“The Times They Are A-Changin”

Mileage-Based User Fees: An Emerging Issue Facing DMVs

Betty L. Serian
Betty Serian & Associates
AAMVA Annual International Meeting - August 2012
The present now will later be past....

Directions

Cameras

Televisions
The slow one now will later be fast...

Communication/Sharing Information

Research/How We Retrieve Information
Driver Licenses

Titling and Registration
Change in Transportation Funding
Mileage-Based User Fees
An Emerging Trend

- Pay a mileage fee/tax versus pay as part of fuel purchase
- How much you drive versus how much you buy
- Many studies/research underway; pilots in single and multi-states
- Considered option for sustainable transportation funding
  - Existing funding continues to erode
  - Alternative fuel and electric vehicles increasing
  - MPG continues to increase
  - Inflation impacting ability to make improvements

How we pay for transportation is changing...
MBUF Issues and Hurdles

- Supporting infrastructure is needed
- Cost of administering, collecting, enforcing
- Privacy of travel information...Big Brother
- Public acceptance
- Transition from current pay at the pump
- Who governs, owns, operates

And many more....known and unknown
MBUFs may rattle your walls...

• DMVs can have a lead or supporting role in MBUF administration

• DMVs have the data and information that is foundational to MBUF
  ✓ Vehicle ownership information - new, transferred, temporary
  ✓ Vehicle registration Information

• DMVS may have a role in enforcement actions

• DMVs may be a part of any transition -- pilots

• DMVs may be the lead or support institution

• Likely role for AAMVA network and NMVTIS
Keep your eyes wide, the chance won’t come again

- Expect little federal leadership over next few years for MBUFs
- Expect some MBUF research and pilots - state level
- Expect more toll roads and public/private transportation partnerships
- Expect increase in alternative and electric vehicles
- Expect greater urgency to adequately fund transportation and address aging infrastructure
What’s a DMV to do??
The waters around you have grown

- Use systems modernizations as opportunity
- Revise state privacy statutes
- Collect odometer readings/record them
- Recognize the need to play for the greater good
- Expand state to state compacts for enforcement
- Consider reciprocity statutes
- Share information as appropriate
- Continue to close evasion loopholes
- Don’t hold fast to current roles - think broadly
The order is rapidly fading

- Vehicles and roads are getting smarter
- Information is easier to use, share and protect
- Privacy issues will diminish with advanced technology
- Technology will continue to astound us
- DMVs roles will continue to change
MBUFs Emergent Conclusions

- Fiscal realities point us to things that may not initially be appealing... *MBUF will become more appealing*

- The end state vision for MBUFs will use technology, public/private partnerships and *administrative functionality similar to IRP and IFTA concepts*

- Current AAMVA/DMV *path to e-title and NMVTIS* are important steps for MBUF administration in the future

- DMVs *likely to have some role* but may relinquish some roles

- Current work with *toll authorities* is an essential foundation

- *Plan* now for the future

  “All great changes are preceded by chaos.”
THANK YOU!

QUESTIONS?