



# Mileage-Based User Fees (MBUFs)

The Right Path or Off-Roading?  
Ahead of the Curve or In the ditch?

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# What are Mileage-Based User Fees

- Pay as you drive for miles you drive
- Pay where you drive
- Pay when you drive
- Extension of tolling





## Why Mileage-Based User Fees

- Alternatives needed to traditional gas tax
- Current transportation funding shrinking
  - VMT decreasing
  - Failed revenue raising attempts
  - More fuel efficient vehicles
  - Some vehicles pay no fuel tax
- **Technology and times enable the discussion**

2013  
**region I**  
**conference**



Dover, DE | July 13-18

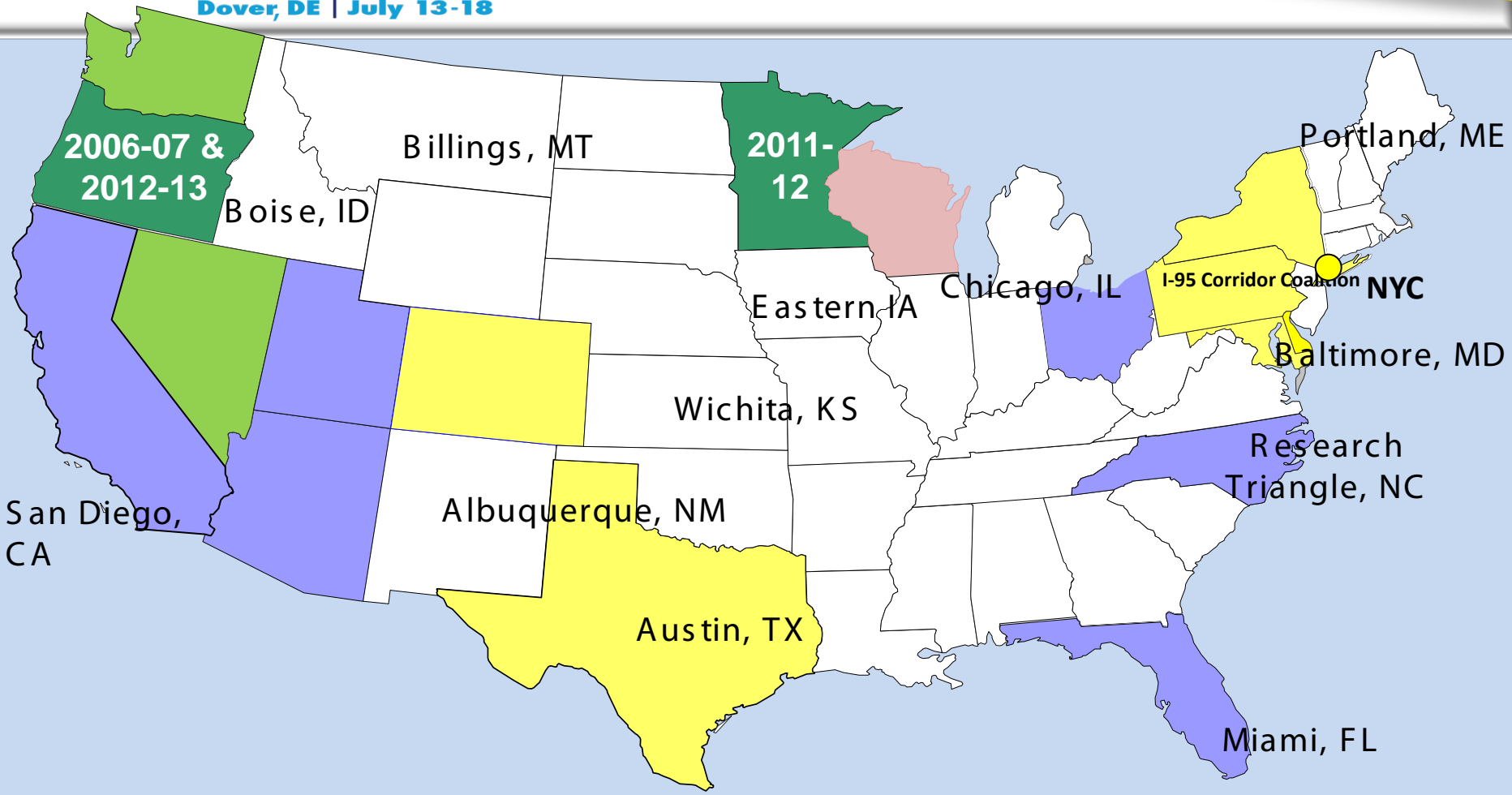




I want to be able to do it all  
from my iPhone



2013 **region I** conference  
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- Pilot Program Completed or Underway
- Participating in multi-state pilot

- University of Iowa Field Tests
- Formal studies underway/competed
- Beginning Inquiry



## Key Challenges and Concerns

- System design and administration
- Privacy protection and data use
- Transition from gas tax
- State to state adoption
- Cost of administration and enforcement

The absence of a federal role ...





## What "they" are saying

- **December 2012** ...Rep. Blumenauer (D-Ore) introduced bill for Treasury to study MBUFs
- **December 2012**...T&I Committee Chair Bill Shuster has said a MBUF is a "fair way" to pay for transportation infrastructure
- **December 2012**...GAO Report "the most promising alternative revenue measure" to the existing gas tax
- **President Obama has opposed MBUFs...**



## What is the reality

- No clear set of **champions** for mileage fees
- No clear **federal** leadership
- Many **issues** to address – not unlike other initiatives
- System design likely to have **options**
- **Technology** will help pave the way for greater public confidence
- Generation of **digital natives** won't have issues with use of technology or privacy

## What can be expected

- **Little** federal leadership
- **Some** research and pilots at the state level
- **More** toll roads and public/private transportation partnerships (using AET)
- **Increase** in alternative and electric vehicles; more fuel efficient vehicles
- **Greater** urgency to adequately fund transportation

**The conversation will continue.....**



# The DMV/AAMVA Likely Role In MBOFs

- Role will be **limited**
- Sharing of vehicle ownership **data**
  - Work out toll information exchange issues
- **Enforcement** (fines/sanctions)
  - Work out state-to-state compacts
- Path to **e-title and NMVTIS** are important components
  - Rethink roles and reposition ...**



# Some Things Do and Can Change

