**A** **JOINT RESOLUTION**

TO CREATE THE MILEAGE‑BASED USER FEE STUDY COMMITTEE TO DETERMINE THE FEASIBILITY OF IMPLEMENTING A MILEAGE‑BASED USER FEE PROGRAM IN LIEU OF THE MOTOR FUEL USER FEE, TO ESTABLISH THE COMPOSITION OF THE COMMITTEE, AND TO REQUIRE THE COMMITTEE TO SUBMIT ITS REPORT TO THE GENERAL ASSEMBLY BY DECEMBER 31, 2018.

Whereas, the motor fuel user fee is an increasingly diminishing form of equitable taxation for road maintenance; and

Whereas, technological advancements of vehicles, including electric, hybrid, solar, and drastically increased fuel efficiency, have decreased the need for petroleum; and

Whereas, Oregon organized the Mileage Fee Concept and Road User Fee Pilot Program Task Force that met from 2005‑2007, and in 2007, conducted the nation’s first mileage‑based pilot program; and

Whereas, Minnesota tested a road usage charging system in 2011‑2012; and

Whereas, Washington established a steering committee in 2012 to work with state transportation officials on determining feasibility of transitioning to a mileage‑based system; and

Whereas, in 2014, California required the California Transportation Commission to establish a task force to study mileage‑based fees for two years and recommend a program to test the concept; and

Whereas, in 2015, Oregon established the nation’s first mileage‑based revenue program for light vehicles. The voluntary program, known as OReGO for 5,000 initial participants, assesses a charge of 1.5 cents per mile. The drivers receive a refund of the state’s gas tax. The program tests three different methods of collecting mileage‑based fees and follows previous pilot projects to test such systems in the state; and

Whereas, in 2015, Congress passed Fixing America’s Surface Transportation (FAST Act), a $305 billion, five‑year federal surface transportation legislation, which, among other things, requires the U.S. Secretary of Transportation to set up a program to “provide grants to states to demonstrate user‑based alternative revenue mechanisms that utilize a user fee structure to maintain the long‑term solvency of the Highway Trust Fund”; and

Whereas, on August 30, 2016, the U.S. Department of Transportation’s Federal Highway Administration announced $14.2 million in grants for states under a new program to explore alternative revenue mechanisms to help sustain the long‑term solvency of the Highway Trust Fund. The grant program will fund projects to test the design, implementation, and acceptance of user‑based alternative revenue mechanisms, including a variety of options to raise revenue such as on‑board vehicle technologies to charge drivers based on miles traveled and multistate or regional approaches to road-user charges. The projects will address common challenges involved with implementing user‑based fees such as public acceptance, privacy protection, equity, and geographic diversity. The projects also will evaluate the reliability and security of the technologies available to implement mileage‑based fees. Now, therefore

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. (A) There is created the Mileage‑Based User Fee Study Committee to determine the feasibility of implementing a mileage‑based user fee program in lieu of the motor fuel user fee. The committee is composed of:

(1) three members of the House of Representatives, appointed by the Speaker of the House of Representatives;

(2) three members of the Senate, appointed by the President Pro Tempore of the Senate; and

(3) the Secretary of Transportation, or his designee.

(B) Staff of the House of Representatives and the Senate shall assist the study committee in its work.

(C) The study committee shall make a report of its recommendations to the General Assembly by December 31, 2018, at which time the study committee is dissolved.

SECTION 2. This joint resolution takes effect upon approval by the Governor.

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