Regional Public Highway Authorities, and the private sector. The pricing of Interstate facilities is limited to new lanes.	Approval from localities impacted	<ul style="list-style-type: none"> <li>- Requires approval from local governments that are impacted</li> <li>- Unlikely that measure could be in place by 2015</li> <li>- With aggressive action, could be included in SIP</li> <li>- Included in baseline modeling</li> </ul>	<ul style="list-style-type: none"> <li>- Analysis of pricing strategies and impact</li> <li>- Analysis of implementation steps and costs</li> <li>- Identification and evaluation of potential corridors for pricing</li> <li>- Evaluation of VMT reduction potential</li> </ul>
<b>Mileage Based Fees</b>	Mileage-based fees charge drivers based on how many miles they drive, sometimes referred to as a Vehicle Miles Traveled (VMT) fee. Periodic odometer readings (automatic through transponders or manual through inspection) would be the basis for determining the level of fees a driver must pay.	Mileage-based fees are currently not in use in Colorado or anywhere in the United States. They have been evaluated by a number of states and CDOT has a mileage-based fees research project forthcoming.	State legislation needed	<ul style="list-style-type: none"> <li>- CDOT's pilot will not be complete until 2015, implementation is dependent on the results of that study</li> <li>- Unlikely to be implemented in short/mid term</li> <li>- Unlikely to be implemented in time for SIP inclusion</li> <li>- Included in baseline modeling</li> </ul>	<ul style="list-style-type: none"> <li>- Review results of CDOT's study</li> <li>- Analysis of implementation steps and costs</li> <li>- Evaluation of VMT reduction potential</li> </ul>
<b>Pay-as-You-Drive Insurance</b>	Mandatory PAYD insurance charges drivers their insurance premium costs based in part on how many miles their vehicles are driven in a given year. Drivers have the opportunity to save money by driving fewer miles and practicing safe driving habits.	PAYD insurance is currently available in Colorado through several insurance companies. No states have mandated PAYD insurance, but much research on the impacts of PAYD insurance has been done.	State legislation needed	<ul style="list-style-type: none"> <li>- With aggressive legislative action, could be included in SIP</li> <li>- Included in baseline modeling</li> </ul>	<ul style="list-style-type: none"> <li>- Evaluation of VMT reduction potential</li> <li>- Analysis of legal feasibility of implementation</li> <li>- Analysis of whether SIP credit is available</li> </ul>
<b>Priced Parking</b>	Parking pricing strategies include those designed to either (1) increase the cost of driving a single occupancy vehicle by charging for parking, or (2) increase the use of alternative transportation in lieu of parking (ex: parking cash-out: where an employer may offer cash, or a transit pass instead of free parking).	The pricing of parking is common throughout the Denver metro, typically where demand for parking exceeds supply. There are no US examples of mandatory priced parking.	Currently done voluntarily through localities and the private sector. Mandatory program would require state legislation.	<ul style="list-style-type: none"> <li>- Unlikely to be implemented in short/mid term</li> <li>- Potential for pilot pricing program</li> <li>- Unlikely to be included as mandatory program in SIP</li> <li>- Included in baseline modeling</li> </ul>	<ul style="list-style-type: none"> <li>- Analysis of legal feasibility of implementation</li> <li>- Analysis of implementation steps and costs</li> <li>- Evaluation of VMT reduction potential</li> </ul>