Mileage-based User Fees: Preparing for Change

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Transportations Revenue Sources are changing and creating uncertainties...
Declining Revenues

- Average retail price per gallon, minus federal gasoline tax
- Federal gasoline tax (18.4 cents)
- Federal fuel tax as percent of gasoline price

Source: GAO analysis of Department of Energy data
MBUF a.k.a VMT Fee

Distance-based fees levied on Vehicle Users for Use of a roadway system.

As opposed to tolls, which are facility specific and not necessarily levied strictly on a per-mile basis, VMT fees are based on the distance driven on a defined network or roadways.
Preparing for Change

- Oregon DOT 2007 Road User Fee Pilot Program & 2012 Road Usage Charge Pilot Project
- Puget Sound Regional Council Traffic Choices Study
- Georgia Tech Commute Atlanta Study
- University of Iowa Nat’l Evaluation of a Mileage-Based Road User Charge
- CBO Alternative Approaches to Funding Highways
- NCHRP Study
Formula for Successful Change

Vision + Skills + Incentives + Resources + Consensus + Action Plan = Change

Creating an Inclusive School, D. Ambrose. Adapted by Knoster, Villa & Thousand, ASDC. 1995
Deficits in the Equation

Vision + Skills + Incentives + Resources + Consensus + Action Plan = Change

(Vision) = Confusion
(Skills) = Anxiety
(Incentives) = Resistance/Gradual Change
(Resources) = Frustration
(Consensus) = Sabotage
(Action Plan) = Treadmill/False Starts

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VISION (Confusion)

What is the vision?

• That every car/vehicle pays its fair share?
• That we have sufficient revenue to pay for roads, bridges, tunnel -- new construction and maintenance?
• That we replace the gas tax or supplement it?
SKILLS (Anxiety)

No Tech

Low Tech

High Tech
Technology

- On Board Units
- GPS System
- Smartphone
INCENTIVES  (Resistance)

• Fair allocation of costs based on the number of miles driven, the time of day, the route taken, and the weight of the vehicle.
• Increased Economic Sustainability
• Increased Road Use Efficiency
• Decreased Congestion
• Increased Use of Other Modes of Transportation
• Data that Informs
• Support Environmental Sustainability
• Address Institutional Waste
• Reconcile transportation funding shortages
• Increase public and institutional cost effectiveness and accountability
RESOURCES (Frustration)

- State initiatives
- Private sector interest
- Implementation
- Operations
- Maintenance
CONSENSUS (Sabotage)

• Incentive is raising more revenue
• May not be a shared incentive
• Privacy Concerns
• Big Brother
ACTION PLAN (Treadmill)

Q: How do we get it done?
A: It’s Complicated and It Depends
Where is MBUF in the Scheme Of Change?

Vision
Skills
Incentives
Resources
Action Plan
Consensus

Moving Forward
Contact Information

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